



Memo

Date: July 19, 2022
To: Clackamas County Board of Commissioners
From: DTD and PGA
Subject: Tolling Updates

Purpose:

To provide an overview of the Oregon Toll Program Policy Development process including the Low Income Toll Report, the Oregon Highway Plan Tolling and Congestion Pricing Policy Amendment, and to provide an update on the Equity and Mobility Advisory Committee work.

Per the board request during issues on 7.12.22 staff has prepared an update on the Oregon Toll Program Policy Development including specifics on key documents/policies currently under development, the timeline for engagement/comment, staff's plan for engagement and a plan to ensure regular updates to the board on these topics.

Background:

Tolling in Oregon has become an increasingly complex and complicated issue. Initially, the Oregon Department of Transportation (ODOT) proposed the I-205 toll project covering a seven mile section of 205 with the intent of tolling the project area to pay for the capital project. At the same time that this work is underway, ODOT also is beginning the initial steps of evaluating congestion pricing on all of I-205 and I-5 in the metro area. This project is called the Regional Mobility Pricing Project (RMPP).

Outside of those two National Environmental Policy Act (NEPA) projects, ODOT also recently initiated an update to the Oregon Highway Plan which will include an updated policy on Congestion Pricing and Tolling. Additionally Metro has initiated an update to the Regional Transportation Plan (RTP) which will also have a Congestion Pricing Policy. This policy is separate from ODOT's policy and could apply to local facilities.

As you can imagine development of these policies and the technical analysis of the NEPA processes for 205 and RMPP is unwieldy. Many staff are spending a great deal of time each week reviewing materials, providing comments and feedback, and attending meetings to learn about and discuss elements of the proposals.

Below is a summary of each of these projects/processes as well as project updates where applicable.

I-205 Toll Project NEPA Process:

The I-205 Toll Project is still in the NEPA Process. ODOT had initially planned to have a draft Environmental Analysis (EA) available in June of 2022. In June ODOT announced that there had been a delay in the process due to two major issues. The first issue was in response to local requests that ODOT

evaluate traffic patterns in the near term (2027) instead of only looking at year 2045 to understand the near term impacts of tolling. The second issue is a federal requirement that the I-205 improvements Project Categorical Exclusion be re-evaluated. Essentially this means that the I-205 Toll Project NEPA process will be restructured to evaluate construction impacts of all phases of the capital project except for Phase 1A which is currently under construction and modifies the Abernethy Bridge and the ramps connecting I-205 to OR 43. Previously these construction impacts were approved through a 2018 NEPA decision. Because the funding for the remainder of the project is dependent on tolling, the Federal Highway Administration has required that these impacts be re-evaluated as part of the current NEPA process. A letter from ODOT explaining this change is attached to this memo.

These issues have resulted in a delay to the timing of release of the draft EA and consequently the timing for the county and public to provide input. The current schedule estimates that the draft EA will be published in early Fall 2022 with a final NEPA Decision Document in April of 2023. According to ODOT the timeline for implementation of tolling will not be effected by this delay and will still occur in late 2024.



Regional Mobility Pricing Project:

The Regional Mobility Pricing Project (RMPP) will evaluate tolls on all lanes of I-5 and I-205 in the Portland metro area in Oregon, per direction from the legislature under HB 2017 (2017). Tolls will vary throughout the day. Toll prices will be higher at peak traffic times, a concept known as “congestion pricing.”

This project is in the Planning and Environmental Linkages (PEL) process and will transition into a NEPA process in fall of 2022.

ODOT anticipates these tolls to begin in late 2025.

Oregon Highway Plan Update:

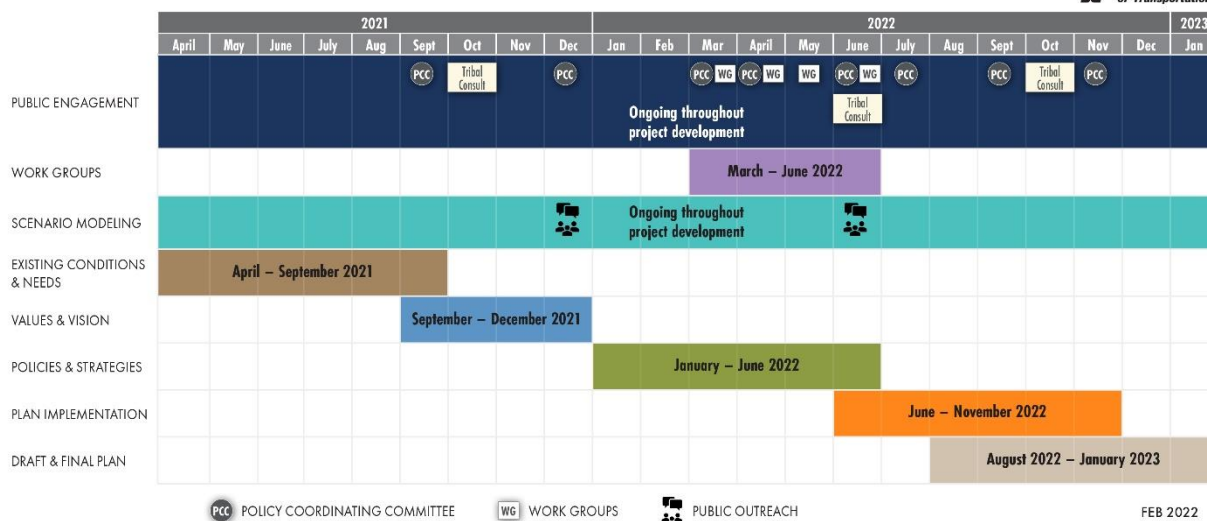
ODOT is leading a process to update the Oregon Transportation Plan (OTP) – the Oregon Highway Plan - including the statewide congestion pricing and tolling policy. While the entire plan will be updated they are fast tracking the Tolling and Congestion Pricing policy so that it occurs first. This effort intends to modernize the language and direct the toll rate setting process.

In June of 2022 ODOT released a draft of the updated Goal 6: Tolling and Congestion Pricing Policy. A public comment period is in process and will remain open until August 1st. A public hearing for this policy will occur on July 20th at 1pm. ODOT will accept the input and will develop a final draft policy for consideration by the Oregon Transportation Commission (OTC) in September of 2022.

Staff has provided a draft letter for board consideration to submit into the public record. This letter includes a request for more time for review and public input on the draft policy changes. More time is needed to allow for genuine community and local government engagement.

