



**BUSINESS OF THE CITY COUNCIL  
CITY OF MERCER ISLAND, WA**

**AB 4361  
October 6, 2008  
Regular Business**

<b>POLICY POSITION ON TOLLING I-90</b>	<b>Proposed Council Action:</b> Adopt a resolution that calls for no tolls on travel to and from Mercer Island.
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<b>DEPARTMENT OF</b>	City Manager (Linda Herzog)
<b>COUNCIL LIAISON</b>	n/a
<b>EXHIBITS</b>	<ol style="list-style-type: none"> <li>Proposed Resolution No. 1402</li> <li>September 11, 2008 letter to 520 Tolling Implementation Committee</li> <li>Excerpts from e-mail to Council summarizing Tolling Committee decisions on future analyses</li> </ol>
<b>APPROVED BY CITY MANAGER</b>	

<b>AMOUNT OF EXPENDITURE</b>	\$	n/a
<b>AMOUNT BUDGETED</b>	\$	n/a
<b>APPROPRIATION REQUIRED</b>	\$	n/a

**SUMMARY**

At its September 8, 2008 Special Meeting, the Council considered three resolutions regarding the operation of I-90 across Lake Washington. Two of these resolutions, one prepared by Councilmembers and the other by staff, established the applicability of the I-90 Memorandum of Agreement (MOA) to tolling decisions that would affect I-90, and put the Council on record in opposition to tolls on I-90. The other, prepared by the Eastside Transportation Association, reaffirmed support of decisions made in 2002 and in 2004 regarding design of the I-405 and I-90 corridors.

The Council discussed both the recitals and the resolving statements of these three resolutions and concluded that the best elements of each should be incorporated into a new resolution for the Council to consider at its first October meeting.

Proposed Resolution No. 1402 is attached as Exhibit 1. The recitals of this new resolution:

- describe the unique circumstance of Mercer Island, bounded by water and fully dependent on I-90 for travel to and from the Island;
- briefly recount the history of I-90 bridge design decisions that affect Mercer Island mobility;
- acknowledge the need to impose roadway tolling for 520 bridge replacement funding;
- point to the applicability of the 1976 MOA; and
- call for equitable treatment of Mercer Island residents and workers.

Resolution No. 1402 concludes that:

- the current tolling discussion triggers the consultation and concurrence provisions of the MOA,
- I-90 must not be tolled until implementation of the R8A configuration on I-90 provides Mercer Island access to the outer roadway HOV lanes, and
- tolls must not be imposed on travel to and from Mercer Island.

Staff recommends Council adoption of this new resolution. Upon adoption, it will be sent to the 520 Tolling Implementation Committee, to Mercer Island's Legislative representatives, to I-90 MOA partner jurisdictions, and to Eastside cities currently involved in the regional discussion around tolling to support the 520 bridge project.

### **Actions since the Council's Most Recent Tolling Discussion**

Immediately following the Council's Special Meeting on tolling (September 8, 2008), staff prepared and delivered two communications expressing Mercer Island's interests and needs for more information. One letter was from the City Manager to WSDOT and PSRC modeling staff, requesting additional information from the forecasting process. A draft of that letter was attached to Agenda Bill 4353. The City's transportation engineering consultant Rob Bernstein is pursuing this inquiry now.

The second communication was a letter dated September 11, 2008 from the Mayor to Chairman Drewel of the 520 Tolling Implementation Committee, attached here as Exhibit 2. That letter expresses the following Council policy position: *"The Mercer Island City Council supports tolling to fund large transportation capital projects as long as all tolls collected are identified for the construction, maintenance and improvement of the facility being tolled."* Further, it requests the Committee report on the following scenarios and modeling details:

- All past and future analyses include findings that assume (a) no tolling on travel to and from Mercer Island, and (b) toll-free travel from the Island in at least one direction if I-90 is tolled;
- A new scenario that tolls the 520 bridge along with the I-405 and I-5 connections to I-90;
- A scenario that generates all the needed funding for SR 520 by tolling only 520 itself.

