

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF SECURING METRO'S)	RESOLUTION NO. 95-2211
FEDERAL MATCH REQUIREMENT FOR)	
CONDUCTING THE FHWA PRE-PROJECT)	Introduced by
STUDY OF CONGESTION PRICING)	Mike Burton,
	Executive Officer

WHEREAS, Section 1012 (b) of the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991 authorizes the Secretary of Transportation to create a Congestion Pricing Pilot Program by entering into an agreement with up to five states or local governments or other public authorities to conduct a pre-project study of congestion pricing; and

WHEREAS, Metro and the Oregon Department of Transportation (ODOT) desire to jointly study the technical and political feasibility of congestion pricing in the Portland region pursuant to Section 1012(b) of ISTEA; and

WHEREAS, The parties have successfully completed a joint application to the Federal Highway Administration (FHWA) for \$1.29 million to conduct a two-year, two-phased study of congestion pricing in the Portland region; and

WHEREAS, A minimum 80/20 (federal/state) funding match is required under this program, resulting in a state and local matching share of not less than \$258,000; and

WHEREAS, Each jurisdiction/agency will contribute their portion of the required match in a match pool prior to commencement of the study; now, therefore,

BE IT RESOLVED,

1. That the Metro Council directs staff to proceed with the two-year, two-phase pre-project study of congestion pricing authorized by FHWA.

2. That the Metro Council agrees to contribute Metro funds in an amount not to exceed \$62,700, as detailed in Exhibit A, Option 1, to be used as matching funds to conduct the federally-approved pre-project study of congestion pricing in the Portland region.

ADOPTED by the Metro Council this 12 day of Oct.,
1995.



J. Ruth McFarland, Presiding Officer

Approved as to Form:



Daniel B. Cooper, General Counsel

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 95-2211 FOR THE PURPOSE OF SECURING METRO'S FEDERAL MATCH REQUIREMENT FOR CONDUCTING THE FHWA PRE-PROJECT STUDY OF CONGESTION PRICING

Date: September 15, 1995

Presented by: Andrew Cotugno

PROPOSED ACTION

This resolution commits Metro to providing federal match funds up to a maximum of \$62,700 to the Federal Highway Administration (FHWA) to conduct a pre-project study of congestion pricing in the Portland region.

FACTUAL BACKGROUND AND ANALYSIS

In August 1995, the Federal Highway Administration (FHWA) approved a joint Metro/ODOT Congestion Pricing application for pre-project funding under the ISTEA Congestion Pricing demonstration program (Section 1012(b) of the Intermodal Surface Transportation Efficiency ACT (ISTEA) of 1991). FHWA has generally approved a request for \$1,290,000 for a two-year, two-phased study. The pre-project study of congestion pricing will include public involvement and technical work tasks. Federal funds and obligation authority have been made available in the amount of \$1,032,000 (80 percent of \$1.29 million). A minimum 80/20 (federal/state) funding match is required under the federal program, resulting in a state and local matching share of not less than \$258,000.

Exhibit A to the resolution describes two options for providing the required match. Both options include the following assumptions:

- All match is "hard." Initial discussion with FHWA indicated that "soft," or "in-kind" match contributions could not be counted. However, subsequent discussions with FHWA indicated that some soft match may be reimbursable. In the event soft match is reimbursed, participant match shares will be reduced accordingly.
- The Port of Portland will contribute \$25,000 by directing an environmental-related settlement toward the project match.
- The participating jurisdictions and agencies eligible for pass-through grant assistance in conducting the pre-project study include the three Metro area counties (Clackamas, Multnomah, and Washington), the City of Portland, Tri-Met, the Department of Environmental Quality (DEQ), and the Port of Portland.

Option 1 (Exhibit A) is the maximum amount that could be expected to be paid by participating agencies. Under Option 1, local participating jurisdictions (Clackamas County, Multnomah County, Washington County, Tri-Met, and DEQ) would pay the required 20 percent match based on the dollar amount they will receive in assistance. Metro would pay a 24 percent share for staff work associated with the grant (\$62,700), with ODOT contributing 50.5 percent (\$130,300) and the Port 9.7 percent (\$25,000) to complete the total match of \$258,000.

Option 2 assumes the region receives an additional \$100,000 in grant funds through the "Public Purpose Grant Program" being administered by the state Attorney General's Office. The program is a result of a national anti-trust settlement against petroleum companies. Approximately \$7 million is available for projects which "assist motorists." Eligible activities include programs which will lead to improvements in air quality. Metro has completed a grant application to the Attorney General's Office requesting \$100,000 in grant funds to be applied toward the overall federal match (\$258,000) for the pre-project study. The \$100,000, if received, will be used to provide the entire Phase II match (\$91,100) and reduce the Phase I match (\$166,900) by \$8,900. Each jurisdiction's matching share would be reduced accordingly as shown in Exhibit A (Option 2).

The match shares shown in Exhibit A will form the basis for an Intergovernmental Agreement (IGA) between participating parties regarding payment of the match for the pre-project study of congestion pricing. As noted, Option 1 defines the maximum amount that could be expected from each participating agency or jurisdiction. Resolution No. 95-2211 initiates the IGA process by establishing a match pool and authorizing Metro to contribute an amount equal to or less than its maximum share of \$62,700 as shown in Exhibit A, Option 1. A copy of the project work program is included as Attachment A. The two-year study is scheduled to begin in earnest by February 1996.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends approval of Resolution No. 95-2211.

