Low-Income Toll Program Study for Interstate 405 & SR 167 Express Toll Lanes

1. Introduction

1.1 Purpose
Seeking proposals for conducting a study of low-income toll program options for the current and authorized Interstate 405 (I-405) and State Route 167 (SR 167) Express Toll Lanes (ETLs), and for providing the Legislature with a report on the study and recommendations by June 30, 2021.

1.2 Objective
A study, as directed in Section 205(2) of the 2019-2021 Washington State Transportation Budget, to provide preliminary assessment of low-income toll program options for the current and authorized I-405 and SR 167 ETLs. Once completed, these ETLs will comprise a priced managed lanes corridor consisting of three ETL facilities: I-405 ETLs from Bellevue to Lynnwood, I-405 ETLs from Bellevue to Renton, and the SR 167 ETLs from Renton to Puyallup.

This study shall identify existing low-income toll program options, assess how tolling impacts low income drivers who use these tolled facilities, assess the needs and costs for implementing and operating the low-income toll program options; and identify the implications of each option on tolling policies, traffic, revenues, costs, operations, and enforcement.

It is intended that this study would provide analysis to support initial identification of a low-income toll program option(s) applicable to one or all of the facilities in the I-405/SR 167 priced managed lanes corridor for consideration by the Legislature. Additional analysis specific to implementation of a low-income toll program may be necessary, such as to support a pilot project and/or possible toll-rate setting process.

1.3 Scope of Work
The unique tasks to support this project (they are grouped by major effort/tasks to complete project) may include but are not limited to the following:

Project Coordination

   Task 1: Project Planning:

---

1 The current I-405 Express Toll Lanes (ETLs) operate from Bellevue to I-5 in Lynnwood, while the current SR 167 High Occupancy Toll (HOT) Lanes / ETLs pilot project operate from Renton to Auburn. In 2019, the Washington State Legislature authorized tolling for the extension of the I-405 ETLs from Bellevue to Renton and the addition of a second lane for a portion of the single-lane portion of the I-405 ETLs from Bellevue to Lynnwood. The Legislature also made permanent the SR 167 HOT Lanes / ETLs and extended them to about Puyallup. In addition, the Legislature authorized bonding of these facilities for completion of these projects.
The CONSULTANT shall work directly with Washington State Transportation Commission (WSTC) staff in managing and coordinating the project. WSTC shall lead this project and WSTC staff shall be project manager.

Deliverables – Task 1

1) The CONSULTANT shall develop a project management plan for WSTC approval
2) The CONSULTANT shall provide agendas, as needed, for meetings/conference calls with WSTC staff, and summarize the discussion.
3) The CONSULTANT shall participate in monthly progress update conference calls with WSTC staff.

Program Research

Task 2: Scan of Discounted Tolls and Other Similar Programs for Low-Income Individuals

The CONSULTANT shall conduct a scan of discounted tolls and other similar programs, for low-income individuals that are provided by other states, countries, or other jurisdictions.

Deliverables – Task 2

1) The CONSULTANT shall identify and assess low-income toll programs by tolling agencies in other states and countries, as well as similar programs in use within the transportation industry such as for transit, or outside the transportation industry, such as for utilities.
2) The CONSULTANT shall identify and assess potential models or toolkits for guiding development of a low-income toll program.

Task 3: Interviews and Surveys

The CONSULTANT shall conduct interviews and surveys, as needed, to supplement information gained from the national scan. Such interviews and surveys may inform identification of additional study stakeholders and data/information sources for the study, as well as customer-facing policies, eligibility methods, funding source options, costs, savings, benefits, and evaluation criteria in support of identifying and evaluating low-income toll program options.

Deliverables – Task 3

1) The CONSULTANT shall assess and summarize results from the interviews and surveys for the WSTC.

Task 4: Assessment of Implementation Capacities for Impacted Agencies

The CONSULTANT shall identify existing organizational, financial, and system capacities of agencies for implementing or supporting low-income toll program eligibility, and for implementing or supporting required discounts or subsidies. Assessed agencies shall include, but are not limited to, the Washington State Department of Transportation (WSDOT), the Washington State Department of Social and Health Services (DSHS), and the WSTC.
Deliverables – Task 4

1) The CONSULTANT shall consult with staff from selected agencies to identify and document organizational, financial and system capacities for implementing or supporting a low-income toll program, and summarize the findings for the WSTC.

