

February 16, 2024

Deep Dive 4 – Logistics of Toll Collection

Special Subcommittee on
Transportation Planning – Meeting #5

Travis Brouwer, Assistant Director for
Revenue, Finance, and Compliance,
ODOT (he/him)

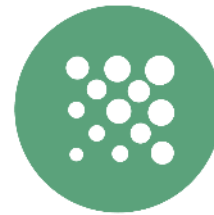
Agenda

- Toll Program Set-up Overview
- Toll System User Experience
- Toll Rulemaking Overview
- Discounts and Exemptions
- Operations Set-up and Costs

Working together on innovative transportation solutions



• **2015-2016:** Governor led transportation visioning panel with meetings around the state



• **2020-2021: Urban Mobility Strategy adopted** to coordinate all projects for climate, equity, safety and mobility



- **2017-2018: House Bill 2017** passed identified core projects and gave direction to study and implement a toll program for congestion relief
- **Value Pricing Feasibility Analysis** developed and evaluated pricing concepts



- **2021: House Bill 3055** passed allows for financial flexibility to deliver core projects, including toll program development.
- Reaffirmed tolling as funding and congestion tool.

ODOT Projects

- ## Partner Project with ODOT Support

- * The exact locations where tolls will be applied on I-5 and I-205 as part of the Regional Mobility Pricing Project will be determined during the federal National Environmental Policy Act (NEPA) process.*

Note: Core project names are boxed



Tolling is not new to Oregon

- Oregon has a history of tolling, all the way back to the 1800s.
- We are using modern tolling.