More information is available at [Oregon Department of Transportation : Oregon Highway Plan - Policy Amendment 2022 \(Tolling\) : Planning & Technical Guidance : State of Oregon](https://www.oregon.gov/ODOT/About/Pages/Oregon-Highway-Plan-Policy-Amendment-2022-Tolling-Planning-Technical-Guidance-State-of-Oregon.aspx)

OREGON TRANSPORTATION PLAN DEVELOPMENT



Low Income Toll Report:

The Draft Low-Income Toll Report for the Oregon Toll Program was prepared by ODOT at the direction of the Oregon Legislature. The full report identifies options for further consideration about the income-threshold and benefits, as well as best practices for implementation of an equitable, inclusive tolling system. ODOT, in partnership with the Equity and Mobility Advisory Committee (EMAC), will finalize the report and present it to the OTC in September 2022. The report is due to the Oregon Legislature by September 15, 2022, as required by House Bill 3055. This draft report is a culmination of the work ODOT and the OTC have been working on for multiple years regarding how to best address the impacts of the proposed toll projects on people with low incomes. The draft report summarizes the engagement, analysis, and research conducted thus far to inform the options for consideration and best practices. Focused engagement with the OTC, stakeholders, and the public will occur throughout the summer of

2022 to further inform and refine the options for consideration and best practices presented in the final report.

Committee Overview:

ODOT has created a series of committees for these processes.

Below is a list of the tolling specific committees staff participates in and/or monitors/engages with:

- I-205 Toll Project Modeling Committee
- I-205 Toll Project Transit and Multimodal Committee
- Toll Staff Work Group
- Ongoing Transportation Analysis and Modeling Coordination Standing Meeting
- Equity and Mobility Advisory Committee
- Oregon Transportation Plan Update: Policy Coordinating Committee

Other existing committees that are discussing/making decisions on these issues that County staff and elected leaders participate in and/or engage with:

- Regional Toll Advisory Group (Commissioners Savas and Shull recently appointed)
- JPACT
- MPAC
- TPAC
- MTAC
- R1ACT
- Metro Council
- OTC
- C4
- C4 Metro
- The Legislature's Joint Committee on Transportation

Equity and Mobility Advisory Committee Update:

The role of the Equity and Mobility Advisory Committee (EMAC) is to advise ODOT and the OTC on the path toward creating an equitable process and outcomes for the I-205 Toll Project and the Regional Mobility Pricing Project.

This group has been working to develop recommendations which were presented to the OTC on July 14. These recommendations are included as an attachment to this memo. While the OTC accepted these recommendations on July 14, the OTC will not utilize or take into consideration these recommendations until the rate setting process which will occur in 2023.

More information on EMAC can be found at [Oregon Department of Transportation : Equity and Mobility Documents : Oregon Tolling : State of Oregon](#)

What it Means:

This memo is a snapshot in time of the current processes that are occurring with regards to development of the Oregon Toll Program which includes the I-205 Toll Project and the Regional Mobility

Pricing Project. As we have all learned, this is a fast paced, complicated process that changes by the day. Please note that these dates, processes and details are all subject to change.

Please consider approval of the draft letter of comment for submittal into the public record for the Oregon Transportation Plan update to the Goal 6: Tolling and Congestion Pricing Policy. If the board directs, verbal testimony reflecting the final contents of the letter could also be arranged on July 20.

Approval Process:

Ultimately the Goal 6: Tolling and Congestion Pricing Policy Update will be approved by the OTC.

Next Steps:

Staff understands the board's desire to have regular updates on tolling. Staff will develop regular written updates for commissioners to ensure that information about these processes, decision points and talking points is available to all members of the commission.

Attachments:

1. I-205 Project Update Letter_ClackamasCo
2. Low Income Toll Report
3. Goal 6: Oregon Highway Plan Congestion Pricing & Tolling Amendment
4. CC Board Values Document
5. Clackamas County - Comments regarding Goal 6: Tolling and Congestion Pricing Policy from the Oregon Highway Plan
6. Oregon Toll Program Upcoming Decision Points and Advocacy Plan

