

How has WSDOT involved the public?

Throughout 2013, WSDOT conducted public and stakeholder outreach to provide education and seek input about operating and funding express toll lanes throughout the full 40-mile I-405/SR 167 corridor.

Major outreach approaches included:

- Briefings with corridor elected officials, city councils, transit agencies, businesses and civic organizations
- Ongoing correspondence with interested citizens
- Four focus groups about carpool policy

A major express toll lanes outreach and marketing campaign associated with the Phase 1 Bellevue to Lynnwood project will launch in 2014.

Next Steps: Completing the 40-mile express toll lane system

WSDOT is currently on schedule to open Phase 1 of express toll lanes between Bellevue and Lynnwood in mid to late 2015. The agency will continue to settle important policy decisions, work with the Washington State Transportation Commission on rate setting, and conduct public outreach before the new lanes open to traffic.

Meanwhile, the agency will continue to work with the Legislature and stakeholders on funding Phase 2 of express toll lanes between Renton and Bellevue, including the I-405/SR 167 Direct Connector, and for the SR 167 HOT lanes extension.

If full funding becomes available in 2014, Phase 2 could be open as early as 2020. If two years of toll collection experience from Phase 1 is necessary for bonding purposes, the project could open as early as 2022.

In the longer term, WSDOT plans to continue collaborating with corridor partners to identify and move forward with completing additional Master Plan improvements.

Complete 40-mile system



The 40-mile system of express toll lanes, shown in this configuration endorsed by the 2010 I-405/SR 167 Executive Advisory Group, would extend from I-5 in Lynnwood to SR 167 in Puyallup.

For more information and the full report visit the I-405/SR 167 Corridor Tolling website: www.wsdot.wa.gov/Tolling/EastsideCorridor

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Funding and Phasing Report Executive Summary

January 2014

The Washington State Department of Transportation is building a 40-mile system of express toll lanes from State Route 167 in Puyallup to Interstate 405 in Lynnwood. Express toll lanes offer a needed solution to the heavy congestion that commuters experience daily, including carpool lanes that often fail to meet their performance standards during peak periods.

The Washington State Legislature authorized Phase 1, construction of express toll lanes between Bellevue and Lynnwood, through RCW 47.56.880 in 2011. This phase is currently under construction. That same legislation also required this I-405/SR 167 Funding and Phasing report, which WSDOT developed in consultation with a committee consisting of local and state elected officials from the I-405 and SR 167 corridor, known as the I-405/SR 167 Executive Advisory Group.

The work in this report is consistent with the 2002 I-405 Master Plan and more than a decade of technical analyses and collaboration with corridor stakeholders, including the I-405/SR 167 EAG. The Legislature has continued since 2005 to ask WSDOT to evaluate express toll lanes as a way of offsetting corridor improvement costs.

Throughout 2013, WSDOT re-engaged the EAG and hosted four meetings. In addition, WSDOT consulted with the I-405/SR 167 Interagency Working Group, composed of technical staff associated with each EAG member. As part of their 2013 work, WSDOT, the EAG and the IWG worked to answer the following questions, covered in this report:

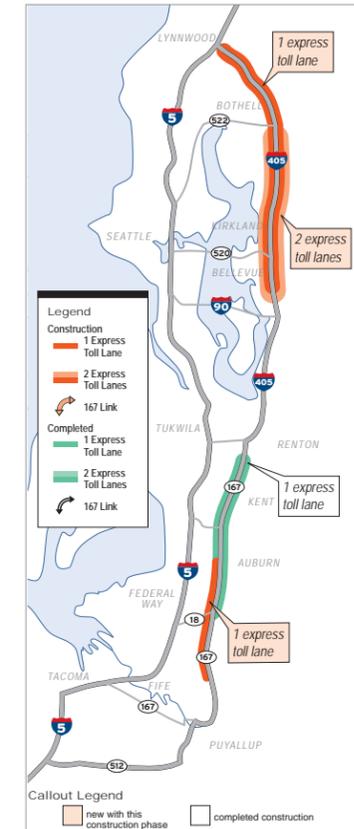
Carpool Policy

- What is our 2+ to 3+ carpool transition plan?