Columbian Files/The Columbian



Tim Boyle/Getty Images



Interstate Bridge

- Tolloed 1917-1929 and 1960-1966
- Operated by Multnomah County and ODOT

- Historical tolls
- ★ Current tolls

Bridge of the Gods

- Tolls began 1926
- Operated by Port of Cascade Locks
- System: BreezeBy

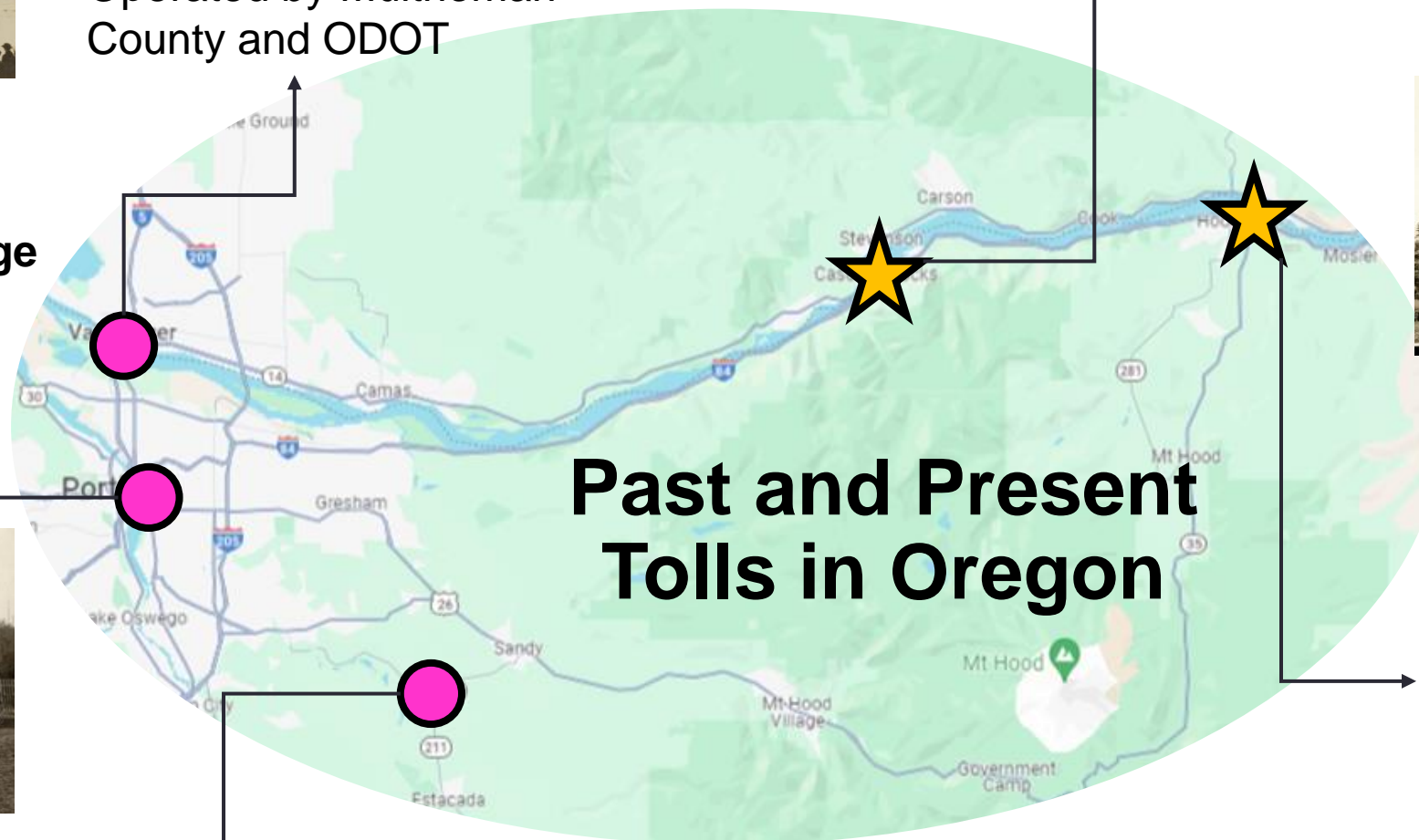
Morrison Street Bridge

- Tolloed 1887-1895
- Operated by ODOT



Barlow Road

- 1846-1912



Past and Present Tolls in Oregon



Hood River-White Salmon Interstate Bridge

- Tolls began 1950
- Operated by Port of Hood River
- System: BreezeBy

Sources: [Hood River Bridge](#); [The History Museum of Hood River County](#); [Bridge of the Gods](#); Tolls in Oregon (Hadlow, 2023)

Toll System Approach

- Prioritize customer service
- Integrate simplicity
- Drive efficiency
- Ensure interoperability
- Minimize capital and operational costs
- Help customers get the lowest toll rates possible