I-205 Toll Project

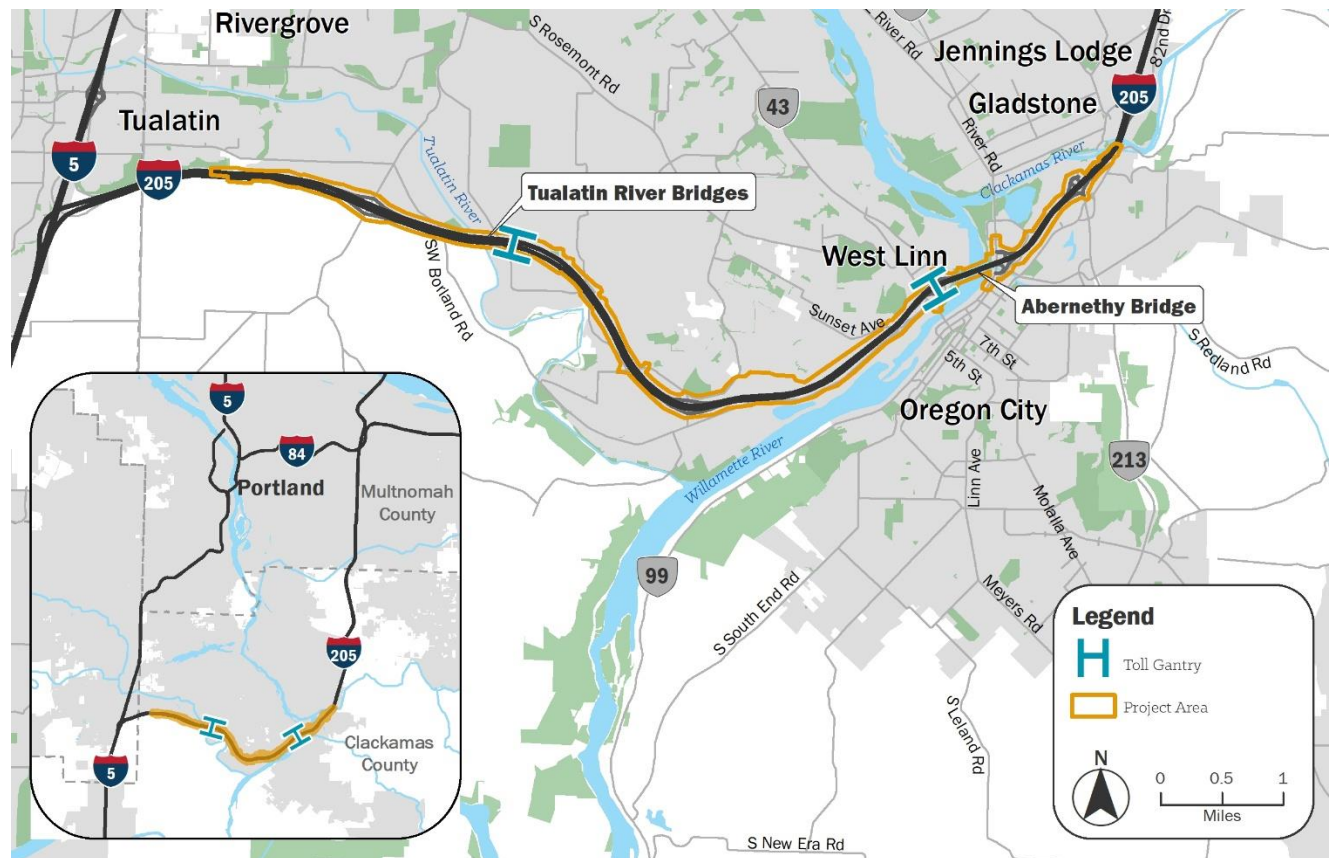
June 30, 2022

Paul Savas
Commissioner
Clackamas County
P.O. Box 68240
Oak Grove, OR 97287

Subject: I-205 Toll Project Update

Mr. Savas,

You are receiving this letter as a participating agency on the I-205 Toll Project ("Project"). The Project would implement tolls on the Abernethy Bridge and Tualatin River Bridges to raise revenue for the I-205 Improvements Project and to manage congestion on I-205 between Stafford Road and OR 213. The Project area and anticipated toll gantry locations are shown on the figure below.



Because of your status as a participating agency, we want to update you on two recent changes to the Project that have changed the scope and schedule of the Environmental Assessment (EA):

1. **The analysis of near-term impacts in 2027.** In response to partners and to better understand near-term impacts, the team is working on additional traffic modeling to understand the impacts of the Project in 2027. This additional analysis has resulted in a schedule delay.
2. **The re-evaluation of the I-205 Improvements: Stafford Road to OR 213 Project Documented Categorical Exclusion (DCE).** The I-205 Improvements Project was previously analyzed and approved in a DCE in 2018. Since the approval of the DCE, ODOT advanced elements of the project as phased construction packages. In 2021, Oregon HB 3055 provided financing options that allows for Phase 1A, which consists of reconstruction of the Abernethy Bridge and improvements to the OR 43 and OR 99E interchanges at either end of the bridge, to be constructed without the use of toll revenue. With independent funding, Phase 1A is advancing as a separate project. In May 2022, FHWA and ODOT re-evaluated the DCE to include only Phase 1A. Construction of Phase 1A began in June 2022. Toll revenue from the I-205 Toll Project is needed to construct the remaining elements of the I-205 Improvements Project; therefore, those remaining elements, including construction of a third lane between Stafford Road and OR 213, will be evaluated as part of the I-205 Toll Project EA. No new analysis for the I-205 Improvements Project will be required; rather, information that was used in the DCE will be pulled into the I-205 Toll Project EA so that the impacts of the two projects can be analyzed together. The incorporation of the I-205 Improvements Project, outside of Phase 1A, into the I-205 Toll Project EA, changes the scope of the Project and has contributed to the schedule delay.

The Project team continues to engage with partners as we advance the technical analysis that informs the EA. We are targeting release of the EA for public comment in early fall 2022. This delay in the release of the EA will not impact the start of tolling on I-205, which is planned for late 2024.

If you have any questions or would like to discuss the Project in more detail, please contact Mandy Putney, Strategic Initiatives Director, Urban Mobility Office, ODOT at 503-720-4843, mandy.putney@odot.oregon.gov.

Thank you for your continued participation in the Project.

Sincerely,



Mandy M Putney

Mandy Putney
Strategic Initiatives Director, Urban Mobility Office, ODOT

cc: Emily Cline, Environmental Program Manager, Federal Highway Administration, Oregon Division

1 Executive Summary

The Draft Low-Income Toll Report for the Oregon Toll Program was conducted by the Oregon Department of Transportation (ODOT) at the direction of the Oregon Legislature. The full report identifies options for consideration on the thresholds and benefits for a low-income toll rate, as well as proposed implementation practices for an equitable, inclusive toll system. The options for consideration (“options”) and proposed implementation practices are intended to start on or before day one of tolling, which is planned for the end of 2024. ODOT will finalize the report and present it to the Oregon Transportation Commission (OTC) and Oregon Legislature by September 2022, as required by House Bill 3055.

This report is a culmination of the work ODOT and the OTC have been working on for multiple years regarding how to best address the impacts of the proposed toll projects on people experiencing low incomes. In combination with the Oregon Highway Plan update and coordination and collaboration with the Oregon Toll Program’s Equity and Mobility Advisory Committee (EMAC), this report is part of a larger ODOT and OTC effort to initiate the Oregon Toll Program in a way that does not disproportionately burden, but rather benefits, people experiencing low incomes and that recognizes that past land use and transportation investments in the Portland metro area—including highway investments—have resulted in negative cultural, economic, and relational impacts on local communities and populations.

The draft report summarizes the engagement, analysis, and research conducted thus far to inform the options for consideration and implementation practices. Focused engagement with the OTC, stakeholders, and the public will occur throughout summer 2022 to further inform and refine the options for consideration and implementation practices presented in the final report.

1.1 Options for Consideration

Provide a significant discount (e.g. credits, free trips, percentage discount, or full exemption) for households equal to or below 200% Federal Poverty Level.

People experiencing low incomes have difficulty meeting basic needs such as paying for food, shelter, clothing, and healthcare. A sizable discount (e.g. credits, free trips, percentage discount, or full exemption) would alleviate the burden of choosing between paying a toll and meeting those basic needs. EMAC supports a sizable discount for households equal to or below 200% federal poverty level (FPL). Furthermore, research and stakeholder engagement shows that the 200% FPL threshold is commonly used to determine eligibility for existing low-income benefits programs in Oregon and nationally.

Provide a smaller, more focused discount (e.g. credits or free trips) for households above 201% and up to 400% of the Federal Poverty Level.

People experiencing incomes equal to and between 201% and 400% FPL still struggle to meet basic needs, despite having slightly higher incomes. Providing a more focused discount (e.g. credits or free trips) for this income group would alleviate the burden of additional transportation expenses. Furthermore, people with incomes at or below 200% of the FPL often shift income throughout the year; this benefit allows them reassurance of continued benefits despite that movement. Respondents from the May 2022 regional online survey support providing some benefit to a range of incomes, up to 300% FPL. EMAC expressed support for providing a sizeable benefit at 200% FPL and a smaller benefit at 400% FPL. EMAC also agreed that including two income ranges to meet different needs is worth the additional complexity.

Draft Low-Income Toll Report: Options to Establish Toll Benefits for Drivers Experiencing Low Incomes

Use a certification process that leverages existing programs for verification and further explore self-certification.

