

# Toll Increase for BATA Bridges

BATA Oversight Committee

October 9, 2024

6a-24-1183



# Recap and today's goal

Today's goal is to address feedback and obtain input on a proposal for one or more toll increases beginning in January 2026

**Toll Increase:** In April, July, and September 2024, staff presented on the need for additional revenue to preserve BATA toll bridges. Staff also addressed Commissioner feedback on timing of a future toll increase and impact on bridge users, including:

- Need for a toll increase now
- Outcomes for bridge users
- Understanding who uses the bridges
- Importance of a toll differential to increase FasTrak usage
- Agency efforts to support equity



# 1 Why Now



# Additional funding needed for bridge preservation and operations

- BATA is required under state law to fund projects to preserve and protect the bridge structures
- BATA's adopted Ten-Year Capital Improvement Plan (CIP) is \$1.9B
- Construction costs will likely continue to rise faster than inflation, making it harder to "catch up" each year
- Preliminary Asset Management results show increased needs in both the CIP horizon and for ongoing preservation
- BATA is currently borrowing to fund bridge preservation



Photos courtesy of CalTrans



# Bridge preservation projects address critical needs



**SFOBB Fender Replacement and West Span Paint**



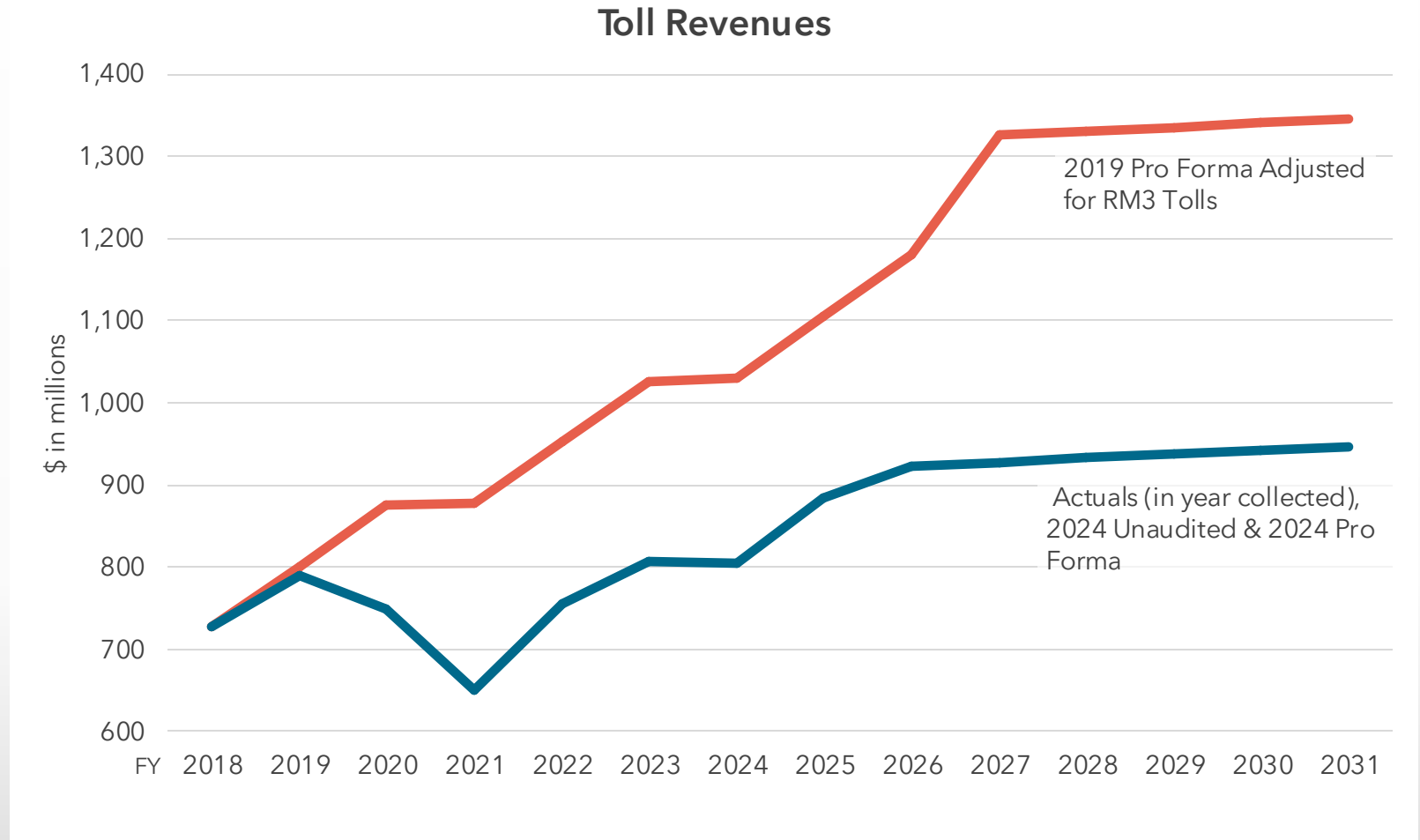
**San Mateo-Hayward Bridge over water concrete repair**