Using toll roads in 4 easy steps

1

Set up account



2

Place toll tag in vehicle



3

Drive



4

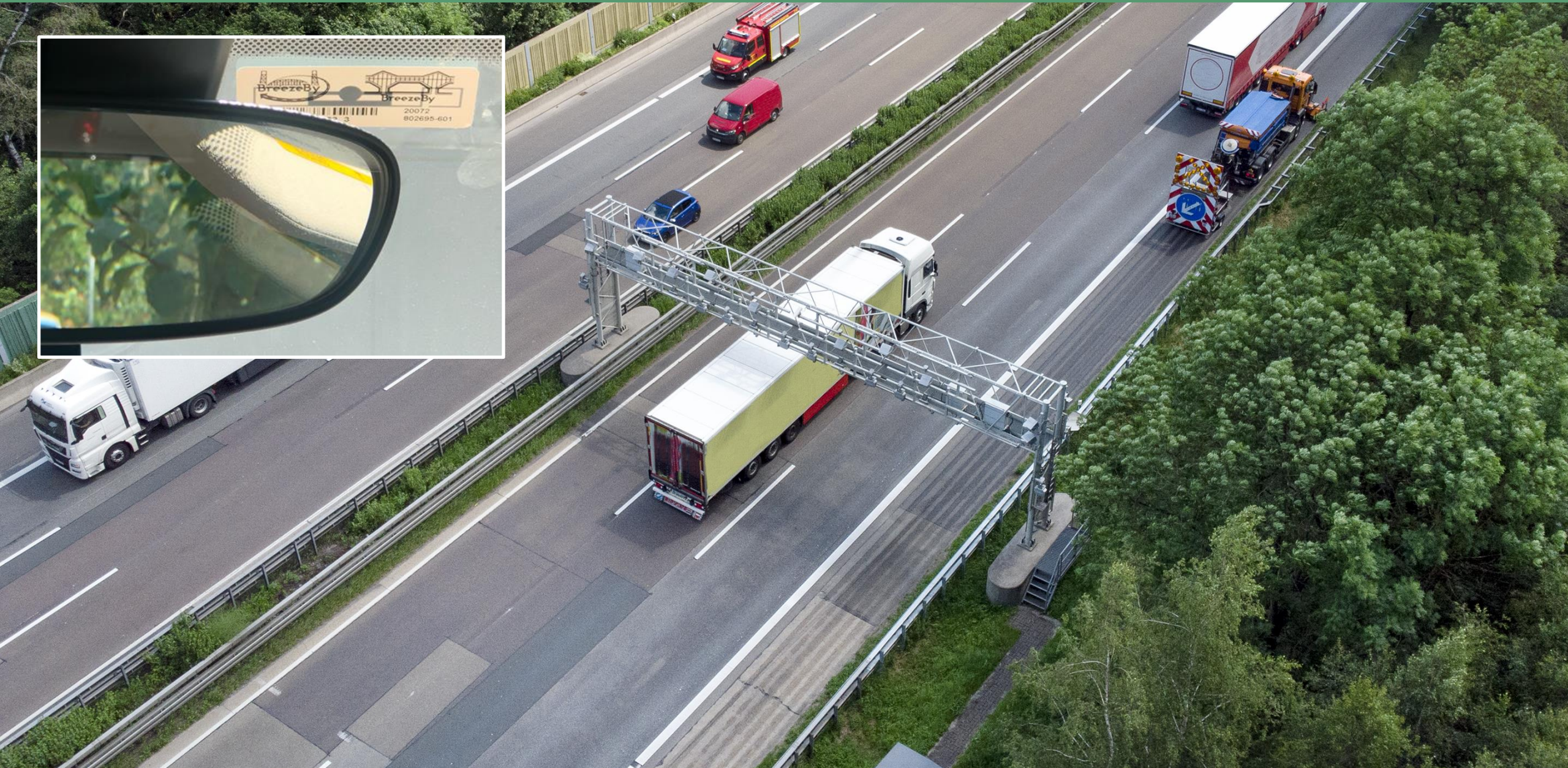
Pay toll



Toll System User Experience

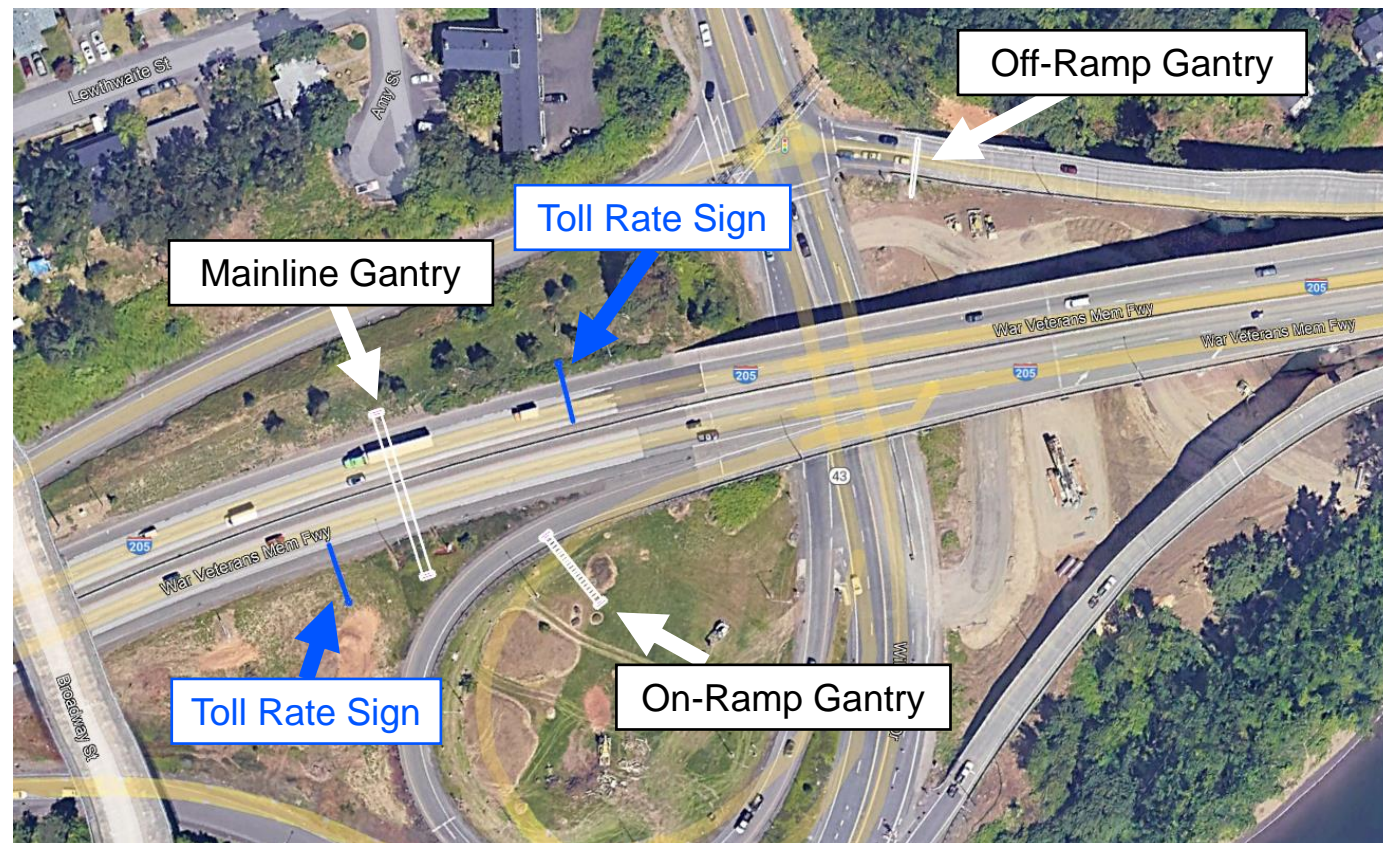


All lanes, all electronic, no stopping





I-205 Toll Project Gantries



How much will I pay in tolls?