Task 5: Identification of Existing Financial Commitments and Performance Requirements

The CONSULTANT shall identify existing financial commitments and traffic performance requirements for the current and authorized I-405 and SR 167 ETLs.

Deliverables – Task 5

1) The CONSULTANT shall inventory financial commitments and traffic performance requirements for the current and authorized I-405 and SR 167 ETLs. As applicable, distinctions shall be made on how these apply to each of the three priced managed lanes facilities comprising the current and authorized I-405 and SR 167 ETLs. The inventory shall include, but not be limited to:
   a. Existing financial commitments for use of toll revenues and fees from the current and authorized I-405 and SR 167 Express Toll Lanes;
   b. Traffic performance requirements for the current and authorized I-405 and SR 167 Express Toll Lanes;
   c. Portion of system-wide toll operations costs, as shared by all of the state’s toll facilities.

2) The CONSULTANT shall inventory customers’ use of payment options for the current and authorized I-405 and SR 167 ETLs. The inventory shall include, but not be limited to:
   a. Distribution of payment methods used by customers of the current and authorized I-405 and SR 167 Express Toll Lanes, including counts of payments made by cash and counts of payments and Good to Go! accounts associated with electronic benefit transfer cards.

3) The CONSULTANT shall inventory customers, revenues, and costs associated with WSDOT methods for collecting unpaid tolls for the current and authorized I-405 and SR 167 Express Toll Lanes. The inventory shall include, but not be limited to:
   a. Counts of customers that paid tolls through the Notice of Civil Penalty (NOCP) process, and customers who have either paid or not paid after receiving vehicle registration holds and/or being sent to collections.

4) The CONSULTANT shall report to the WSTC on the results of the inventory.

Task 6: Assessment of Low-Income Populations

The CONSULTANT shall identify and assess low-income populations in the region that includes the current and authorized I-405 and SR 167 Express Toll Lanes. As possible, the assessment shall include a sub-region assessment specific to each of the three priced managed lane facilities.

Deliverables – Task 6
1) The CONSULTANT shall identify and assess demographic information for the region that includes the current and authorized I-405 and SR 167 Express Toll Lanes, distinguishing between high-income, middle-income and low-income populations. Assess current and forecasted usage, as available, of the current and authorized I-405 and SR 167 Express Toll Lanes by for high-income, middle-income, and low-income individuals.

2) The CONSULTANT shall identify and assess additional transportation and socio-economic information in support of informing an assessment of low income toll program option for the current and authorized I-405 and SR 167 Express Toll Lanes. This may include but not be limited to: housing data; transit usage data; origin and destination data; and employment data.

3) The CONSULTANT shall identify challenges and benefits low-income populations encounter with use of these tolled facilities;

4) The CONSULTANT, as available, shall identify and assess information about the participants of state and local assistance programs serving the region that includes the current and authorized I-405 and SR 167 Express Toll Lanes.
   a. These programs must have income eligibility requirements and not be specific to the disabled, elderly, or individuals with minor children. This shall include but not be limited to programs administered by DSHS (ex.: Washington Basic Food Program), and the One Regional Card for All (ORCA) LIFT program administered by transit agencies in the central Puget Sound area.
   b. The CONSULTANT shall identify barriers and successes for low-income populations in becoming eligible and accessing these programs.

5) The CONSULTANT shall report to the WSTC on the results of the assessment.

Low-Income Toll Program Analysis

Task 7: Identification of Low-Income Toll Program Options

The CONSULTANT shall identify low-income toll program options for the current and authorized I-405 and SR 167 Express Toll Lanes based upon the findings from Tasks 2-6, and develop evaluation criteria for selecting and assessing the options.

Deliverables – Task 7

1) The CONSULTANT shall develop evaluation criteria for selection and assessment of low-income toll program options, and present to the WSTC for approval.
   a. Evaluation criteria shall be consistent with, but not be limited to Washington State policy guidelines for eligible toll facilities (RCW 47.56.830) and Washington State transportation system policy goals (RCW 47.04.280).

2) The CONSULTANT shall present identified low-income toll program options to the WSTC. The WSTC shall select low-income toll program options for further analysis.
   a. Options shall include identification of baseline eligibility requirements, assistance levels (discounts / subsidies), and implementation method for further analysis.