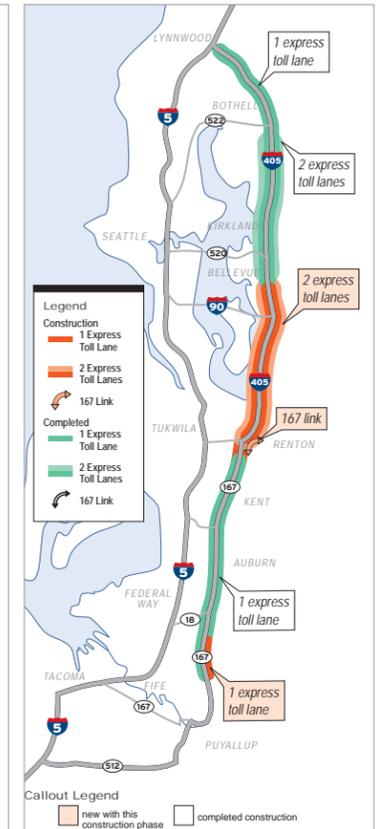
Funding and Phasing

- What is the timing to complete the 40-mile system?
- What are the strategies for financing capital improvements for the 40-mile system?

40-mile system: Phase 1



40-mile system: Phase 2



Construction is underway on Phase 1 of the 40-mile express toll lane system to address continued heavy congestion and decreasing trip reliability in this area. This report summarizes WSDOT's evaluation of carpool policy options for Phase 1, scheduled to open to traffic in 2015. The report also covers funding and phasing options for Phase 2, which extends the express toll lanes from Bellevue into Renton and connects them to the existing SR 167 HOT lanes.

EAG Recommendation Summary

Carpool Policy

3+ carpool free peak/2+ carpool free off-peak

Funding and Phasing

Medium traditional funding option (\$960 million)

Carpool Policy:

What is our 2+ to 3+ carpool transition plan?

EAG Recommendation: 3+ carpool free peak/2+ carpool free off-peak is a workable transition to 3+ carpool free; has least impact on commuters, transit, financial needs; and maintains speeds of 45 mph or better.

Carpool scenarios evaluated

WSDOT has studied I-405 express toll lanes in detail during the past five years. In previous studies, WSDOT evaluated two “bookend” scenarios:

- **2+ carpool free** – Vehicles with two or more people are exempt from tolls in the express toll lanes.
- **3+ carpool free** – Vehicles with three or more people are exempt from tolls in the express toll lanes.

When WSDOT and the EAG concluded their previous work, which national express toll lane experts confirmed in 2010, there was an understanding that a 3+ carpool free definition would be necessary to sustain free-flow speeds in the express toll lanes during peak periods. However, the EAG recognized the challenges of moving to 3+ carpool free and requested transition options.

At the EAG’s request, WSDOT in 2013 introduced two transition scenarios:

- **3+ carpool free peak/2+ carpool free off-peak** – Vehicles with three or more people would be exempt from tolls all day, two-person carpools would be exempt from tolls during off-peak periods (10 a.m. to 3 p.m. and 8 p.m. to 5 a.m.).
- **Carpool discount** – Vehicles with two or more people would receive a discount on the toll to use the express toll lanes. WSDOT evaluated a \$0.50 cent discount and a \$1.00 discount.

Although WSDOT and the EAG evaluated many factors, they gave special weight to whether the carpool scenarios would meet two performance metrics outlined by RCW 47.56.880:

- **Traffic:** Express toll lanes must maintain speeds of 45 miles per hour at least 90 percent of the time during peak periods.
- **Revenue:** Express toll lanes must pay for all related operating expenses within two years of opening.

Only three of the options studied (3+ carpool free, 3+ carpool free peak/2+ carpool free off-peak, and \$0.50 discount) meet both criteria.

WSDOT is briefing the Washington State Transportation Commission on this analysis as part of the I-405 toll rate setting process. WSTC will make the final decision on carpool exemptions for the express toll lanes.