**Richmond-San Rafael Paint**

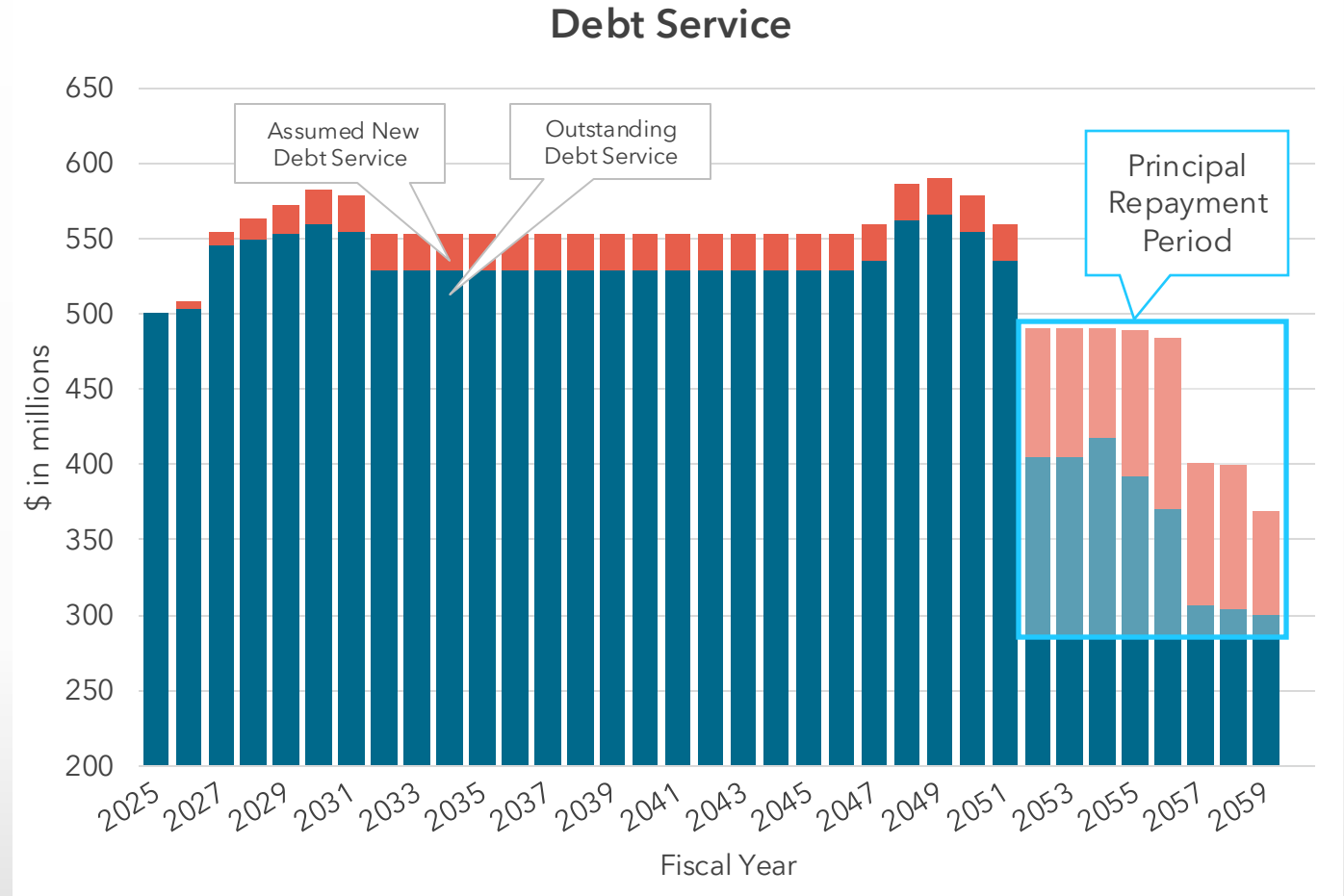
# Revenue and bridge preservation costs are diverging