Qualification through existing low-income service program(s) improves the ease of enrollment for applicants and reduces the administrative burden and data privacy risk for ODOT. Self-certification would allow applicants to certify their income without substantiating documents, potentially reducing barriers to enrollment and eliminating the need for ODOT to collect or process sensitive information. However, additional research is needed to understand the potential risk -and impact of program fraud related to self-certification, and the efficacy and tradeoffs of fraud prevention strategies. EMAC strongly supports a self-certification model that streamlines the low-income toll program benefit enrollment process.

1.2 Proposed Implementation Practices

- Provide free transponders to people enrolled in the low-income program and community-based organizations or other groups helping to enroll people. Do not require a minimum dollar amount of balance to load or maintain the transponder account.
- Provide a cash-based option for paying tolls to reduce a barrier to enrollment among those who prefer to pay in cash.
- Conduct extensive marketing, promotion, and engagement with community-based organizations that begins at least 6 months before tolling starts. Post signage so that travelers can make informed decisions.
- Create an in-person and online enrollment process that accommodates participants with disabilities, who have limited technology access or training, and who speak languages other than English.
- Support a monitoring, review, and adjustment process for the low-income toll program that includes community voices and a process that is aligned with the Oregon Toll Program's Equity Framework.
- For people with income at 400% of the Federal Poverty Level and below, offer education opportunities, additional time to pay toll charges, multiple notices of account balances, or set a maximum penalty amount.
- Work with the toll implementation team to develop a concept of operations for the low-income toll program that includes a compliance waterfall.

1.3 Next Steps

Prior to the beginning of tolling, the OTC will establish a rate structure based on vehicle class, time of day, location and distance, and method and payment, and will include income-based adjustments. Additionally, more work is needed to identify the implementation and operations costs associated with the options for consideration and proposed implementation practices identified in this report. Wherever possible, the Low-Income Toll Program will leverage existing systems to streamline implementation and operations. Whatever low-income benefit is decided upon will be built into the back-office system before tolling goes live; a greater challenge will be messaging the low-income benefit to customers and forming creative strategies to reduce barriers to enrollment.

While the options presented in the Final Low-Income Toll Report will inform the income-based adjustments, further work and engagement is needed to define next steps after the report is submitted to the OTC and Oregon Legislature. Ultimately, decision-making authority lies the OTC and will occur through the rate-setting process after further robust public engagement and analysis of traffic and revenue impacts.

Goal 6: Tolling and Congestion Pricing

Introduction

There are many mechanisms to price the transportation system to raise revenue and/or help achieve desired outcomes. These mechanisms can be used in concert with one another when a single system is insufficient at either purpose. The focus of this section is to outline roadway pricing mechanisms to pay for specific high-cost infrastructure or to achieve congestion reduction or other outcomes along discrete sections of roadways. “Tolls” are included in this section, which refer to roadway pricing that focuses on creating revenue for the construction, and other outcome-based mechanisms targeting a desired performance on a roadway, segment, or area, such as helping to reduce congestion. These roadway pricing mechanisms are defined in this policy to help identify when use may be most appropriate and further policy direction is provided to outline how these mechanisms should be applied.

As with all transportation programs, Oregon will fulfill obligations under Federal law for the implementation of road pricing on the interstate system. Tolling and pricing have requirements and obligations that are unique to those programs and the state will ensure that all of these are met.

Types of Road Pricing

To simplify the various terms that are used for road pricing and align them with different policies, the following definitions will be used as key terms:

- 1. Flat rate toll** – A fee set by the Oregon Transportation Commission (OTC) and charged by a road pricing operator for the use of traveling on said facility. The flat rate toll rate does not change throughout the day. Revenues from this type of road pricing are used for specific infrastructure such as bridges or tunnels and other costs associated with the tolled infrastructures.
- 2. Congestion pricing** – Fee ranges are set by OTC and charged by a toll facility operator. Rates are higher during peak travel periods (such as morning and evening commute) and lower during off-peak periods. Current prices are displayed on electronic signs prior to the beginning of each priced section. With congestion pricing, motorists receive a reliable and less congested trip in exchange for the payment. Oregon will focus on scheduled variable rate congestion pricing.

Scheduled variable rate pricing, typically called “variable pricing” varies by time of day according to a published schedule, which can be updated periodically. Although rates can be different for each hour and for each day, they are known to users in advance of travel. This encourages motorists to plan travel in advance to use the roadway during less-congested periods or use a different mode and allows traffic to flow more freely during peak times.

Road Pricing Objectives

Tolling and congestion pricing are tools used to help achieve specific outcomes and can be used together.

6.1 Policy Utilize tolling, congestion pricing or a combination to achieve documented outcomes

6.1.A Action

When tolling is used to fund a specific improvement, consider adding congestion pricing if high levels of congestion exist or it is anticipated within the planning horizon.

6.1.B Action

Develop application specific objectives for tolling and congestion pricing consistent with the policies in this plan, recognizing more than one objective can be achieved but should be balanced.

6.1.C Action

Road pricing options must not conflict with, and try to support, other statewide goals around sustainability and climate, health and equity, with an emphasis on addressing the needs of historically or currently underrepresented and underserved communities.

6.1.D Action

Any road pricing options must consider the purpose and function of the facility, recognizing that the interstate and freeway system should serve longer trips and movement of people and goods to major employment and commerce locations.

6.2 Policy Utilize road tolls to help fund infrastructure improvements

6.2.A Action

Consider tolling for major investment projects on Oregon's freeways and bridges as a source for initial and sustainable funding when other funding sources are inadequate for investment needs.

6.2.B Action

Utilize flat-rate tolling to raise funds for construction, operations, maintenance and administration of specific infrastructure, recognizing that such toll may have less impacts to congestion and climate when compared to congestion pricing.

6.2.C Action

Evaluate if tolling should be used to help pay for any project that is for the construction or re-construction of a freeway or bridge and anticipated to cost more than \$100 million.

6.2.D Action

Complete a comprehensive funding plan for projects utilizing tolling to pay for improvements. Include in the plan funding sources and relative funding shares, as well as analysis of the viability of the project if tolling does not move forward. Reasons for not pursuing tolling must verify how other funding sources will be impacted if the project still moves forward.

OHP Goal 6 DRAFT**6.2.E Action**

Consider tolling to cover the short- and long-term costs of the infrastructure improvement, as is required by law and financing obligations, including: the initial capital outlay, cost of operating the tolling program, and revenue needed to cover long term maintenance, operations, and administration functions.

6.3 Policy Use congestion pricing to reduce traffic congestion

Reduce delays, stops-and-starts, and increase reliability of travel times through congestion pricing to improve overall mobility on Oregon's interstates and freeways where mobility targets are not met and the system is experiencing regular recurring congestion. The intent of congestion pricing is to change some users' behavior so that they choose a different mode of transportation, time of day, route or not to make the trip. Congestion pricing can be considered as a complimentary part of a tolling project incorporating new or upgraded infrastructure, but also can be considered as a travel demand strategy for an interstate or freeway segment without any planned infrastructure projects.