Legislative Direction

RCW 47.56.880

(4) The department shall monitor the express toll lanes project and shall annually report to the transportation commission and the legislature on the impacts from the project on the following performance measures:

(a) Whether the express toll lanes maintain speeds of forty-five miles per hour at least ninety percent of the time during peak periods;

(b) Whether the average traffic speed changed in the general purpose lanes;

(c) Whether transit ridership changed;

(d) Whether the actual use of the express toll lanes is consistent with the projected use;

(e) Whether the express toll lanes generated sufficient revenue to pay for all Interstate 405 express toll lane-related operating costs;

(f) Whether travel times and volumes have increased or decreased on adjacent local streets and state highways; and

(g) Whether the actual gross revenues are consistent with projected gross revenues as identified in the fiscal note for Engrossed House Bill No. 1382 distributed by the office of financial management on March 15, 2011.

(5) If after two years of operation of the express toll lanes on Interstate 405 performance measures listed in subsection (4)(a) and (e) of this section are not being met, the express toll lanes project must be terminated as soon as practicable.

Funding and Phasing:

What are the funding options for the 40-mile express toll lane system?

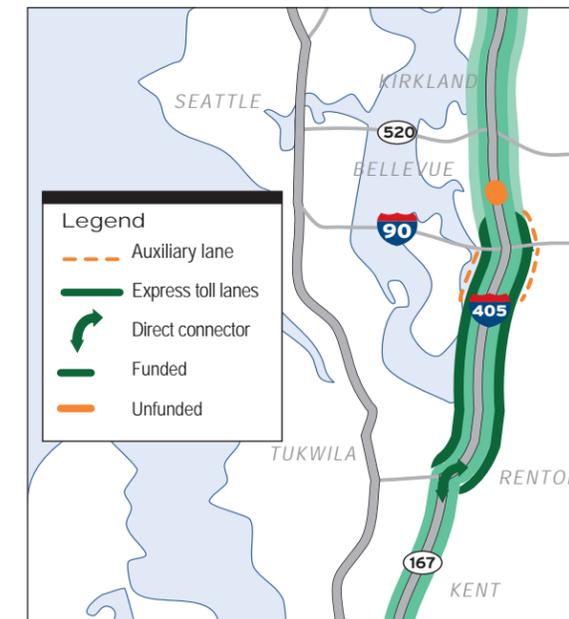
EAG Recommendation: The medium traditional funding option was endorsed because it funds the Renton to Bellevue section and the I-405/SR 167 Direct Connector; Phase 2 needs to move forward as soon as possible.

Three funding scenarios evaluated

WSDOT considered three different options to fund the \$1,175 million needed to complete the 40-mile express toll lane system (Phase 2). As part of each of the options, WSDOT looked at two ways to close the funding gap: financing from toll revenue and pay-as-you-go.

- **High traditional funding:** Relies on gas tax or other traditional revenues for 100 percent of the project funding (\$1.175 billion).
- **Medium traditional funding:** Relies on gas tax or other traditional revenues for \$960 million of the \$1.175 billion needed. The remaining \$215 million would come from toll revenues (toll-backed general obligation bonds or pay-as-you-go).
- **Low traditional funding:** Relies on gas tax or other traditional revenues for \$675 million of the \$1.175 billion needed. The remaining \$500 million would come from toll revenues (toll-backed GO bonds or pay-as-you-go).

The EAG ultimately recommended the *medium option* and urged WSDOT to move forward as soon as possible.



Medium Traditional Funding Option: Project Costs and Funding

Costs	
Renton to Bellevue	\$675 million
One lane between NE 6th Street and SR 167 (accommodates N. 8th)	
I-405/SR 167 Direct Connector	\$285 million
I-405 - 112th Ave. SE to I-90 auxiliary lanes	\$175 million
NE 6th Street Extension	\$40 million*
Total Cost	\$1,175 million

Funding
Total State Funding **\$960 million**

Funding gap
(to be supplied from tolls) **\$215 million**

*Assumes funding from other sources