At Deep Dive 5 on Feb. 23, we will cover how toll rates vary by:

- Facility used
- Time of day
- Vehicle size
- Account holder or not



Account Holders: Frequent Users



Regular User



Commercial



Business

Non-Account Holders



**Vacation / Business
Visitor**



Unexpected User



Infrequent User

How do accounts for electronic tolling work?

- Lowest cost for registered, prepaid accounts
- Free or low-cost sticker-type toll tags
- **No monthly cost** to maintain account
- **Prepaid balances** – Universal since electronic tolls began in 1989/1990
- All accounts offer **auto-replenishment**



Having everyone sign up for an account and use a toll tag is the best way to keep toll rates and costs low.

How can I set up an account, pay tolls, and get support?

- Online
- In-person customer service center
- Call center
- Cash payment option
- Multilingual services

Future phase:

- DMV kiosks
- Mobile application

WSDOT

Washington State Department of Transportation

Search

Home > Travel > Roads & bridges > Toll roads, bridges & tunnels > Good To Go! Accounts & passes


Good To Go! accounts & passes

Learn how to pay tolls in Washington state and how to save money on every toll with a *Good To Go!* account.

Using a *Good To Go!* account is the best way to pay tolls in Washington. *Good To Go!* accounts save you money on every toll road in the state and give you the convenience of automatic payments. [Create your account](#) now, or [log in to an existing account](#).


Related links

- [Pay a toll bill](#)
- [Create a Good To Go! account](#)
- [Open a case](#)



What you'll find on this page:

- [Good To Go! accounts](#)
- [Good To Go! passes and installation guides](#)
- [Late fees, civil penalties and disputes](#)
- [Visitor's guide](#)
- [Translated materials](#)



Illinois Tollway

How do I pay tolls?

Account with toll tag

- Automatic account charge
- Online or cash payment option
- Likely frequent user



No account

- License plate picture
- Mailed bill
- Online or cash payment option
- Additional processing fee
- Likely infrequent user

What happens if I don't pay my toll bill?

ODOT's goal is to make sure users pay tolls, not to incur additional fees and penalties.

- Going after outstanding toll bills is a costly, time-consuming process for both the customer and ODOT.
- ODOT will not suspend a driver's license for unpaid tolls.
- Civil penalty process and registration holds are used to ensure payment, not to increase penalty.
- Everyone has opportunity to dispute toll bills.



WSDOT Blog

Will the toll tag work with other toll systems?

- Toll system on I-5 and I-205 will be interoperable with:
 - Current Gorge bridge tolls
 - Washington's toll system
 - Truck fleet toll systems
 - And others

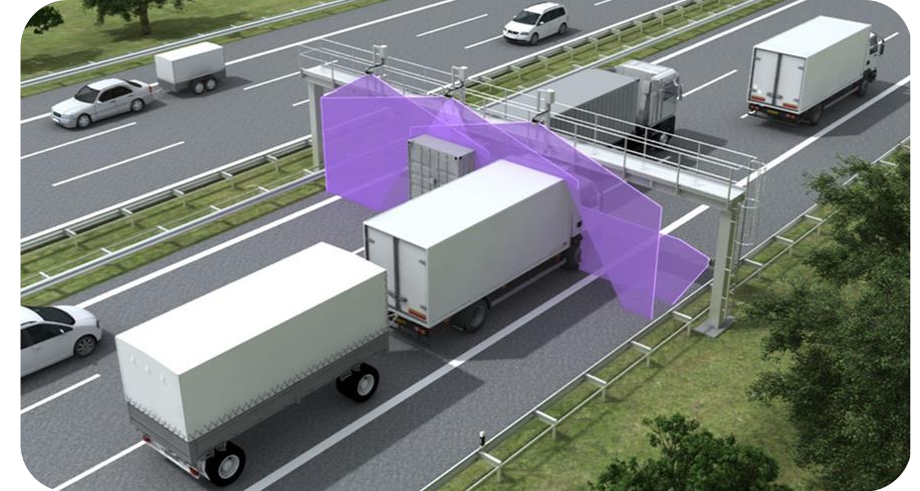
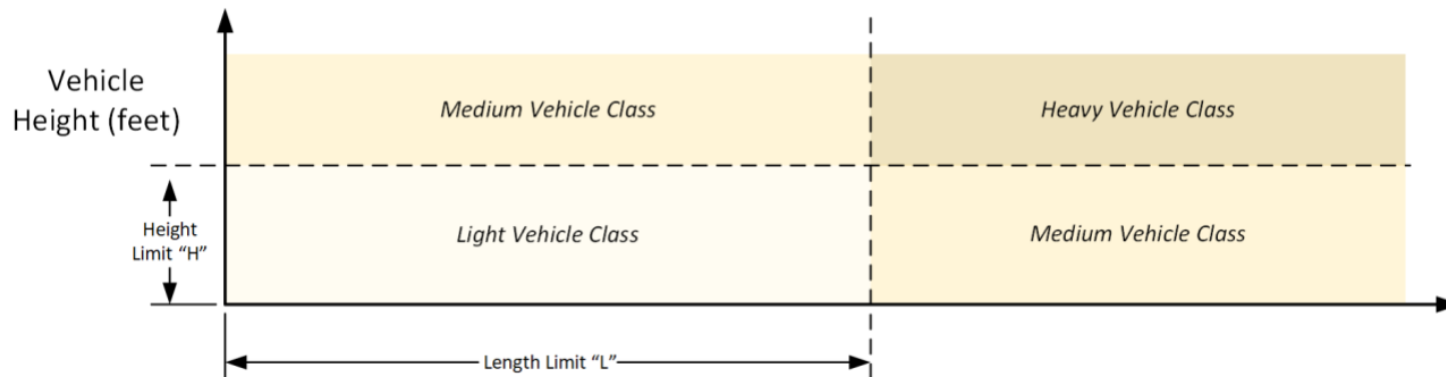