6.3.A. Action

Evaluate if congestion pricing should be used to help manage congestion for any interstate or freeway that exceeds an Annual Average Daily Traffic (AADT) to Capacity ratio (AADT/C) of 9.0 or greater or where average vehicle speeds are less than 45 mph.

6.3.B Action

Prior to adding new throughway capacity such as the addition of new through travel lanes, demonstrate that system and demand management strategies, transit service and multimodal connectivity improvements, and pricing cannot adequately address throughway deficiencies and bottlenecks.

6.3.C Action

Pair pricing with other actions to address roadway congestion holistically, including the use of ITS technology, access control and management, increasing modal options and implementing other demand management tools.

6.3.D Action

Utilize congestion pricing to have a moderate impact on reducing vehicle travel on interstates and freeways through an expected schedule (e.g. during peak hours) with the ability to manage impacts to people experiencing low-income and diversion (rerouting) and especially when there few available alternate route and mode options for real-time decisions.

6.4 Policy Connect to our climate goals and targets

Ensure that potential application of congestion pricing evaluates how it will help support state climate change goals and targets.

6.4.A Action

Recognize that implementation of any road pricing mechanism is likely to impact overall VMT and therefore should be structured to minimize diversion of freight or longer trips to local roads and encourage VMT reduction.

OHP Goal 6 DRAFT

6.4.B Action

Evaluate implementation of road pricing as a strategy to limit or reduce future vehicular travel demand from planned land use development. Analysis should specifically look at projects that are adding significant through travel roadway capacity such as additional through lanes.

6.5 Policy Connect shifting travel to off-peak hours and to biking, walking, and public transportation to the design and operations of road pricing mechanisms

Ensure that road pricing as strategy evaluates potential shift to other travel times and modes of transportation (e.g. public transportation, carpools, biking, and walking), telecommute, or times of travel to reduce climate impacts.

6.5.A Action

Pursue congestion pricing strategies to manage demand so that the recurring congestion performance objectives are met during all hours of the day.

6.5.B Action

Upon completing toll bond obligations, consider congestion pricing strategies for ongoing reliability and demand management purposes.

6.5.C Action

While developing the tolling project and/or road pricing application, collaborate with transit agencies, local jurisdictions, and other modal groups on the following:

- Increase (or support) public transportation services, transportation option service providers, or biking and walking options for those unable to afford tolls within the project or project area
- Understand how the benefits of a better managed, less congested interstate or freeway may provide opportunities for new, expanded, or enhanced transit service
- Understand how the impacts of diversion (rerouting) of vehicle trips may impact existing or planned transit service routes

6.6 Policy Center equity when designing tolling and pricing frameworks

While the reason to price the system will not be to improve equity directly, equity must be considered and addressed in the design, execution and management of any road pricing program. Equity efforts must focus on both “process equity” and “outcome equity,” which are defined as follows:

Process equity means that the planning process, from design to post-implementation monitoring and evaluation, actively and successfully encourages the meaningful participation of individuals and groups from historically excluded and underserved communities.

Outcome equity means that the toll or roadway pricing project will acknowledge existing inequities and will strive to prevent historically excluded and underserved communities from bearing the burden of

OHP Goal 6 DRAFT

negative effects that directly or indirectly result from the priced projects, and will further seek to improve overall transportation affordability, accessible opportunity, and community health.

6.6.A Action

Engrain equity into decision-making processes and ensure equity outcomes are achieved when developing, implementing, and managing road pricing programs, by:

- Ensure full **participation** of impacted populations and communities throughout the project and applications by identifying specific populations, groups, or geographic areas that will be used to discern for equity. The Agency must be accountable and transparent.
- Explore how road pricing application will impact overall household budgets, populations and communities and maintain **affordability**, in balance with other objectives.
- Projects will identify ways to support multi-modal access through partnerships and expand **opportunities** for historically excluded and underserved communities.
- Projects will consider the project impacts to outcomes such as community health, including air quality, noise, traffic safety, economic impacts and other potential effects on historically or currently excluded and underserved communities.

Table XX: Summary of Road Pricing Mechanisms and Associated User Impact and Goals

Mechanism	Flat rate toll	Congestion Pricing
Types of System Pricing	Flat rate toll	Variable rate
USER EXPERIENCE		
One price to use	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Price changes throughout day	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Predictable price for travelers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAND MANAGEMENT		
Encourage shifts away from single-occupancy vehicle travel	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Encourage shifts from peak travel to off-peak travel	<input type="checkbox"/>	<input checked="" type="checkbox"/>
TRAFFIC OPERATIONS		
Manages recurring traffic congestion (congestion pricing)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Responsive to day-to-day variations and real-time conditions	<input type="checkbox"/>	<input type="checkbox"/>



- Does achieve



- Does not achieve

Rate Structures, Pricing Considerations, Exemptions and Discounts

Rate setting will be a critical step in tolling and congestion pricing processes. Specific rates are to be set in rule and the policy below provides the overarching structure for doing so.

6.7. Policy Structure rates so as not to impose unfair burdens on people experiencing low-income and to advance equity

6.7.A Action

When planning for, implementing, and managing road pricing systems including rate setting, engage the following groups for feedback and analysis:

- People experiencing low-income or economic disadvantage
- Black, indigenous and people of color (BIPOC)
- Older adults and youth
- Persons who speak non-English languages, especially those with limited English proficiency
- Persons living with a disability
- Small, minority, and woman- owned businesses
- Other populations and communities historically underrepresented by transportation projects – this shall be determined at the project-level

6.7.B Action

While setting or adjusting road pricing rates, analyze the impacts to affordability by the percentage of household income for lower- income drivers compared to middle and higher-income drivers.

6.7.C Action

Set a no- or low minimum balance requirement for loading or maintaining road pricing accounts used by the public.

6.7.D Action

Road pricing should not contribute to major financial indebtedness for people experiencing low income. Establish rate discounts, exemptions, account supplementation and/or other processes for low-income users.

6.8 Policy Set rates to help achieve desired outcomes

Structure rates to help achieve targeted revenue or performance outcomes as outlined in policy and specified by the project or desired application.

6.8.A Action

Set rates to achieve outcomes and performance targets with the understanding that outcomes will not likely be achieved through road pricing alone and additional revenue sources may supplement funding needs. Structure rates to meet the desired share from toll revenues.

6.8.B Action

Establish rates consistent with the roadway classification, purpose, and function; and the desired use of such facilities. As such:

- Discourage short trips (three miles or less) and prioritize longer-distance travel on interstates and freeways; when evaluating diversion (rerouting) to local streets, limiting these new short trips should not be a priority as compared to limiting diversion (rerouting) of freight or longer trips (three miles or more)
- Any change of 0.05 to the existing/planned V/C from diverted traffic is considered significant and mitigation may be considered
- Keep freight on interstates and freeways and off local streets, when possible.