Task 8: Assessment of Selected Low-Income Toll Program Options

The CONSULTANT shall further assess the implications, impacts, and cost effectiveness of the selected low-income toll program options for the current and authorized I-405 and SR 167 Express Toll Lanes.
Express Toll Lanes. As possible, the assessment shall include implications and impacts specific to each of the three priced managed lane facilities comprising the current and authorized I-405 and SR 167 ETLs.

Deliverables – Task 8

1) The CONSULTANT shall assess benefits, requirements and potential detriments to low-income participants for each selected low-income toll program option, as well as for middle income and high income drivers of the current and authorized I-405 and SR 167 Express Toll Lanes.

2) The CONSULTANT shall identify the most cost-effective way to implement and operate the selected low-income toll program options. This shall consider, but not be limited to the following factors:
   a. Existing financial commitments for revenues and performance requirements for traffic for the current and authorized I-405 and SR 167 Express Toll Lanes;
   b. Shared cost requirements across all of the state’s toll facilities;
   c. Technical requirements to implement and operate a program;
   d. System and organizational costs for each agency responsible for implementing and operating each selected low-income toll program option, and for other agencies substantially impacted by the program.

3) The CONSULTANT shall identify estimated impacts of each selected low-income toll program option on tolling policies, traffic, revenues, costs, operations, collection of unpaid tolls, and enforcement for the current and authorized I-405 and SR 167 Express Toll Lanes.
   a. Sources shall include but not limited to: traffic and revenue modeling results developed for the facilities, available demographic, transportation, and/or socioeconomic studies/data for the region, estimates of potential low-income program participants, and other information gathered for tasks 2-6.

4) The CONSULTANT shall identify implications of implementing each selected low-income toll program option for the I-405 and SR 167 Express Toll Lanes on system-wide tolling policies, costs, and operations, as well as implications for policies, traffic, revenues, costs, operations and enforcement on other tolled facilities.

5) The CONSULTANT, to the extent possible, shall assess the implications of expanding the selected low-income toll programs to other tolled facilities in Washington State.
   a. Implications for the other tolled facilities shall be assessed based on the type of tolling implemented on a particular facility, such as for variable tolling facilities (SR 520 Bridge and SR 99 Tunnel) and facilities with steady toll rates (SR 16 Tacoma Narrows Bridge).

Reporting

Task 9: Report

The CONSULTANT shall prepare a report detailing the research, assumptions, and findings of this study and recommendations for implementing a discounted toll or other appropriate program in the state of Washington for low-income drivers applicable to the current and authorized I-405 Express Toll Lanes.
and SR 167 Express Toll Lanes, and implications of such a program on the state's other tolled facilities.

Deliverables – Task 9

1) The CONSULTANT shall present to the WSTC on at least five occasions to (1) introduce the project plan; (2) to present low-income program options and performance measures for selection by the WSTC of options for further analysis; (3) to provide a mid-project status report; (4) to recap the project and to present findings and proposed recommendations for approval prior to completion of the draft final report, and (5) to present the final report.

2) The CONSULTANT shall provide or contribute to updates on the study that may be presented to the transportation committees of the Legislature, if requested, during the 2020 and 2021 Legislative sessions.

3) The CONSULTANT shall prepare and provide to the WSTC a draft final report by June 1, 2021, with possible follow-up presentation to the Legislature in January-March 2022.

4) The CONSULTANT shall provide and present final report to the WSTC at the Commission meeting on or about June 15, 2021, for submittal to the transportation committees of the Legislature by June 31, 2021.

1.4 Timeline

Pre-Vendor

- Identify Scope and desired outcomes: June – August 2019
- RFP Development: June-August 2019
- Identify and meet with stakeholder participants: June – August 2019

Vendor Selection

- RFP out for Bid: August-September 2019
- Select Vendor: October-November 2019

Project

- Start date: December 2019
- Project deadline: June 30, 2021
- Milestones:
  - Kick-Off Meeting: December 1-13
  - Initial Presentation to Commission: December 17-18
  - Initial presentation to Legislature? – Jan-March 2020 (unlikely)
  - Update to Commission / selection of options for further analysis: May-June 2020
  - Update to Commission / mid-project status report: October 2020 – December 2020
  - Progress Report to Legislature: Jan-March 2021 (likely)
  - Presentation on Draft Final Report to Commission – April/May 2021
  - Presentation of Final Report to Commission – June 2021