What are the benefits?

- Seamless customer experience for both Oregonians and visitors
- Reduce administrative costs of invoicing

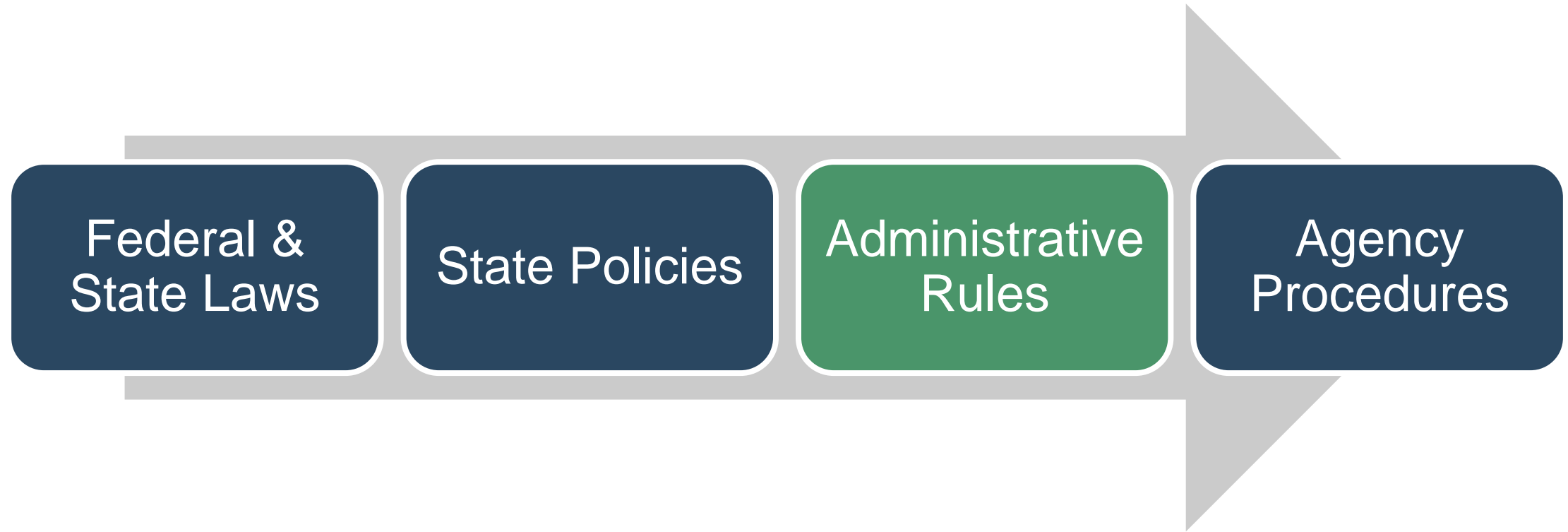
How do sized-based toll rates work?