PORTLAND METROPOLITAN AREA CONGESTION PRICING PILOT PROGRAM

Pre-Project Study Work Plan and Budget

Introduction

Metro is proposing a two-phase pre-project congestion pricing study for the Portland area. Each phase will include public involvement and technical work tasks. Specific elements of the congestion pricing study (public outreach and education) will be integrated with Metro's update of its Regional Transportation Plan (RTP) in order to reach as large an audience as possible with the concept of congestion pricing as a transportation strategy. The RTP update is to be completed in two phases with final adoption in 1996. The RTP update will leave some issues, including congestion pricing, open for further refinement planning. In particular, the public education and involvement program for the study will be coordinated with RTP public outreach to ensure a smooth transition between the two efforts.

At the end of the study, Metro will evaluate the study results to determine the technical and political feasibility of congestion pricing in the Portland region. Depending on the preferred alternative selected at the end of Phase II, Metro intends to apply to the FHWA for implementation of a pilot congestion pricing project.

Pre-Project Study Goals and Objectives

The overall goals of the congestion pricing pre-project study are (1) to develop a nationally applicable process for gaining public and political acceptance of congestion pricing; and (2) to provide for a regional evaluation and implementation of congestion pricing (beginning with a pre-project study to evaluate alternatives).

Supporting these goals are the following objectives. The final two objectives would apply to implementation of congestion pricing, following the study.

1. Assess the case for and against congestion pricing, and its practical feasibility, with regard to the following:
 - Reduce peak-period congestion, principally through reduced peak period use of the single-occupant vehicle (SOV);
 - Reduce regional vehicle miles of travel (VMT);
 - Reduce regional motor vehicle emissions;
 - Improve regional mobility (as measured by travel times and the availability and use of alternate modes);

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- Allocate highway investments in an optimal, efficient manner;
 - Improve overall transportation and land use efficiencies in the region;
 - Avoid and/or mitigate negative impacts on neighborhoods and businesses; and
 - Reduce and mitigate economic impacts on lower income drivers; and
 - Determine the appropriate use of revenues generated through the pricing scheme.
2. Increase awareness and understanding of congestion pricing among the general public and elected officials in the Portland region and to obtain feedback from the public to help shape the overall pricing strategy.
 3. At the conclusion of Phases I and II, evaluate results to determine the technical and political feasibility of congestion pricing in the Portland region.
 4. If appropriate (as determined by objective 3 above), develop regional consensus on a congestion pricing pilot implementation plan, including:
 - Congestion pricing test site(s);
 - Schedule for implementation;
 - Tolling technology;
 - Fee strategy and use of revenues; and
 - Equity and Mitigation plan.
 5. Seek enabling legislation for a pilot project. This should encompass:
 - State authority to conduct a pilot project (tolling in general);
 - Enabling laws for enforcement
 6. File application to FHWA for a pilot project

7. Implement a congestion pricing pilot project in accordance with the regionally agreed upon plan
8. Monitor and evaluate the pilot project

Work Plan and Budget

This work plan/budget describes work tasks and budget estimates for the study. The study will involve work by Metro staff and by consultants. Metro staff will complete tasks described in section (A) Project Administration. Metro will contract with consultants for some work tasks described in sections: (B) Phase I - Policy Development and Alternatives Analysis, and (C) Phase II - Selection of Preferred Alternative. Other work tasks will be completed by Metro staff and/or local agency staff.

This document supersedes portions of Section III (Work Plan and Schedule) and Section IV (Budget and Financial Plan) of Metro's "Re-application for Participation in the Congestion Pricing Pilot Program" (October 14, 1993).

Table 1 provides a summary of the funding request by work element. Project-specific advisory committees are described in the work plan. A detailed budget by task is shown on page 4 and 4a.

Table 1. Funding Summary

	Management and Administration	Technical Work Element	Project Approval	Public Involvement	Total
Federal Funds (80%)	\$27,200	\$547,800	\$20,300	\$436,700	\$1,032,000
Local Matching Funds (20%)	\$6,800	\$136,950	\$5,075	\$109,175	\$258,000
Total Study Budget	\$34,000	\$684,750	\$25,375	\$545,875	\$1,290,000

Budget amounts are for 24 months.

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PHASE I /Task Name	TASK #	Consultant Service	Metro Staff	Metro Staff	Metro Staff	Metro Staff	Local Agency Staff	TOTALS	
			Project Management	Public Involvement	Administration	Travel Forecasting			
PROJECT ADMINISTRATION									
Project Administration	A.1				30,000			30,000	
Policy Oversight	A.2							0	
Project Travel	A.3		4,000					4,000	
TOTALS FOR PROJECT ADMINISTRATION (Phase I and II)			0	4,000	0	30,000	0	0	34,000
PHASE I: POLICY DEVELOPMENT AND ALTERNATIVES ANALYSIS (18 months)									
TECHNICAL WORK ELEMENT									
Establish Project Management/Advisory Committees	B.1							0	
Educate Policy/Decision Makers	B.2							0	
Develop Baseline Model Data	B.3	20,000						20,000	
Develop Alternative Scenarios and Ranking Criteria	B.4	30,000						30,000	
Modify Regional Model to Evaluate Congestion Pricing	B.5	75,000						75,000	
Analyze and Rank Congestion Pricing Scenarios	B.6	85,000						85,000	
Technical Review by Metro Staff (Tasks B.1 - B.6)	B.7		90,000			25,000		115,000	
Local Agency Technical Support	B.8						136,000	136,000	
Produce Project Report for FHWA on Phase I Activities	B.9	5,000						5,000	
Subtotal: Technical Work Element		215,000	90,000	0	0	25,000	136,000	466,000	
PUBLIC INVOLVEMENT WORK ELEMENT									
Public Opinion Research	B.10	66,000						66,000	
Introduce the Study and Involve the Public in Alternatives Analysis	B.11	150,000						150,000	
Metro Staff Review of Consultant Work; In-House Public Involvement	B.12			94,500				94,500	
Local Agency Support of Public Involvement Program	B.13						24,000	24,000	
Subtotal: Public Involvement Work Element		216,000	0	94,500	0	0	24,000	334,500	
TOTALS FOR PHASE I		431,000	90,000	94,500	0	25,000	160,000	800,500	

