Road Pricing
Reduce Congestion
Generate Revenue

David Ungemah
WSP Advisory Services
“Elected officials at all levels of government should be having a serious conversation with the public about how we should fund transportation projects over the long term. This discussion should include explaining why the gas tax has become unsustainable as a funding source and why it should eventually be replaced by some form of distance-based user-fee system.”

—NOEL POPWELL, GOVERNING MAGAZINE
March 27, 2017
75% Agree
“Spend more federal money to improve infrastructure, including roads, buildings and waterways”

Gallup Polling, March 2016
0% Agree
“What do you think is the most important issue facing our country today?”

Gallup Polling, monthly tracking poll, Nov 2016 – May 2017
Competing with a Lot of Other Issues

No amount of marketing and messaging can break through
It’s Not the Money, It’s What We Do With It

Fixing What We Already Have

VS

Upgrading / Adding Improvements
The Message?

The Public is Ready to Support New Transportation Revenue

BUT

Give Us Something We Can Get Excited About
Why Consider Road Pricing

Road Pricing provides higher travel speeds, lower and consistent travel times, and a higher quality of travel than non-priced highways.
Economics of Congestion

Congestion is an imbalance between:

- Supply (highway lanes)
- Demand (highway travel)

Unlimited demand yields overconsumption of supply

- Demand limited by fuel consumption, not location and time of use
- Outcome is economic scarcity

\[ E \text{conomic Scarcity} = \text{Congestion} \]
Economics of Congestion

Road Pricing Resolves Scarcity

- Manages demand to meet supply
- Generates revenue to expand supply
- Achieves higher, efficient travel speeds
- Complements other congestion management strategies
Road Pricing has been proven to better maintain speeds and travel times, encourages travel by other modes or time periods, and efficiently manages capacity.
Express Lanes

Only Express Lane users pay a toll

It’s a Lane-Based Choice

Option to use the Express Toll Lanes or use the toll-free general purpose lanes
Examples

**Multiple Options to Fit Context**

**Buffer Separation**
Paint striping only

**Barrier Separation**
Concrete barriers prevent movement

**Channelizer Separation**
Plastic pylons discourage movement
Revenue Expectations from Express Lanes
Toll Roads

Everyone pays a toll to use the facility

It’s a Route-Based Choice

Option to use the Toll Road or use a different non-toll facility
Examples

**SR-520 Floating Bridge (Washington)**

**Existing Facility Reconstruction**
- New bridge + Widened Highway

**All Electronic Tolling**
- Transponder and license plate tolling
- Tolling started in 2012; bridge complete in 2016

**Variable Toll Rates**
- $1.25 (lowest overnight)
- $4.30 (highest, during AM / PM peak hours)
- $2 surcharge for license plate billing
Merging Toll Roads and Express Lanes Concepts

Portland, Oregon
- Exploring pricing all existing lanes on two freeway corridors

Notables
- First application of its kind in the U.S.
- Unknown impacts upon surface streets
- Concerns regarding income equity

Rationale
- Greatest potential level of congestion relief
- Relatively inexpensive to deploy
- Generates revenue for reconstruction
- Opportunity for part-time operations
Ability to infuse location, time, and congestion information into fee rate

Road Usage Charging
Everyone pays a per-mile fee

It’s a Direct Replacement to the Motor Fuel Tax

Ability to infuse location, time, and congestion information into fee rate
California Road Charge Pilot

5000+ vehicles statewide that drove...
- 73% felt a road charge was a more equitable transportation funding solution than the gas tax
- 87% found participating in a road charge to be easy
- 61% are more aware of the amount they pay for road maintenance
- 85% overall road charge pilot satisfaction
Road Pricing is a proven means of maintaining congestion-free travel on U.S. freeways in urban areas.

Sacramento-area freeways reflect similar patterns as any other U.S. city, permitting congestion-free travel.

Designing and planning for road pricing systems on Sacramento area freeways is tangible and available.
The Express Lanes concept is a rare policy innovation that **IMPROVES ECONOMIC EFFICIENCY AND IS POLITICALLY FEASIBLE.**

—Bob Poole, Founder
Reason Public Policy Institute
David Ungemah

WSP Advisory Services
Vice President / Director | Transportation Operations Strategy Business Line
David.Ungemah@WSP.com | (720) 837-1522