- BATA is collecting less toll revenue each year than would have been expected pre-COVID (>\$200M less in FY 2023)
- Since 2010, \$4 of toll available for on-bridge purposes – worth \$2.80 today
- Construction costs up 30-40% since 2020



# Delaying a toll increase imposes significant costs

- BATA currently borrows to fund bridge rehab expenses (\$560M since 2021)
- Each year without a toll increase requires additional borrowing
- Debt financing \$600M in projects over the next five years would result in approximately \$690M in additional interest cost over the life of the financing



# 2

## Bridge Usage



# Bridge usage by EPC customers

Census tract analysis of October 2023 data more accurately reflects EPC customers

- EPC customers represent 14% of all customers
- EPC toll crossings are 17% of total crossings

Data from Oct 2023; locations based on census tracts associated with FasTrak or invoice accounts from the regional customer service center; EPC classification based on Plan Bay Area 2050; Individual accounts exclude commercial/business accounts and FasTrak accounts that have more than 5 vehicles associated with the account

## Oct 2023 Toll Crossings

Total Toll Crossings

10.4 M

Individual Account Type

78%

8.1 M

Individual in Region

68%

7.0 M

Individual in Region EPC

17%

1.8 M

## Oct 2023 Customers

Total Customers

2.0 M

Individual Account Type

90%

1.8 M

Individual in Region

69%

1.4 M

Individual in Region EPC

14%

0.3 M

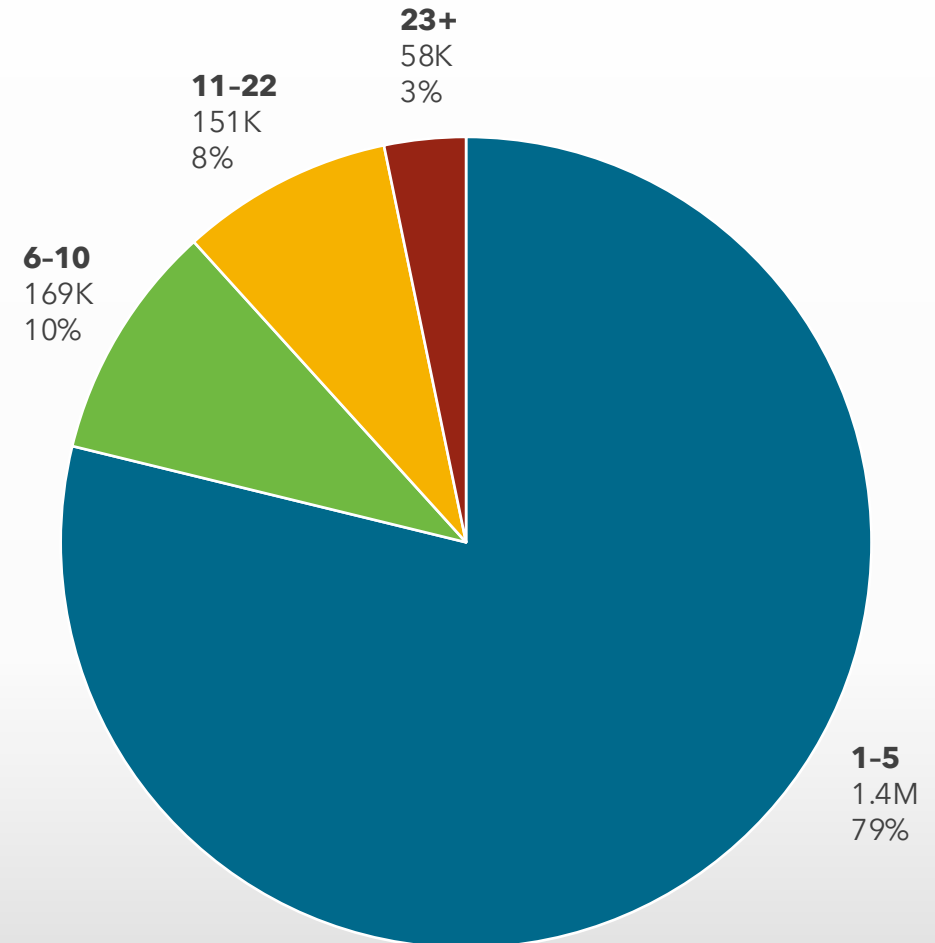
# Most individual account customers are infrequent BATA bridge users