The Tolling Implementation Committee has announced that the next set of tolling scenarios will include a 520-only tolling scenario that seeks to generate all the needed funding (second bullet above). But there will not be a scenario that includes tolls on I-405 and I-5. Regarding the effects of no tolls for travel to and from Mercer Island, PSRC staff have advised that (a) travel to and from the Island constitutes about 20% of I-90 bridge traffic, and (b) trips from Mercer Island eastward across the East Channel bridge are roughly equal in number to those westward across the floating bridge. If and when greater precision is needed, the City can direct a request to the State Finance Office which is responsible for computing the revenue outcomes of the various tolling scenarios.

### **The Next Set of Tolling Scenarios**

On Sept. 11 the Tolling Implementation Committee approved study of a set of six new scenarios and re-analysis of the first four, incorporating technical improvements in the model protocols that were recommended by the Committee's peer review experts. The Sept. 11 decisions were detailed in an e-mail from City staff, a copy of which is attached here as Exhibit 3.

### **Continuing Public Information and Input**

The Tolling Implementation Committee continues to welcome public comment by mail and on their web site through the end of December. Additionally, there will be a statistically valid phone survey and a web survey in November. The Committee is also planning a series of three more open house events similar to those held in July and August. One of these is tentatively scheduled for the week of Nov. 17 on Mercer Island.

### **Next Steps for the Tolling Implementation Committee**

The next Committee meeting will be held Nov. 10. At that time, staff will present reports on all but one of the new scenarios described in Exhibit 3. Staff advised the Committee on Sept. 30, that complex engineering questions and modeling issues will delay completion of the final scenario until December – the scenario that tests HOT lanes on I-90. (Note also that the HOT lanes scenario is now modified to assume activation of HOT lanes in 2016 rather than 2010.)

### **RECOMMENDATION**

*Interim Deputy City Manager*

MOVE TO: Adopt Resolution No. 1402 establishing Mercer Island policy positions on highway tolls that affect Mercer Island mobility.

**CITY OF MERCER ISLAND  
RESOLUTION NO. 1402**

**A RESOLUTION OF THE CITY OF MERCER ISLAND, WASHINGTON  
REGARDING TOLLING ON LAKE WASHINGTON BRIDGES.**

**WHEREAS**, the geographic position of Mercer Island, separated from the mainland on all sides, means those who live and work on the Island cannot leave their community without using I-90; and

**WHEREAS**, if tolls are imposed on the I-90 bridges, Mercer Island residents, unique among all others in the Puget Sound region, would have to pay a fee penalty each time they traveled to or from their city; and

**WHEREAS**, Mercer Island is a small and primarily residential community of 22,000, with limited medical care, other professional services, retail and entertainment opportunities on the Island, thereby requiring access to the mainland to fulfill the needs and obligations of daily living; and

**WHEREAS**, if a proposal to toll I-90 across Lake Washington is advanced, the Department of Transportation and Washington State Transportation Commission are obliged under the terms of paragraph 14 of the 1976 Memorandum of Agreement to “take no action which would result in a major change in either the operation or the capacity of the I-90 facility without prior consultation with and the involvement of the other parties [to the Memorandum of Agreement], with the intent that concurrence of the parties be a prerequisite to Commission action to the greatest extent possible under law.”

**WHEREAS**, The Washington State Highway Commission originally approved 10 lanes for I-90, 4 general purpose lanes west bound, 2 transit lanes, and 4 general purpose lanes east bound (4-2T-4); and

**WHEREAS**, both the original and amended I-90 Environmental Impact Statements (EIS) were based on this configuration; and

**WHEREAS**, Mercer Island was projected to generate almost one full lane of traffic into Seattle; and

**WHEREAS**, Mercer Island has already made significant sacrifices in agreeing to give up the 4th general purpose lane for the right of Mercer Island traffic to use the transit lanes on a third priority basis

**WHEREAS**, the I-405 final environmental impact statement (FEIS) approved on June 10, 2002 and issued on June 28, 2002 is a comprehensive analysis studying the major transportation corridors east of I-5 and including the operation of I-90; and

WHEREAS, the I-405 Corridor Program Record of Decision documents the FEIS as approved by 24 agencies; and

**WHEREAS**, the Mercer Island City Council has consistently asserted the City's right and responsibility to protect Island residents, businesses and visitors from degradation of their mobility to and from the Island; and