6.8.C Action

Set rates sufficient to:

- Cover the cost of the tolling or congestion pricing system and administration as is required by law
- Reach the desired revenue needed to pay for the planned share from tolling for the infrastructure improvement, operations, and maintenance
- Manage congestion to desired travel times, speeds, or reliability thresholds established for the project
- Meet any additional system performance metrics, defined for corridors, a series of corridors or by segments.

6.8.D Action

Rate setting decisions must be based on the following considerations that include equitable rate parameters. At a minimum, rate setting should include:

- Definition of a rate range to set a minimum and maximum threshold
- Consideration of condition thresholds for when a rate range may be exceeded
- Provision of discounted or free passage to be used for certain vehicles
- Definition of the corridor for investment.

6.8.E Action

Quarterly review rates to assess goal achievement and need for additional or revised exemptions and discounts.

6.8.F Action

When rate pricing over a longer length of roadway, allow variable rates to be applied in different roadway segments by defining road pricing zones. Zones should be as long as possible and should only be divided where there is a major system connection location that significantly changes the traffic characteristics as compared to an adjacent zone. The rates are then allowed to vary between zones.

6.9 Policy Provide discounts or exemptions to incentivize certain travel behaviors or address impacts

Understand how pricing impacts users and incorporate considerations for system users while achieving pricing outcomes.

6.9.A Action

Provide exemptions for active response vehicles (police, fire, EMS/ambulatory service).

6.9.B Action

Provide an exemption to public transportation vehicles, including private coaches as required under Federal law.

6.9.C Action

Provide discounts or account supplements for people who are experiencing low income and who are struggling to meet basic needs (e.g. food, shelter, clothing).

6.9.D Action

Ensure fairness in pricing and balance low income programs with revenue needs and congestion pricing goals.

6.9.E Action

Incentivize high occupancy vehicles, such as shuttles, and carpools at the project-level or if multiple projects are operating within a region, at the regional-level.

6.9.F Action

Analyze and consider reducing toll rates when funding needs are achieved for the infrastructure improvement but ensure that toll remains to cover maintenance, operation and administration costs and that reduced rates will remain consistent with both project and statewide goals of congestion reduction.

Use of Revenue

6.10 Policy Utilize tolling or roadway pricing revenue within the project corridor

Use funds on the tolled/priced project corridor. The corridor is defined as the tolled/priced roadway and the immediate area of impact adjacent to the project, generally within 1 mile of the priced facility or as defined through the project-specific NEPA process identifying significant impacts. Additionally the corridor should be limited to arterials that generally move traffic in the same direction. If no arterial exists within, then a collector that generally moves traffic in the same direction as priced roadways may be considered. Diversion that is considered significant is when there is a substantial increase in large trucks or an increase in non-short distance trips to the local system that changes the potentially impacted facility's v/c ratio by 0.05 or more.

6.10.A Action

Ensure compliance with U.S. Code Title 23 [Section 129](#) when a toll project is approved under this section. This section requires toll revenue first go to paying for transportation improvements with capital investments to which the toll project is linked.

6.11 Policy Meet all revenue obligations first and prioritize revenue usage

When construction projects are bonded, certain financial obligations must be met before discretionary spending may occur. Net revenues after such obligations should be targeted to meet statewide goals and meet all requirements identified in Oregon's constitution, federal requirements and others as appropriate. ORS 383.009(2)(j) states that moneys in the toll program fund may be used for improvements on the tollway, adjacent, connected and parallel highways to reduce congestion, improve safety and address impacts of diversion as a result of the tollway.

When implementing tolling as a way to help fund key infrastructure projects, revenues should be first directed toward financial obligations, construction, maintenance, and operation of the related infrastructure. A toll may be reduced once obligations are met.

Spend revenue utilizing the following hierarchy:

- Cover the cost of the tolling/pricing system and administration first as consistent with bond indenture requirements; and then
- Reach the desired share of revenue needed to pay for the infrastructure improvement, direct project mitigation, operations, and maintenance; and/or then
- For congestion pricing, discretionary spending should be targeted to manage congestion to desired travel times, speeds, or reliability thresholds established for the project; and then
- Meet any additional system performance metrics, defined for corridors, a series of corridors or by segments.

6.11.A Action

Identify corridor priorities for construction (seismic improvements, bottleneck relief projects, etc.) and operations, maintenance, administration for revenue usage.

OHP Goal 6 DRAFT

11

6.11.B Action

Target net revenues for larger congestion management related projects in corridor as part of project mitigation, including enhanced transit, modal overpasses, etc.

6.11.C Action

Transit and multimodal transportation options should be increased with congestion pricing projects. This can be done through direct toll revenue allocation, when compliant with the Oregon Constitution, or through partnerships. Larger investments in transit-supportive infrastructure, such as bus-on-shoulder and park-and-rides, could be funded through a capital investments approach. Investments in carpools, vanpools, shuttles, and other demand responsive type of shifts to higher occupancy vehicles should also be considered as they may better match the needs of longer-trip users of the interstate and freeway system.

6.12 Policy Address impacts to neighborhood health and safety within the corridor (mitigation)

Acknowledge that diversion, the choice of some drivers to choose off priced system routes, may have impacts to adjacent communities and coordinate with these communities to mitigate significant impacts when feasible.

6.12.A Action

Tolling and congestion pricing projects should be planned and operated to limit longer-trip diversion (rerouting) through local communities on parallel roads.

6.12.B Action

Trips that previously used the interstate or freeway for local travel / short trips (three miles or less) should not be considered as diversion. Local trips are better served on local roads and preserve capacity on the interstates and freeways for their purpose in connecting people on longer trips.

6.12.C Action

When providing investments to address neighborhood health and safety impacts in communities because of diversion (rerouting), prioritize capital investments in biking and walking networks, consistent with constitutional restrictions.

6.12.D Action

Partner with communities when providing investments related to diversion and consider improvements to all modes.

Infrastructure and Management

6.13 Policy The Oregon Transportation Commission is Oregon's toll and roadway pricing authority

Per ORS 383.004 the OTC has been given authority over tolling and road pricing design, execution and management rules and decisions.

The OTC will implement pricing programs to raise revenue and/or manage congestion, independent of land use actions and decisions. Since pricing is a mechanism for system management, such as ramp metering, establishment of pricing rate adjustments are not to be considered land use actions.

6.14 Policy Ensure interoperability of toll rate collection systems

Design systems that are easy to use and maximize interoperability with other known systems of neighboring states, weight mile tax devices and ITS systems while maximizing options for users.

6.14.A Action

Deploy technology that facilitates interoperability with tolling systems of neighboring states whenever possible.