- Tolls applied by **vehicle size**: Small, medium, large
- **Three classes**: Easier for customers and simpler to administer
- **Sensors** detect and measure vehicle height, length, and width as vehicles pass beneath the gantry

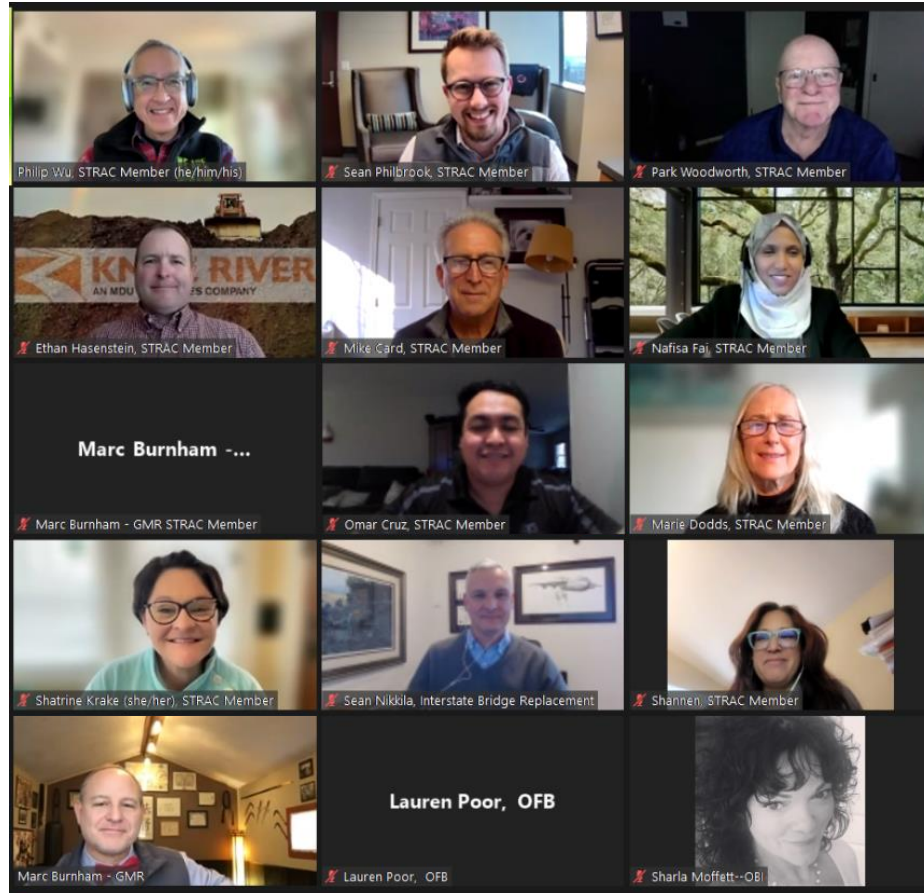


Toll Rulemaking Overview

Building the customer experience



Statewide Toll Rulemaking Advisory Committee



Member Representation
A Sight for Sport Eyes
AAA Oregon/Idaho
Combined Transport Inc.
Global Medical Response
Identity Clark County
May Trucking
Oregon Business and Industry
Oregon Farm Bureau
Penske Truck Leasing
Ride Connection
Washington County Commission / Regional Toll Advisory Committee
West Linn Chamber
Westside Economic Alliance
XPO Logistics
Oregon Environmental Council / Equity and Mobility Advisory Committee

Listening to the voice of the customer

88 focus group
participants



5 languages used to
facilitate focus groups



4,712 tabling
event attendees



79 trucking
meeting participants



22 community-based
organization participants



Many more meetings
and webinars...



Responding to community feedback

- ✓ **Register** for an account on the website, by mail, by phone, and in person
- ✓ **Interoperable** with Washington's toll system on day one
- ✓ **Pay** online, by mail, or in-person with credit card, cash, or check
- ✓ Provide **additional time** to resolve unpaid toll bills without penalty
- ✓ We will prioritize **data privacy** and will not take and store photos of people
- ✓ **Low-income toll program** on day one of tolling
- ✓ **Discounts and exemptions** are limited to what is required and necessary

What will toll rules cover?

Toll collection and accounts

- Methods to pay a toll (card, cash, check, online, bank draft)

Administrative fee, civil penalty, and customer data

- Payment, civil penalty, and dispute process
- Customer data – information collected may not be disclosed

