



Strategic Planning Committee

Meeting Date: August 7, 2023

Agenda Item No. 2

Pricing Strategies and Tolling in the Sacramento Region

Information

Prepared by: Kristina Svensk

Attachments: Yes

Approved by: James Corless

Referring Committee: Not Applicable

1. Issue:

Pricing strategies and tolling in the Sacramento region

2. Recommendation:

None; this item is for information and discussion.

3. Background/Analysis:

Pricing strategies – strategies that include charging user fees for travelers such as tolls, mileage-based fees, parking charges, etc. - are generally speaking, aimed at managing congestion and capacity strains on the highway network by charging drivers on impacted corridors during peak hours/periods. In its most effective applications, pricing strategies are designed to be coupled with public transit and other transportation demand management concepts, and generate revenues that are re-invested in both the maintenance of the infrastructure as well as public transit services. These concepts and strategies are not new and have been implemented across the country, including in the San Francisco Bay Area and Southern California. In the Bay Area, tolled facilities are currently operating along I-580, I-680 and I-880 in Contra Costa and Alameda Counties; US 101 in San Mateo County; and SR 237 and US 101/SR 85 in Santa Clara County. Additionally, tolled express lanes are currently under construction along I-80 in neighboring Solano County.

4. Discussion/Analysis:

Planning for Tolled Facilities in the Sacramento Region

Here in the SACOG region, express lanes are identified as a viable strategy (in addition to mileage-based fees) in our current MTP/SCS to improve traffic management, increase system reliability, expand modal choice, and increase person and freight throughput. These concepts may include single, high-occupancy toll lanes or multilane configurations that add lanes or re-purpose existing lanes or shoulders. Tolls for the lanes can vary based on traffic levels and time of day, which is commonly referred to as dynamic pricing. In 2019, the SACOG Board of Directors adopted an MTP/SCS that identified potential corridors in the region, US 50, I-80, I-5, SR 51 (Capital City Freeway), SR 99 and SR 65, and shown in the map below.

The 2020 MTP/SCS also specifies parameters for pricing strategies that should be considered for projects, including the need for dynamic pricing, which would react to roadway demand during different parts of the day (peak/off-peak) with the objective of managing demand and providing travel choice. Additionally, and critical to the concepts overall, is that projects should make every effort to not negatively impact lower

income and rural households through pricing strategies. Equity programs have been developed in other areas with tolled facilities to address this concern, and could be key components of corridor planning efforts here.

Additionally, the 2020 MTP/SCS lists assumptions related to revenues that are generated from the facilities. It is the intent that any revenues will be committed to transportation investments within the corridor with the priority being that fees should be used to help build and maintain the priced facility, and additional revenues would fund transit, vanpool, and shared ride investments to mitigate potential impacts to local streets along the corridor.

Consistent with the highways shown, planning efforts have continued along key corridors in the region, including I-80 and I-5. The Yolo80 project, which is a partnership between Caltrans and Yolo Transportation District (YTD), would implement improvements along a 17-mile segment of I-80 from the Solano County line through Yolo County that includes tolled managed lanes, Intelligent Transportation System (ITS) components, and pedestrian/bicycle facilities. The project received \$86 million from an INFRA grant award and continues to seek funding to meet project cost estimates. The I-5 Managed Lanes Improvements Project, led by Caltrans, is looking at designing and implementing tolled managed lanes and ITS improvements, among other components in Sacramento County; project boundaries are generally along I-5 from south of Elk Grove to north of the Sacramento International Airport in both directions. The project was recently awarded funding through the state's Transportation Corridor Enhancement Program (TCEP) and continues to seek funding through both state and federal sources.

Implementation of Priced Facilities

To implement and operate a tolled facility along a state highway, an application for tolling authority must be submitted to the California Transportation Commission (CTC). The agency was delegated legislative responsibility to approve tolling facilities in 2016 through Assembly Bill (AB) 194.

As outlined in Section 149.7 of the California Streets and Highways Code, applications for tolling authority must be submitted by a Regional Transportation Planning Agency (RTPA), a Joint Powers Authority (JPA) with the consent of the RTPA, or Caltrans. Eligibility criteria for a tolling authority are identified in AB 194, and applications must provide evidence of how the proposal meets the minimum criteria:

- Demonstration of improved performance (examples include increased throughput, reduced delay, or mode shift)
- Evidence that the tolled facility is in the constrained portion of the RTP (or MTP/SCS)
- Evidence of cooperation between the RTPA and Caltrans
- Compliance with AB 149
- Project initiation document
- Funding plan

In addition to the minimum requirements, the CTC outlines other technical factors that are considered during application. These include (but are not limited to) documentation that further illustrates consistency with concepts related to project need and feasibility, environmental compliance, and outreach.

With the current projects along I-80 and I-5 seeking funding and working towards implementation, regional partners are working together to develop the most appropriate and viable strategy to obtain tolling authority. As mentioned above, SACOG could have various roles in a tolling application including: (1) the sole applicant

and operator for Yolo and Sacramento counties; or (2) as a member of a regional JPA that submits the application(s) and operates a tolling authority.

The state has twelve agencies that currently operate the state's tolled bridges, lanes and roads, with structures for the oversight and operations varying depending on the region. In the Bay Area, tolled facilities are operated or governed by roughly seven different JPAs or agencies depending on the corridor or facility; in southern California, the approach tends to be more regional with fewer agencies. SACOG and its partners have consulted with agencies in the Bay Area and elsewhere in the state to learn about their structures and experiences to inform what a potential structure could look like in the Sacramento region. While a specific governance structure has not yet been identified, SACOG believes that a regional approach, rather than multiple organizations within the region, would be the best overall strategy for managing tolling facilities.

5. Fiscal Impact/Grant Information:

There is no fiscal impact.