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PHASE II /Task Name	TASK #	Consultant Service	Metro Staff	Metro Staff	Metro Staff	Metro Staff	Local Agency Staff	TOTALS
			Project Manager	Public Involvement	Administration	Travel Forecasting		
PHASE II: SELECTION OF PREFERRED ALTERNATIVE (approx. 6 months)								
TECHNICAL WORK ELEMENT								
Develop Conceptual Designs for Highest Ranking Scenarios	C.1	120,000						120,000
Prepare Reports and Informational Materials to Guide Selection and Adoption of Preferred Alternative	C.2	10,000						10,000
Technical Review by Metro Staff	C.3		26,250					26,250
Local Agency Technical Support	C.4						68,500	68,500
Subtotal: Technical Work Element		130,000	26,250				68,500	224,750
PUBLIC INVOLVEMENT WORK ELEMENT								
Select/Recommend Preferred Alternative	C.5	165,000						165,000
Metro Staff Review of Consultant Work; In-House Public Involvement	C.6			32,375				32,375
Local Agency Support of Public Involvement Program	C.7						8,000	8,000
Subtotal: Public Involvement Work Element		165,000	0	32,375			8,000	205,375
PROJECT APPROVAL								
Adopt Preferred Alternative/Amend RTP	C.8		1,875				3,500	5,375
Produce Final Project Report for FHWA	C.9	20,000						20,000
Subtotal: Project Approval		20,000	1,875				3,500	25,375
TOTALS FOR PHASE II		315,000	28,125	32,375			80,000	455,500
CONGESTION PRICING STUDY TOTALS (24 months) (Phase I + Phase II + Administration)		746,000	122,125	126,875	30,000	25,000	240,000	1,290,000

A. PROJECT ADMINISTRATION

Budget (for Metro staff work): \$34,000

A.1 Project Administration \$30,000

Metro will provide general administration of the congestion pricing pre-project study by performing and/or coordinating the following activities:

(a) Manage/Provide Staff Support for Project Meetings: The project will require establishment and ongoing coordination of 4 new advisory committees, which are described below. Metro will provide planning and secretarial staff support to these committees and will coordinate meeting notices and other mailings. As needed, Metro will also coordinate briefings and information updates for other interested groups. - \$10,000

(1) Project Steering Group (PSG)

The Project Steering Group (PSG) will be a small "Blue Ribbon" committee of state and local government leaders, jointly selected by JPACT, Metro Council, and the Oregon Transportation Commission (OTC), responsible for policy formulation and project guidance. The PSG will review study findings, and based on input from the CAC, PMG and Technical Advisory Committee, formulate policy recommendations to JPACT/Metro Council for conducting the pre-project study. After a thorough review of the study findings and conclusions concerning congestion pricing, the PSG will develop policy recommendations for conducting a congestion pricing pilot project in the Portland region. These policy recommendations will be incorporated in the formal application to FHWA to conduct the pilot.

(2) Project Management Group (PMG)

The project management group (PMG) will provide overall study coordination, including management and review of consultant work. The PMG will also coordinate review of study recommendations by the region's policy-making committees and boards, including the Metro Council and the Joint Policy Advisory Committee on Transportation (JPACT). The PMG will be chaired by Metro and will include policy-makers drawn from the local, regional and state agencies represented on JPACT.

- (3) **Technical Advisory Committee (TAC)**
The TAC will advise the Project Management Group on technical matters relating to the congestion pricing pre-project study. The process to select members would include approval through JPACT/Metro Council resolution. Metro staff will chair this committee. As needed, the committee may request assistance on public involvement issues from the Partners for a Livable Community, a regional communications/public relations group representing state, regional and local government agencies.

- (4) **Citizens Advisory Committee (CAC)**
The CAC will provide a forum for discussions among the region's many interest groups (e.g. businesses, environmental organizations, neighborhood associations). This committee would also generate broader public involvement by disseminating information from its members to those members' constituents. The process to select members will include approval through JPACT/Metro Council resolution.

- (b) **Manage Contracts and Budget:** Funds will be used for Metro staff (Management Staff, Contracts Administration, Project Manager) to review all financial and contractual agreements with consultants. Metro will maintain budget and financial records for tasks associated with the study. Metro will provide administrative support for consultant contracts. Metro, as lead agency, will receive FHWA Congestion Pricing Pilot Program grant funding. Tasks undertaken by consultants will be performed and paid for under the terms of contractual agreements approved by the Joint Policy Advisory Committee on Transportation (JPACT) and signed by Metro, ODOT and the consultant. Metro will prepare and administer Intergovernmental Agreements with local agencies for their administrative and technical support - \$20,000

A.2 Policy Oversight

(no specific funds requested for this element)

The PSG will guide the project through its policy recommendations. Metro will be the lead agency for the congestion pricing study. The attached "Regional Transportation: The Decision-Making Process" describes Metro's process for adoption of regional transportation policies. The congestion pricing study will produce information and recommendations for review by the groups involved in this process (i.e. TPAC, PSG, JPACT/Metro Council). Metro staff will provide appropriate and timely information for consideration at meetings of the PSG and Metro's policy-makers and their advisory committees. Staff will present information to other policy-making bodies in the region, as appropriate.