**WHEREAS**, plans are now underway to replace the failing SR 520 bridge across Lake Washington, and \$1.5 to \$2 billion more is needed to fund the bridge replacement project; and

**WHEREAS**, roadway tolling has been identified as one of the possible revenue sources for the needed project funding; and

**WHEREAS**, tolling SR 520 in order to generate revenue to fund replacement of the 520 bridge places the responsibility for payment on those who actually use 520, but tolling I-90 to help fund 520 places a burden on those who do not and will not directly benefit; and

**WHEREAS**, the 520 Tolling Implementation Committee appointed by the State Legislature is charged with evaluating the feasibility of raising the needed funds through tolling on 520 and possibly also tolling on I-90; and

**WHEREAS**, the Tolling Committee's initial evaluation results indicate that more than enough revenue would be collected if I-90 were tolled in addition to 520 given the initial toll rate assumptions; and

**WHEREAS**, these initial evaluation results also show only a small diversion of traffic from SR 520 to I-90 if tolls are collected on SR 520 alone; and

**WHEREAS**, If a proposal to toll I-90 across Lake Washington is advanced, the Department of Transportation and WA State Transportation Commission are obliged under paragraph 14 of the 1976 Memorandum of Agreement to "take no action which would result in a major change in either the operation or the capacity of the I-90 facility without prior consultation with and the involvement of the other parties [to the Memorandum of Agreement], with the intent that concurrence of the parties be a prerequisite to commission action to the greatest extent possible under law."

**WHEREAS**, the Tolling Committee is also evaluating the "reasonableness" of tolls that might be imposed on one or both of the cross-Lake Washington bridges, and reasonableness includes the concept of equity; and

**WHEREAS**, the citizens and businesses of Mercer Island will be uniquely and unfairly impacted if tolls are exacted on their travel to and from their community; and

**WHEREAS**, tolling I-90 to pay for a new SR-520 bridge would place a disproportionate share of the costs on Mercer Island residents

**WHEREAS**, under State and Regional Growth Management principles all jurisdictions must achieve a balance between housing and employment, and for Mercer Island this requires daily in-migration of employees, and tolls on I-90 would be a material barrier to achieving this important goal; and

**WHEREAS**, the 520 Tolling Implementation Committee has requested input on their initial evaluation results from all affected communities and their elected representatives,

**NOW THEREFORE BE IT RESOLVED** by the Mayor and City Council of the City of Mercer Island as follows:

**SECTION 1.**

The City Council is clear that any proposal to toll I-90 across Lake Washington would constitute an action resulting in a major change in the operation and capacity of the I-90 facility and therefore would trigger the consultation and concurrence provisions contained in paragraph 14 of the Memorandum of Agreement.

**SECTION 2.**

Both the continuous HOV lanes planned for construction between Seattle and Bellevue and across Mercer Island on I-90 (R8A) and the consultation and concurrence prerequisites of the Memorandum of Agreement must be completed prior to implementation of tolling on I-90.

**SECTION 3.**

Tolls must not be imposed on travel to and from Mercer Island on I-90, the only means of public access to and from the Island.

ADOPTED BY THE CITY COUNCIL OF THE CITY OF MERCER ISLAND, WASHINGTON AT ITS REGULAR MEETING ON THE 6<sup>th</sup> DAY OF OCTOBER, 2008.

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Jim Pearman, Mayor

ATTEST:

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Allison Spietz, City Clerk



September 11, 2008

Bob Drewel, Chair  
520 Tolling Implementation Committee  
c/o Puget Sound Regional Council  
1011 Western Avenue, Suite 500  
Seattle, WA 98104-1035

Dear Bob,

The Mercer Island City Council has discussed the 520 Tolling Implementation Committee's findings from analysis of the initial tolling scenarios. We very much appreciate your public information process, and especially the Open House here on Mercer Island on August 13. Our citizens have been well informed, and many have provided us feedback on your early modeling conclusions.

At our City Council meeting Tuesday night the Council adopted a policy pertaining to roadway tolling in general, and decided to ask the Committee for additional analyses. Both the policy position and the new data requests are summarized below.