Discounts and exemptions

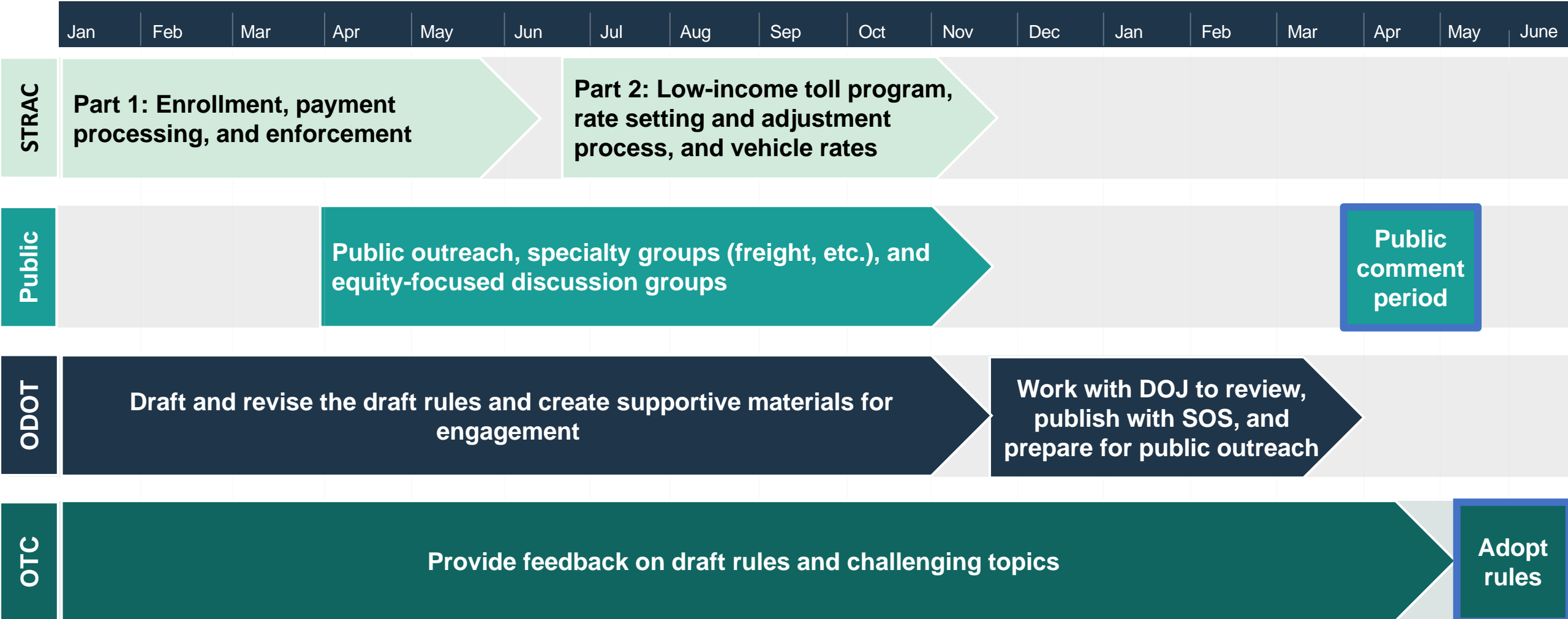
- Exempt vehicles: public transit, military, emergency/incident response, tribal government and member vehicles
- Discounts based on income

Toll Rulemaking Process Timeline



2023

2024



Toll Rulemaking Public Comment Period

Open April 1-30



**ONLINE
COMMENT
FORM**

<https://oregontolling.org>



VOICEMAIL

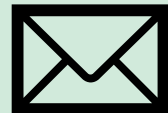
503-837-3536



EMAIL

oregontollrules@odot.oregon.gov

Please include “Rulemaking Comment” in the subject line.



MAIL

Oregon Department of Transportation
Attn: Director’s Office Rulemaking Comment
355 Capitol St. NE MS11
Salem, Oregon, 97301

Discounts and Exemptions

What did the STRAC say about discounts and exemptions?

- Balance equitable tolling and providing exemptions without overburdening other users.
- Concern about cost increase associated with operational complexity of discount/exemption process and revenue loss.
- Priority to keep toll rates as low as possible for everyone.



Member Representation

Washington County Community Engagement

Oregon Environmental Council

At-large member

Beyond Black/Play, Grow, Learn

WorkSystems Inc. Board

Disability Awareness Resource Team (DART)

At-large member; Columbia Distributing

TriMet

Clark County Juvenile Court

Clackamas County Public Health Department /
Department of Transportation & Development

City of Vancouver

Fourth Plain Forward

At-large member

Ride Connection

Equity and Mobility Advisory Committee (EMAC)



What did EMAC say about discounts and exemptions?

- Support at least a **50% discount** for people **at or below 200% of the Federal Poverty Level (FPL)**.
- Explore options for families and individuals **between 200% and 400% FPL**.
- Toll **discounts** are more equitable and favorable compared to **credits**.
- Equity benefits should extend to residents of **SW Washington**.
- **Partner** with **organizations** that could enhance existing toll discount as a form of transportation assistance.

How was the low-income toll program developed?



- **May 2020:** ODOT formed the **Equity and Mobility Advisory Committee (EMAC)** to advise on toll benefits for underserved populations.