A.3 Project Travel

\$4,000

It is anticipated that the Metro Project Manager may need to travel each year of the 2-year study to 1 or 2 workshops, meetings, or perhaps the Annual Transportation Research Board Meetings to: (1) learn about congestion pricing project activities in other locales, (2) to participate in an exchange of ideas, or (3) to present results and progress of this study.

B. PHASE I - POLICY DEVELOPMENT AND ALTERNATIVES ANALYSIS

Estimated Budget: **\$800,500 - \$860,500**

Note: Tasks will not necessarily occur in consecutive order. In particular, there will be overlap between technical and public involvement activities. See Attachment 2 for project schedule.

TECHNICAL WORK ELEMENT **Total of \$466,000**

B.1 Establish Project Management/Advisory Committees

Project management and advisory groups will be established to guide the policy direction and technical activities for the pre-project study. The various committees will make recommendations for the study's ongoing activities and will produce final recommendations at the conclusion of Phase II. These groups will meet regularly, with additional meetings as necessary.

B.2 Educate Policy Advisory and Decision-making Bodies

Because the knowledge and understanding of congestion pricing is limited, it is essential that the key policy and decision-making entities of the region (i.e. JPACT, Metro Council, Oregon Transportation Commission) and the project's advisory groups (i.e. Project Steering Group, Project Management Group, Citizens Advisory Committee) have at least a workable understanding of congestion pricing. Some appropriate forum for providing this information will have to be selected.

B.3 Develop Baseline Model Data **\$20,000**

Purpose: Under consultant contract, Metro's travel forecasting model will be used to develop information on regional travel patterns and system conditions, with a focus on problem locations and facilities for congestion and air quality. This data will be further refined and used to identify candidate projects for the application of congestion pricing. Candidate projects will include corridor, facility, and area-wide locations.

Consultant Tasks:

- (a) Describe transportation system supply conditions - \$5,000
 - Routes (highway/transit)
 - Origins/destinations served (highway/transit)
 - Capacities (highway/transit)

- Frequencies (transit)
 - Costs/fares (parking fees/transit)
 - Commodity flows
- (b) Update current travel patterns and base travel data with results from the 1994 household survey. This information will be used to further define candidate locations, define appropriate boundaries of pricing influence, and for model integration with the results of the stated preference data from Task B.5. The following travel parameters will be updated: - \$15,000
- Trips
 - VMT
 - Trip purpose
 - Origin-Destination pairs
 - Congestion (volume/capacity)
 - Travel times
 - Average speed
 - Hours of delay
 - Time of travel
- (c) Develop baseline for vehicle emissions for VOC and CO.

Product: Updated EMME/2 travel forecasting baseline data, maps and charts for use at public meetings and focus groups and alternatives analysis.

B.4 Develop Alternative Scenarios and Ranking Criteria \$30,000

Purpose: The purpose of this task is to produce a set of alternative facility, corridor, sub-area, and possibly regional scenarios (tentatively 12-15) for testing congestion pricing in the region. For analysis and public information purposes, a hypothetical regional pricing application may be designed. The regional application would show overall system benefits of a full pricing scenario. The regional application could test for changes in delay, emissions, and costs as opposed to the baseline long range transportation plan (RTP).

The public will have an opportunity to have input into the selection of scenarios through focus groups and public forums. Each option will undergo an initial screening to determine if it should be considered further and included in the modeling exercise. Evaluation criteria to use in ranking the modeled alternatives will also be developed. Tasks (a) and (c) below can be completed at the same time.

Consultant Tasks:

- (a) Develop initial screening criteria to determine if the alternative should be considered for further analysis and modeling. Separate screening criteria may be developed for areas, corridors and facilities. These criteria will look at both administrative and technical factors such as ease of implementation and potential for reducing vehicle trips - \$10,000

- (b) Finalize list of congestion pricing alternative scenarios to be modeled. This task will include identification of candidate locations (including suggestions made by the public) and screening of the candidates using the criteria established in task (a) above. The scope of alternatives may include areas, corridors and facilities. Alternatives will be selected based on criteria consistent with transportation system performance objectives. This task will also include production of a report documenting the screening process, including identification of the candidates and the results of the screening process. - \$5,000

- (c) Develop evaluation criteria for selection and ranking of alternative scenarios. These criteria will be used in task B.4. At a minimum, the criteria will include consideration of the following factors: - \$15,000
 - 1. Congestion reduction. Potential for significant congestion reduction (reduction in the volume to capacity ratio below 0.9) in priced locations by the year 2010.
 - 2. Social and economic impacts on neighborhoods and businesses. Impacts to businesses along the priced routes as well as other affected areas; traffic impacts on neighborhoods; changes in accessibility to community facilities; right of privacy concerns by drivers as a result of the tolling technology.
 - 3. Environmental assessment. Noise impacts and other environmental effects of traffic attempting to bypass the priced facility; changes in travel safety; effects of project alternative on sensitive biological resources.
 - 4. Equity impacts on lower income drivers. Economic impacts of project alternative on lower income drivers and potential mitigation measures.
 - 5. Avoided cost. Facilities where the projected 2010 congestion could be reduced by pricing rather than capacity enhancement would receive priority in ranking.
 - 6. Mobility/transit enhancement. Impacts of the project alternative on normal commute patterns and the availability of alternative routes and modes. pricing should only be applied to facilities where substantial transit capacity is present, easily instituted or included as part of Tri-Met's strategic plan.