Additionally, Mercer Island is preparing policy statements relating directly to the impact on Mercer Island citizens, workers and visitors of tolling Interstate 90. Those I-90-specific policy positions are being fashioned into a Resolution which will be before the Council for adoption within the next several weeks. If the additional information we are requesting here becomes available by the time of that meeting, we will incorporate it into our continuing policy discussions.

Mercer Island wishes to submit this statement of policy regarding roadway tolling:

*The Mercer Island City Council supports tolling to fund large transportation capital projects as long as all tolls collected are identified for the construction, maintenance and improvement of the facility being tolled.*

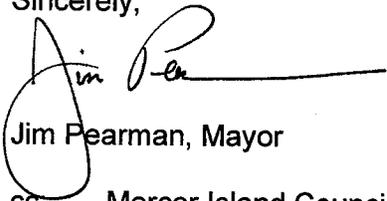
The Mercer Island City Council also requests that the 520 Tolling Implementation Committee:

- Prepare full traffic forecast and financial analyses for the following two variations of all past and future scenarios that include tolling on I-90:
  - (a) without tolls being paid for travel to and from Mercer Island, and
  - (b) such that any tolling on I-90 would allow toll-free travel to and from Mercer Island in at least one direction.

- Create and test a scenario that tolls the 520 bridge along with the I-405 and I-5 connections between 520 and I-90.
- Determine what 520-only toll rates and timing will generate all the funding needed for the 520 project.

Thank you for incorporating our policy statements into the feedback you will be passing on to the Legislature. We also appreciate the opportunity to submit the above requests for additional analysis. It is our intention and our hope that the new information will support not only our own deliberations about I-90 operations, but also the region-wide effort to determine the best way to use tolling to help pay for the 520 project while maintaining the efficiency of the region's transportation system.

Sincerely,



Jim Pearman, Mayor

cc: Mercer Island Council Members  
Representative Judy Clibborn  
Representative Fred Jarrett  
PSRC Government Relations Director Rick Olson  
City Manager Rich Conrad  
Interim Deputy City Manager Linda Herzog

**EXCERPTS FROM SEPTEMBER 15, 2008 EMAIL TO CITY COUNCIL RE:  
520 TOLLING IMPLEMENTATION COMMITTEE DECISIONS ON FURTHER  
TOLLING ANALYSES**

At the Sept. 11, 2008 meeting of the 520 Tolling Implementation Committee, the Committee's staff proposed and members unanimously approved analysis of six more tolling scenarios. Three of them include tolling on I-90.

- New scenario "D" will test tolling on both bridges in 2016 with a higher toll on 520 than on I-90.
- New scenario "E" shows tolling on both bridges beginning in 2010.
- New scenario "F" has HOT lane system on I-90 and tolls on 520, both beginning in 2010. Here there would still be a free travel alternative on I-90.

These scenarios are designed to respond to public comment received on the initial four scenario findings. In presenting these scenarios Committee staff was careful to note that the scenarios "must also be evaluated against the multi-jurisdiction Memorandum of Agreement that is in effect for the [I-90] corridor."

Model adjustment / re-run of initial scenarios: The model has been slightly adjusted in response to the independent peer review committee's critique, delivered in mid-July. As you may recall, peer reviewers questioned the unexpectedly high percentage of people who were anticipated to change their travel destination under original Scenarios #3 and #4. PSRC staff made the changes the peer reviewers advised and will re-run the first four scenarios before they begin analysis of the new six scenarios.

The other new scenarios: New Scenario "A" tolls 520 in 2016 with a flat-rate toll, i.e. no variation by time of day or day of week. New Scenario "B" starts tolling 520 in 2010 with a toll rate that attempts to fill the project funding gap. New Scenario "C" starts tolling 520 in 2010 with a lower toll rate, then increases the rate when the bridge is completed in 2016.

Segment Tolling: Three of the four initial scenarios (including both that tolled I-90) showed cross-lake tolling in segments. In the cases where I-90 is tolled, half the toll amount was collected on the East Channel, and the other half on the floating bridge. Considerable public comment was received objecting to segment tolling. When the next set of scenarios is modeled, only one will have segment tolling -- Scenario "B" (above) that attempts to fill the funding gap by tolling only 520.

Results in ranges: Again in response to the independent peer reviewers' critique, in the future staff will report revenue and highway-performance results in ranges.