- **June-November 2023:** ODOT worked with the Statewide Toll Rulemaking Advisory Committee (STRAC), EMAC, equity framework communities and community-based organizations to develop a low-income toll program.



- **September 2022:** Low-Income Toll Report developed with EMAC and delivered to Oregon Legislature in alignment with HB 3055 direction.



- **December 2023:** Oregon Transportation Commission committed to program benefits and exemptions. This includes offering low-income program on first day of toll collection.

What will the low-income toll program include?

Oregon Transportation Commission direction:

- Offer a **50% discount** for incomes up to **200% of the Federal Poverty Level** (~\$60,000 for household of four in 2023) on day 1 of toll collection
- Analyze additional discounts for incomes up to **400% Federal Poverty Level** (~\$120,000 for a household of four in 2023)
- Extend eligibility to residents of both Oregon and Washington

Chair Julie Brown



Vice Chair Lee Beyer



Comm. Sharon Smith



Comm. Alicia Chapman



Comm. Jeff Baker

How will low-income toll program enrollment work?

Low barrier of entry – multiple income verification options:

- Enrolled in an Oregon public social services program (Oregon ONE Eligibility)
- Enrollment in TriMet's reduced fares program
- Provide information required for verification

Oregon^{one}eligibility



What are the effects of the low-income toll program?

- Initial analysis shows **limited revenue loss** and **limited traffic impact**
- Low-income toll program would **reduce rerouting by low-income households**
 - Program participants experience benefits of tolling (faster, more reliable trip)
 - Program helps keep long trips on the highway

Who will be exempted from tolls?

- Public transit (including paratransit)
- Emergency response, incident response, law enforcement vehicles
- Active military vehicles
- Registered tribal government vehicles and members
 - Being developed through government-to-government consultation



Operations Set-up and Costs

Who will operate the toll system?

- ODOT will contract with firms specializing in developing and operating toll systems.
- **Customer service center** will generate invoices, collect money, interact with customers, and provide in-person customer service.
- **Roadside systems** vendor will operate cameras, toll tag readers, and other technology to identify vehicles.



How do we get from gross revenue to net revenue?



Minus toll operations and road maintenance:

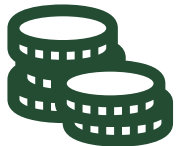
- Credit card fees
- Toll tag purchase and distribution costs
- State and consultant operations
- Roadway toll systems O&M
- Customer service center vendor O&M
- Customer back-office system vendor O&M
- Road maintenance costs

How is net toll revenue used?



Debt service payments on toll bonds/federal loans

Rehabilitation and repair reserve account deposits



Revenue stabilization/debt service reserve account deposits

Other investments in the corridor



How much will operational costs be?

- We are developing estimates of administrative costs.
 - These account for the costs of **good customer service** and **administering discounts and exemptions**.
- Costs are typically contextualized as either an **average cost per transaction** or as a **percentage of the toll**.
 - In Washington, average toll across five facilities is \$3.11. The average transaction cost is about 66 cents, meaning an administrative cost of about 20%.

How much will operational costs be?

Operational cost as a percentage of total revenue is **highly dependent on the toll rate.**



Higher tolls: percentage of revenue that goes to administrative costs is lower



Lower tolls: percentage of revenue that goes to administrative costs is higher

Economies of scale: As we add facilities and customers, costs will be spread over more facilities, customers, and transactions.

I-205 modeled toll rates are relatively low.

- Average toll less than \$2
- Projected administrative costs \approx 33% of total revenue

IBR modeled toll rates are higher.

- Projected administrative costs \approx 20%

What's included in operational costs?

Investing in the toll system allows us to provide a **robust customer service** experience, a key priority heard from our engagement.



We are committed to implementing a **low-income toll program on day 1** of tolling. Configuring this system requires additional investment.



Investing in operations **upfront** allows us to stand up a toll system that will **reduce** regional traffic **congestion** and provide a **sustainable revenue** source.



Tolls **improve traffic flow** and help **reduce congestion**.



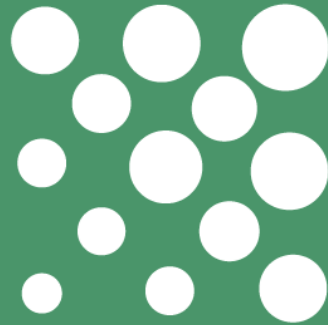
What's next?

Feb. 23: Deep Dive 5 on Toll Rates

Upcoming Program Milestones:

April	Rulemaking Public Comment
Summer	I-205 Toll Project Supplemental Environmental Assessment
2025	Regional Mobility Pricing Project Environmental Assessment

Thank you!



Urban Mobility
STRATEGY