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7. **Legal feasibility.** Potential legal impediments to implementation in addition to the need for state legislation authorizing toll collection. (Note: Senate Bill 626 would allow toll roads in the Newburg/Dundee area of Oregon and looks as if it will be passed by the 1995 Oregon legislature.)
8. **Revenue/cost issues.** Potential costs to be incurred and revenues to be raised by the project alternative; scenarios showing possible uses of the revenue and most likely outcomes; public concerns and political issues that may be raised as a result of revenue questions.
9. **Tolling technology/enforcement/engineering issues.** The type of tolling technology proposed by the project alternative; impacts of technology requirements; engineering feasibility issues; scenarios for effective enforcement and related issues.
10. **Air quality.** Projections for impact on regional ozone and carbon monoxide pollution.
11. **VMT reduction.** Although congestion reduction is the assumed goal, projects structured to achieve both congestion relief and VMT reduction will receive priority consideration.

Product: Alternative congestion pricing scenarios and ranking criteria. Report describing the screening process.

B.5 Modify Regional Model to Evaluate Congestion Pricing \$75,000

Purpose: During the fielding of Metro's 1994 Household Survey, a subset of approximately 600 households also completed a "stated preference" survey relating to people's different stated behavioral actions relative to various congestion pricing schemes. By asking people what they would do under alternative pricing scenarios, data was collected as to probable outcomes. The results of the stated preference survey on congestion pricing need to be analyzed and integrated with the revealed preference data so that factors and elasticities can be developed for use in Metro's regional model to assess the travel and socioeconomic impacts, and associated behavioral change from congestion pricing. This type of information is not currently available. Using the elasticities developed, adjustments will be made to various trip parameters, such as trip distribution and mode split, to reflect changes in travel behavior under congestion pricing. Following these adjustments, the regional model will be capable of forecasting regional travel patterns and conditions with congestion pricing on specific facilities, along corridors, or areawide. This task may also include further refinement of vehicle movement by mode, particularly related to automobile versus truck (small, large, etc.).

Consultant Tasks:

- (a) **Modify model parameters to reflect effects of congestion pricing on people's behavioral changes relative to the following travel characteristics: - \$75,000**
- Trip generation
 - Trip distribution
 - Route assignment
 - Mode choice
 - Time of day of travel
 - Day of week of travel
 - Trip purpose (work vs. non-work)

Product: Enhanced EMME/2 travel forecasting model for evaluating congestion pricing alternatives.

B.6 Analyze and Rank Congestion Pricing Scenarios \$85,000

Purpose: Model runs will be performed for each congestion pricing scenario, resulting in a forecast of travel patterns and conditions. Each forecast will be evaluated against the goals and objectives of the pilot project and the evaluation criteria developed in B.4. The model results will be used to estimate the effects of congestion pricing on factors related to travel behavior, including congestion, traffic volumes and air quality. The mitigation of economic and social impacts will be estimated by a more qualitative analysis of each scenario (mitigation refers to efforts to reduce, eliminate, or compensate for unwanted or unintended environmental and/or socioeconomic impacts such as displacement of motorists, increased traffic infiltration into neighborhoods, and differential economic impacts to businesses and/or lower income drivers). This task will include the preparation of reports describing the model, other analysis tools, evaluation methodology, and ranked results.

Consultant Tasks:

- (a) Perform model runs for the alternative scenarios (identified in task B.4) - \$45,000
- (b) Analyze model results for effectiveness in achieving the goals and objectives of the study, and for environmental and socioeconomic impacts plus other evaluation criteria. Identify mitigation needs for environmental and socioeconomic impacts. - \$30,000
- (c) Rank alternative scenarios using criteria established in task B.4 - \$10,000

Product: Ranked alternative congestion pricing scenarios.

B.7 Technical Review by Metro Staff \$115,000

(a) Project Manager:

Metro staff will develop Requests for Proposal (RFPs), review contracts for consistency with Consultant work tasks, review consultant work products as identified in Tasks B1 through B6. and coordinate revisions and/or modifications to work products as necessary. It is proposed that the Metro project manager will devote one FTE for two years (24 months) of staff time to this study. The project manager, who will have a combination planning and policy background will offer overall direction and coordination to this study and will manage overall consultant work. Management and administrative staff at Metro will also play significant roles in reviewing study products, financial management and

reporting, and monitoring. In addition, the metropolitan Portland area has a tradition of a comprehensive public involvement process as evidenced by the 4 year old "Region 2040" growth management effort and the long-range transportation plan process. While this comprehensive involvement and review process is very labor-intensive in terms of meeting preparation and logistics, it has proven to be very effective in generating public support and consensus. -- \$90,000

(b) Other Metro Staff:

Travel forecasting and transportation planning staff support to consultants on Tasks B5: Model Modification and B6: Analysis and Ranking. -- \$25,000

- B.8 Local Technical Support \$136,000**
Local agencies will assist Metro in formulating and modifying consultant work requests and reviewing consultant work products. Local agencies are currently overwhelmed by the demands of ISTEA and the Oregon Transportation Planning Rule. It is anticipated that eight agencies (Multnomah County, Washington County, Clackamas County, The City of Portland, Tri-Met, The Department of Environmental Quality (DEQ), the Port of Portland and the Oregon Department of Transportation (ODOT)) will expend approximately .2 FTE (5.2 months) of staff time over two years to assist in the public outreach effort and analysis of scenarios. This funding is necessary for these agencies to participate fully.
- B.9 Produce project report for FHWA on activities completed during Phase I \$5,000**
This is a consultant task.