6.14.B Action

For any proposed tolling or congestion pricing project on an interstate or freeway, ODOT shall develop tolling systems that rely on all-electronic collection mechanisms, and enable at least one manner of toll collection that does not require a transponder.

6.14.C Action

For any proposed tolling or road pricing project on an interstate or freeway, ODOT will develop and utilize tolling technologies and systems that are based on common standards and an operating sub-system accessible by the marketplace where components performing the same function can be readily substituted or provided by multiple providers to the extent possible while compatible with tolling systems in the Washington and California whenever possible.

6.14.D Action

Provide a "cash preferred" option for paying road pricing fees in order to reduce barriers to use of the transponders.

6.15 Policy Complete program assessment, monitoring, and adjustments

Once established, evaluate tolling and congestion pricing programs regularly against project specific objectives. Along with financial obligations, this will inform any future adjustments to the rate schedule and other program design adjustments.

6.15.A Action

Establish a monitoring and reporting program, which should include: vehicle speed, volume, driver pattern changes within the corridor (e.g. diversion or rerouting), levels of congestion, modal shifts, air quality, GHG

OHP Goal 6 DRAFT

13

emissions, and equity goals identified on a project-level basis. Data should capture the benefits and impacts to multimodal transportation, which includes: freight, light rail, transit, passenger vehicles (single and high-occupancy), bike, walk, and telecommute. It is acknowledged that varying levels of data exist for these modes and thus information may vary by level of detail or frequency.

6.15.B Action

The OTC will evaluate and adjust all road pricing programs on a regular basis with a minimum of annual review, with consideration to effectiveness toward goals, rate adjustments and revenue generation thresholds.

6.15.C Action

Continually assess the cumulative impact of fees and tolled/priced areas on people experiencing low income.

6.15.D Action

Actively monitor cost allocation between light and heavy vehicles as a part of the highway cost allocation and adjust as needed and ensure compliance with Oregon state constitution requirements.

CLACKAMAS COUNTY VALUES
ON PROPOSED TRANSPORTATION FUNDING SOLUTIONS
FOR THE INTERSTATE SYSTEM IN THE PORTLAND METROPOLITAN AREA

4.15.2021

Clackamas County supports a functional regional interstate system that prioritizes equity, safety, a vibrant economy, healthy and active communities, climate action, disaster resilience, and the reliable movement of people and goods.

We acknowledge that additional funding is needed to construct these projects and other improvements on the interstate system. Clackamas County has identified the following values that should be reflected in any approved funding solutions.

To ensure a safe, equitable regional interstate system, funding solutions should...

- Support timely allocation of funds to construct the projects of statewide significance from HB2017
- Ensure that revenue be reinvested in projects identified by an inclusive public process led by ODOT and coordinated with the local governments
- Elevate engagement with people who have been historically left out of policy discussions, such as low income families and people of color
- Establish viable alternative transportation options that support the functionality of the interstate system, such as an accessible transit system, in areas with inadequate service
- Support necessary improvements to accommodate the region's current and projected growth

To support a vibrant economy & ensure the reliable movement of people and goods, funding solutions should...

- Ensure that no tolling or congestion pricing occurs on any one part of the system prior to full system implementation to avoid economic disadvantages or unfair burdens on people (communities, businesses, and the movement of commerce)
- Maintain a transportation system for urban and rural residents that is dependable and predictable to attract new businesses and industry, and provides reliable travel times for commuters and employers
- Enhance opportunities for Disadvantaged Business Enterprise (DBE) in capital projects and incorporate Construction Career Pathways (C2P2) strategies to promote diversity in skilled construction occupations

To prioritize disaster resiliency and climate action, funding solutions should...

- Provide safe, efficient evacuation routes during natural disasters, such as wildfires and earthquakes, by upgrading vulnerable bridges and other transportation infrastructure to be earthquake ready
- Balance transportation improvements with the County's goal to be carbon neutral by 2050 by working to improve regional air quality and mitigate impacts of vehicle pollution on public health and the environment

To support healthy and active communities, funding solutions should...

- Mitigate impacts on local facilities caused by diversion/rerouting of trips (all modes)
- Embed safety, health and equity into project designs and program policies (all modes)
- Improve connections and travel options to places of work, school, medical care, and recreation

This document is not an endorsement or acceptance of any proposal to implement tolling or congestion pricing on I-205, as we believe it will have a disproportionate and detrimental effect on Clackamas residents, businesses, and visitors.



BOARD OF COUNTY COMMISSIONERS
PUBLIC SERVICES BUILDING
 2051 KAEN ROAD | OREGON CITY, OR 97045

July 19, 2022

Oregon Transportation Commission
 c/o Oregon Highway Plan Manager
 OHPmanager@odot.oregon.gov

RE: Comments regarding Goal 6: Tolling and Congestion Pricing Policy from the Oregon Highway Plan

Dear Oregon Transportation Commissioners:

Thank you for the opportunity to comment on the proposed amendments to the Goal 6: Tolling and Congestion Pricing included within the Oregon Highway Plan.

Given the I-205 project was selected to be the first major toll project in the state, Clackamas County has been deeply engaged for the past two years on the studies and projects related to tolling, both at the regional and state level. We understand that the proposed amendment to the Oregon Highway Plan is not project specific, but that it will guide how tolling is used and how impacts to tolling will be mitigated for all tolling projects in the state. The development of toll policies has evolved rapidly over the past two years and has occurred at various decision tables. In short, the process has felt frantic, uncoordinated and lacking genuine engagement between ODOT and its regional partners and the community.

It is critical that these programs and policies be developed in a coordinated and clear manner. It is also critical that you ensure the appropriate amount of time for due diligence and true engagement and feedback from the public.

First, we echo and uplift our Clackamas County Coordinating Committee's request that the open comment period for review and feedback be extended by no less than 60-days. Clackamas County and the jurisdictions expecting negative impacts caused by tolling I-205 first in the region have been deeply engaged with ODOT and with the OTC. Despite our genuine efforts for collaboration, we still find that the proposed amendments do not match what the region has been working toward and does not compliment what ODOT has communicated thus far regarding their role in mitigating impacts caused by tolling I-205.

We do not believe that ODOT has taken the necessary steps to meaningfully engage the community on these proposed changes. A 45 day comment window is too short for the communities that have been the closest in trying to understand the impacts of tolling, then communities who are just now becoming aware of these proposed changes – if they are even aware of them – need additional and sufficient time to engage & provide feedback. Further, the short review period does not provide local governments

sufficient time to coordinate with the regional congestion pricing policies being considered by JPACT & Metro Council, scheduled for regional discussion at the end of July.

While we do not feel that you have provided sufficient review time, we also expect that our request for more review time may not be granted, therefore we submit the following high level comments.