PUBLIC INVOLVEMENT PROGRAM (Phase I)

**Total of
\$334,500 - \$394,500**

Metro's proposed approach is to incorporate the concept of congestion pricing into an overall analysis of tools and approaches in the RTP to help the region meet land use and VMT objectives. In this way, congestion pricing can be presented to the public as one of many possible strategies to meet the region's transportation goals. Tasks and funding related to congestion pricing will be clearly defined and distinguished from the normal RTP process. In addition, to better discern public attitude and to receive feedback that can help shape the proposed pricing strategy about congestion pricing, Metro staff will conduct focus groups. Throughout the public involvement process, Metro staff will be proceeding in an objective but cautious manner because the true benefits and costs of congestion pricing are unclear. It is the intent of the public involvement phase to broaden education about congestion pricing including the potential benefits and costs to the Portland region.

Because it is difficult to predict the most effective strategies to communicate to the public about congestion pricing, Metro will reevaluate the budget and work plan for the public involvement program every 6 months. Any necessary changes will be communicated to FHWA. It may be necessary, for example, to shift budget allocations among work plan tasks.

B.10 Public Opinion Research

\$66,000

Purpose: To measure the level of understanding and interest of the general public in order to develop appropriate and effective communication materials. Random telephone surveys will guide the development and adjustment of the public outreach effort. Focus groups will be used to test advertising messages prior to implementation and to get feedback from key groups within the community and the state. Focus groups can be used in addition to other public outreach strategies to bring key interest groups into the process of thinking through potential impacts and options for conducting a congestion pricing pilot demonstration.

Consultant Tasks:

- (a) Three random telephone surveys measuring awareness and understanding - \$36,000
- (b) Focus groups for message testing and to obtain community feedback - \$30,000

Product: Information on public opinion to use in developing public education and involvement materials. Data to be used in assessing the effectiveness of the public education and information program.

- B.11 Introduce the Congestion Pricing Study and Involve the Public in Alternatives Analysis \$150,000 - 210,000

Purpose: Build broader awareness of the causes and costs of congestion in the Portland Metro area and provide alternative solutions to the ever-increasing problem. Introduce the concept of congestion pricing as a tool to maintain Portland's quality of life and as a potentially more equitable transportation financing technique. The RTP may be used as a framework for discussion and presentation of congestion pricing as a viable transportation alternative.

Consultant Tasks:

- (a) **Public Information Campaign - Purchased Media Space:** This three-piece campaign will be designed to: (1) build awareness and interest, (2) educate and (3) solicit response from all targeted audiences. It is possible that the nature and extent of the public information campaign may require the use of television advertising to reach targeted audiences. If this becomes necessary, the region will request additional funds through FHWA.
- Advertising in major regional and subregional newspapers - \$25,000
 - *Possible use of television for advertising (costs may be up to \$60,000, and are not included in the budget at this time)*
- (b) **Mailings/Newsletters:** The public and interested groups will be notified of the status of the study and upcoming activities. Periodic updates of the progress of the study during Phase I will be provided by a tabloid insert in local and regional newspapers.
- Expenses for mailings to study mailing list - \$20,000
 - Expenses for tabloid newspaper inserts - \$30,000
- (c) **Public Meetings/Forums:** Opportunities for the general public to be involved in the initial phase of the study. A kick-off meeting will be held to introduce the public to the study, its goals and objectives, its scope, and other opportunities for public participation. At the meeting, the public will be invited to suggest candidate locations for congestion pricing. Metro will also solicit applicants for the Citizens Advisory Committee. Other public meetings or forums may also be held to distribute information and encourage public participation in Phase I of the study.
- Expenses for Phase I public meetings/forums - \$10,000

•Expenses for focus groups - \$30,000

- (d) Citizens Advisory Committee (CAC) Meetings: The CAC is an opportunity for citizens in the region to be involved in all phases of the study. The CAC reviews draft findings and makes recommendations to policy and technical groups. CAC meetings are open to the public.

•Expenses for managing the CAC and its meetings are included in the budget for project management and administration.

- (e) Presentations to Community Groups/Speakers Bureau: Staff from Metro and its regional partners will make presentations to community groups to disseminate information about the congestion pricing study. Presentation materials, including videos, maps and charts, will be developed and maintained for use by speakers. Build the visibility of the public outreach campaign through news conferences and other media coverage. News releases and public service announcements will be used at key milestones to keep the public informed of decisions and advancements in the congestion pricing study. Displays may be used at RTP public forums, public fairs and conferences. Editorial board meetings, "Town Hall" discussion shows and radio talk shows may all be used encourage an informed discussion.

•Expenses to produce presentation materials - \$30,000

- (f) Telephone Line, Electronic Bulletin Board: Metro will designate a direct dial telephone line (with a recording device) so that people can call for information about the project and/or leave a message or comments. The telephone line will be monitored daily by public involvement staff or consultants. Once the comments have been transcribed, the comments and response will become part of the public record.