1. The definition of “diversion” is not acceptable as included in the proposed amendments.

Safety is the number one concern for all of us on our roadway systems. Safety is critical on both the interstates and our local roads. Current modeling from the I-205 project shows that there will be significant diversion of trips from the interstate to the local roads caused by the implementation of tolling. The impacts to local roads will cause significant safety issues for all of the traveling public. Being prescriptive and limiting the type of trips that will be considered “diversion” when implementing a tolling project limits our ability to adequately address the impact that tolling will have on the local street networks.

2. The definition of a “corridor” is too detailed and prescriptive and is not acceptable as included in the proposed amendments.

Proposed Policy 6.10 includes guidance that the impact area should be defined as one-mile from the priced facility, and that the corridor should be limited to arterials moving traffic in the same direction. ODOT’s modeling proves that significant, unexpected impacts can occur outside of the areas as defined by these amendments. For example, severe impacts in Canby are expected from the I-205 Toll project, yet that area would be excluded using this definition of corridor. Each corridor is unique. That is why the corridor and impact area should be established during the NEPA phase for each project individually. Having the prescriptive guidance within the Oregon Highway Plan does not provide public benefit and only limits our ability to address impacts from tolling.

3. Local input at all stages of the process is essential.

While Policy 6.13 calls out that the Oregon Transportation Commission is the Toll Authority, there needs to be specific action under this policy that elevates the role of local policymakers and stakeholders by creating corridor specific Toll Policy Committees and acknowledges their role in decision-making for the investments of the toll revenue. Additional actions should be added under this proposed amendment that reflect the commitments ODOT made when JPACT and Metro Council approved the RTP amendment for the I-205 toll project in Spring 2022. These commitments are essential for addressing diversion impacts and mitigation plans, coordinating tolling projects and providing fiscal transparency.

4. The language within Goal 6: Tolling and Congestion Pricing must reflect tolling best practices from locations already implementing tolling, as well as build on the agreements and work that have been underway within the Portland Metropolitan area.

Since the Policies and Actions should support implementation in local areas, use the information from the Metro Congestion Pricing report and policies, as well as other documents being created by the I-205 Tolling Project, to inform these amendments. Many of the proposed amendments conflict with much of

what has been produced and developed for the I-205 Tolling Project. Not only should these policies align, they should clearly communicate how their input is reflected in the amendments.

5. Local involvement in rate setting, discounts and exemptions

Policies 6.8 and 6.9 address Rate setting, discounts and exemptions. We understand that during the review of these proposed amendments, the OTC is still receiving input from the Equity and Mobility Advisory Committee and from the public about the Low Income Toll Report. We would like to understand how the EMAC recommendations and the Low Income Toll Report will influence these policies. In addition, beyond these two sources, it is important to Clackamas County that local residents who live near these facilities are not unduly burdened by the tolls and that small businesses that are located near the tolled facilities have exemptions or discounts. Finally, we request that Clackamas County has a representative on the Toll Rate Setting Rule Making Committee.

6. Build a policy that works for all Oregonians. The proposed amendments create a cookie cutter approach to implementing toll policies across the region and the state, but not all communities are the same – even in the Metro region. Congestion pricing is intended to “encourage” other modes of travel, utilization of other local infrastructure, and reduce carbon emission. In some areas of the region this approach might work. However, this segment of the I-205 corridor lacks these alternative modes. Not only would the proposed tolling amendments ignore that, they propose policy glide paths that will allow ODOT to justify leaving behind provable diversion mitigation needs. For example, the Oregon constitution limits how transportation revenue can be used to advance transit projects. No meaningful transit route currently exists that provides an alternative mode of transportation through the proposed I-205 toll corridor, and per the Oregon constitution no meaningful way exists to fund one. This will not be a concern in other parts of the region where transit infrastructure is more robust, but the proposed amendments here ignore the obvious need and place the burden on the tolled communities – not the tolling agency – to mitigate this.

The implementation of tolling projects on the state highway and interstate system will impact how people travel for generations, and the choices about how the local and state transportation system is used by the residents and businesses in Oregon. Since tolling will be relatively new to residents of the state, it is difficult to model and design a system with minimal impacts. We have to work together and take the time necessary to do this right. This process is too rushed and is not providing appropriate time for review and meaningful engagement. Please provide more time so that we can work together to make a program that will work for all Oregonians.

Thank you for your consideration.

Sincerely,

Tootie Smith, Chair

On Behalf of the Clackamas County Board of Commissioner

Oregon Toll Program Upcoming Decision Points and Advocacy Plan 7.14.22*					
<u>Policy or Item</u>	<u>OHP Goal 6: Tolling and Congestion Pricing (ODOT OHP Amendment)</u>	<u>Low Income Toll Report Recommendations</u>	<u>EMAC Recommendations</u>	<u>Regional Toll and Congestion Pricing Policies (Metro RTP Update)</u>	<u>I-205 Toll Program EA</u>
<u>Purpose</u>	Provide clarity around pricing and tolling to recognize new opportunities and support potential implementation	Inform the Rate Setting process and program to support low-income discounts	Provide direction related to Equity and the Oregon Toll Program	Policy Direction for inclusion in the 2023 Regional Transportation Plan (RTP)	Evaluate Tolling for a seven mile section of I-205
<u>Deciding Body</u>	Oregon Transportation Commission (OTC)	To be presented to the Oregon Legislature in September, Oregon Transportation Commission (OTC)	Oregon Transportation Commission (OTC)	JPACT / Metro Council	FHWA
<u>Schedule</u>	Public Hearing July 20th, Public Comment period open until August 1st, OTC Adoption anticipated September 2022	Final draft of report to OTC at September meeting, then sent to Legislature by September 15 (no formal adoption anticipated)	Presented to OTC in July, if accepted would inform multiple processes: contracting approach, rate setting, toll projects, state policy, etc. (no formal adoption anticipated)	JPACT / Metro Council workshop on July 28 on Metro's draft proposals; review of final amendments in September; informs final RTP adoption in November 2023	Draft EA expected Fall 2022
<u>Engagement Plan</u>	For July Hearing - Submit letter of comment (pending board approval), Submit technical letter of comment from staff, C4 letter of comment. Opportunity for verbal testimony if the board directs. Staff to observe meeting. Regional Toll Advisory Committee to provide input directly to Director Strickler in August.	Regional Toll Advisory Committee to provide input directly to Director Strickler in August. Staff to observe OTC meeting and presentation to legislature in September.	Staff has provided feedback, held meetings, submitted comments and made suggestions through staff meetings and coordination with EMAC members. Staff to observe OTC Meeting in July.	Commissioners Savas and Shull as your JPACT and MPAC representatives will be engaged in these discussions in coming months. C4 Metro will serve as a coordinating body for these discussions.	As a participating agency Clackamas County will have an opportunity to submit comments on the draft EA.
*This schedule is based on current information and can change at any time at ODOT's discretion					