•Expenses for telecommunications services/equipment - \$5,000

- (g) Public Comment/Agency Response: Public comment will be solicited and taken at a variety of meetings and hearings and during comment periods. The public will also have the opportunity to submit comments at any time by mail, telephone, fax machine or electronic mail. Metro or its consultants will record all comments, both written and oral, and provide a reply. Responses may deal with comments individually or as a group, as appropriate. Draft recommendations will be revised based on comments received, as appropriate.

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•Expenses for agency response to public comments are included in the budget for task B.12.

Product: Greater awareness and understanding by the public of congestion pricing and the pre-project study. Involvement by the public in analysis of candidate locations for congestion pricing.

B.12 Metro Staff Review of Consultant Work: In-House Public Involvement \$94,500

Metro technical staff will develop Requests for Proposals (RFPs), review contracts for consistency with Consultant work tasks, review consultant work products, and coordinate revisions and/or modifications to work products as necessary. This work will be carried out by the project manager over the two year period. Metro public involvement staff (one public involvement specialist for two years) will complete tasks as needed, including setting up for meetings, responding to the public's questions and comments and preparing briefing material for the Project Steering Group.

B.13 Local Agency Support of Public Involvement Program \$24,000

Local agencies will assist Metro in formulating and modifying consultant work requests and reviewing consultant work products for the public involvement program. Local jurisdictions may sponsor and/or assist with public meetings and workshops. This funding will be distributed among seven agencies to assist with their participation.

C. PHASE II - SELECTION OF PREFERRED ALTERNATIVE

Estimated Budget: \$445,500

Note: Tasks will not necessarily occur in consecutive order. In particular, there will be overlap between technical and public involvement activities. See Attachment 2 for project schedule.

TECHNICAL WORK ELEMENT **Total of \$215,750**

C.1 Develop Conceptual Designs for Highest Ranking Scenarios \$120,000

Purpose/Tasks: The consultant will develop conceptual designs for the three to five alternatives ranked highest in the Alternatives Analysis (Phase I). The TAC and CAC will approve these conceptual designs. The preliminary design for each alternative should include

- Technological/engineering requirements
- Cost/Revenue estimates
- Projected impact on congestion
- Environmental assessment
- Social and economic impacts on neighborhoods and businesses & mitigation measures
- Equity impacts on lower income drivers and mitigation measures
- Avoided cost estimates
- Mobility/transit impacts
- Legal feasibility/enforcement
- Air quality impact
- Projected VMT reduction

Product: Conceptual designs for highest ranked alternative scenarios.

C.2 Prepare Reports and Informational Materials
To Guide Selection and Adoption of Preferred Alternative \$10,000

Purpose: Consistent with federal guidelines and Metro procedures, Metro will conduct a public process to select and adopt a preferred alternative. Technical reports and other informational materials will form the basis for the selection and adoption process.

Consultant Task:

- (a) Prepare technical reports and materials - \$10,000

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Product: Reports and supplementary materials describing the concept, design, and background information on the alternatives being considered.

C.3 Technical Review by Metro Staff \$26,250

Metro staff (project manager) will develop Requests for Proposal (RFPs), review contracts for consistency with Consultant work tasks, review consultant work products, and coordinate revisions and/or modifications to work products as necessary.

C.4 Local Agency Technical Support \$68,000

Local agencies will assist Metro in formulating and modifying consultant work requests, reviewing consultant work products, and assisting Metro in analyzing and selecting the preferred alternative. It is anticipated that each local agency will devote approximately .14 FTE to this task.

PUBLIC INVOLVEMENT PROGRAM (Phase II) Total of \$204,375

C.5 Select/Recommend Preferred Alternative \$165,000

Purpose: To obtain regional consensus and adopt a preferred alternative through an extensive public outreach program. This program will use both traditional grass-roots activities as well as new technological methods to encourage participation. The RTP will be amended to reflect the adopted alternative, as appropriate.

Consultant Tasks:

- (a) Public Information Campaign - Purchased Media Space: Continued from Phase I. This three-piece campaign will be designed to: (1) build awareness and interest, (2) educate, and (3) solicit response from all targeted audiences.

•Advertising in major regional and subregional newspapers - \$25,000

- (b) Mailings/Newsletters: The public and interested groups will be notified of the status of the study and upcoming activities, including public hearings and workshops. Periodic updates of the progress of the study during Phase I will be provided by a tabloid insert in local and regional newspapers.

•Expenses for mailings to study mailing list - \$20,000

- Expenses for tabloid newspaper inserts - \$60,000

- (c) House Meetings/Public Forums: These meetings will involve the general public, business and interest groups in impacted areas and regionwide. The house meetings will allow for discussions of the congestion pricing study in a small setting.

- Expenses for house meetings and public forums in Phase II - \$25,000

- (d) Citizens Advisory Committee (CAC) Meetings: The CAC is an opportunity for citizens in the region to be involved in all phases of the study. The CAC reviews draft findings and makes recommendations to policy and technical groups. CAC meetings are open to the public.

- Expenses for managing the CAC and its meetings are included in the budget for project management and administration.

- (e) Presentations to Community Groups/Speakers Bureau: Staff from Metro and its regional partners will make presentations to community groups to disseminate information about the congestion pricing study. Presentation materials, including videos, maps and charts, will be developed and maintained for use by speakers. Build the visibility of the public outreach campaign through news conferences and other media coverage. News releases and public service announcements will be used at key milestones to keep the public informed of decisions and advancements in the congestion pricing study. Displays may be used at RTP public forums, public fairs and conferences. Editorial board meetings, "Town Hall" discussion shows and radio talk shows may all be used encourage an informed discussion.

- Expenses to develop presentation materials - \$30,000

- (f) Telephone Line, Electronic Bulletin Board: Metro will designate a direct dial telephone line (with a recording device) so that people can call for information about the project and/or leave a message or comments. The telephone line will be monitored daily by public involvement staff or consultants. Once the comments have been transcribed, the comments and response will become part of the public record.

- Expenses for telecommunications services/equipment - \$5,000

- (g) **Public Comment/Agency Response:** Public comment will be solicited and taken at a variety of meetings and hearings and during comment periods. The public will also have the opportunity to submit comments at any time by mail, telephone, fax machine or electronic mail. Metro or its consultants will record all comments, both written and oral, and provide a reply. Responses may deal with comments individually or as a group, as appropriate. Draft recommendations will be revised based on comments received, as appropriate.

•Expenses for agency response to public comments are included in the budget for task C.6.

Product: Regional discussions and consensus on a preferred alternative for congestion pricing.

C.6 Metro Staff Review of Consultant Work: In-House Public Involvement \$32,375

Metro staff will develop Requests for Proposal (RFPs), review contracts for consistency with Consultant work tasks, review consultant work products, and coordinate revisions and/or modifications to work products as necessary. Metro public involvement staff will complete tasks as needed, including setting up for meetings and responding to the public's questions and comments.

C.7 Local Agency Support of Public Involvement Program \$8,000

Local agencies will assist Metro in formulating and modifying consultant work requests and reviewing consultant work products. Local jurisdictions may sponsor and/or assist with public meetings and workshops.

APPROVAL PROCESS

Total of \$25,375

C.8 Adopt Preferred Alternative/Amend RTP

\$5,375

A preferred alternative and a conceptual plan/strategy for implementation will be adopted using Metro and ODOT's formal decision-making processes for transportation policy. The plan will also include implementation requirements for the preferred alternative, including legal, institutional, operational, technological and cost/revenue issues (including revenue allocation). An evaluation framework will also be prepared. These processes will include formal public hearings to obtain public comment. As appropriate, the RTP will be amended to reflect study results. The budget for this tasks represents Metro and local agency staff time to prepare and present staff and committee reports and recommendations.

C.9 Produce Final Report for FHWA

\$20,000

The final report will include an implementation plan for the preferred alternative, including legal, institutional, operational, technological and cost/revenue issues. This consultant task will include a description and evaluation of the study and its results. The public education and involvement program will be evaluated for its effectiveness in reaching and involving the various interest groups in the region. Before and after surveys conducted as part of the public opinion research (beginning with task B.10) will generate information for the evaluation. The report will also describe an evaluation framework for the preferred alternative assuming implementation as an FHWA pilot project. The report will document the process and outline a strategy (at least in concept) for proceeding with the next steps (e.g. state legislative approval) to implement congestion pricing in the Portland metropolitan area.

Congestion Pricing Project Match Options

OPTION 1 (without Oil Overcharge Assistance)

	Oil Ovchg. Match	Metro Share	Metro Match	Local Share	Local ¹ Match	Port Share	Port Match	ODOT Share	ODOT Match	Total Project	Total Match
Phase 1 and Admin.	N/A	\$243,500	\$52,700	\$120,000	\$4,000 x 6 (\$24,000)	\$20,000	\$25,000	20,000	\$65,200	\$834,500	\$166,900
Phase 2	N/A	60,500	14,000	60,000	2,000 x 6 (12,000)	10,000	000	10,000	65,100	455,500	91,100
TOTAL	N/A	\$304,000	\$62,700	\$180,000	\$6,000 x 6 (\$36,000)	\$30,000	\$25,000	30,000	\$130,300	\$1,290,000	\$258,000

OPTION 2 (with Oil Overcharge Assistance)

	Oil Ovchg. Match ²	Metro Share	Metro Match	Local Share	Local ¹ Match	Port Share	Port Match	ODOT Share	ODOT Match	Total Project	Total Match
Phase 1 and Admin.	\$8,900	\$243,000	\$34,800	\$120,000	\$3,417 x 6 (\$20,500)	\$20,000	\$25,000	\$20,000	\$77,700	\$834,500	\$166,900
Phase 2	91,100	60,500	000	60,000	000	10,000	000	10,000	000	455,000	91,100
TOTAL	\$100,000	\$304,000	\$34,800	\$180,000	\$3,417 x 6 (\$20,500)	\$30,000	\$25,000	\$30,000	\$77,700	\$1,290,000	\$258,000

Metro
8/7/95

¹ Local Share and Match assume grant assistance totaling \$30,000 over the life of the grant (\$20,000 for phase I and \$10,000 for phase II) for each of the three Metro area counties, the City of Portland, Tri-Met, and DEQ. The Port and ODOT are shown separately due to the differing match requirements.

² Assumes \$100,000 from the "Public Purpose Grant Program" (Petroleum Antitrust Settlement - Oregon). The grant would accommodate the phase II match and reduce phase I by \$8,900. The \$100,000 is distributed on a pro rata basis between Metro (27.9%), locals (15.6% total for all 6), and ODOT (52.6%). Timing of the grant award may alter its actual application.