## In October 2023:

- 40% made 1 toll crossing
- 79% made 5 or fewer crossings
- 89% made 10 or fewer crossings

## Customers by Number of Toll Crossings (Individual Accounts)

October 2023

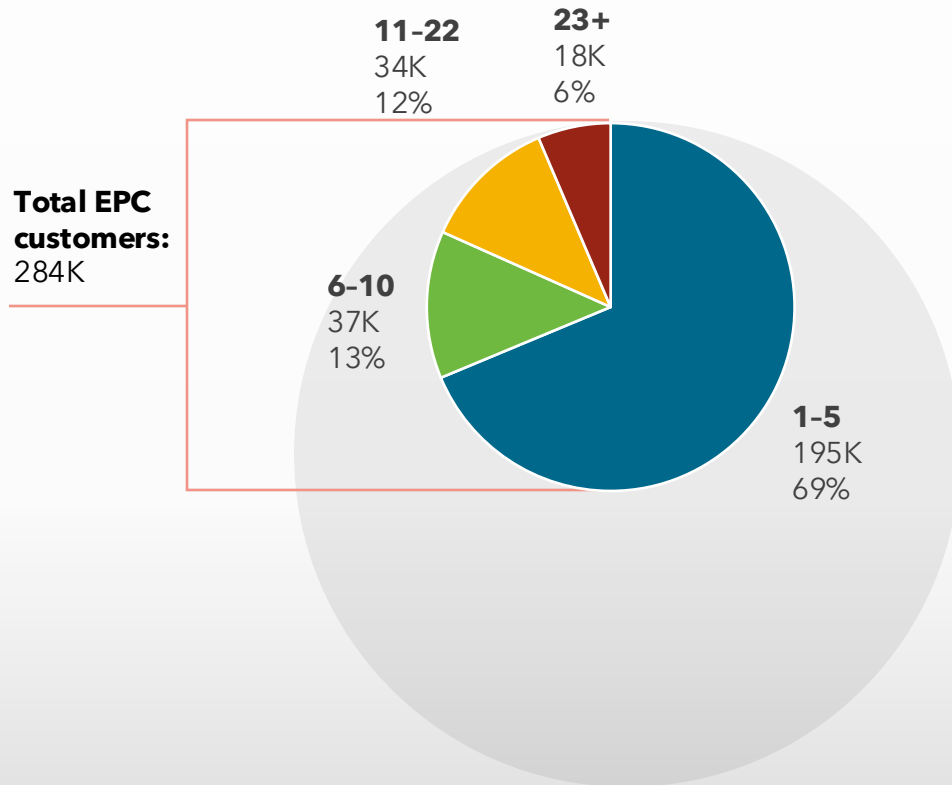


Data from Oct 2023; locations based on census tracts associated with FasTrak or invoice accounts from the regional customer service center; individual accounts exclude commercial/business accounts and FasTrak accounts that have more than 5 vehicles associated with the account

# Customers from EPCs have higher usage than non-EPC customers

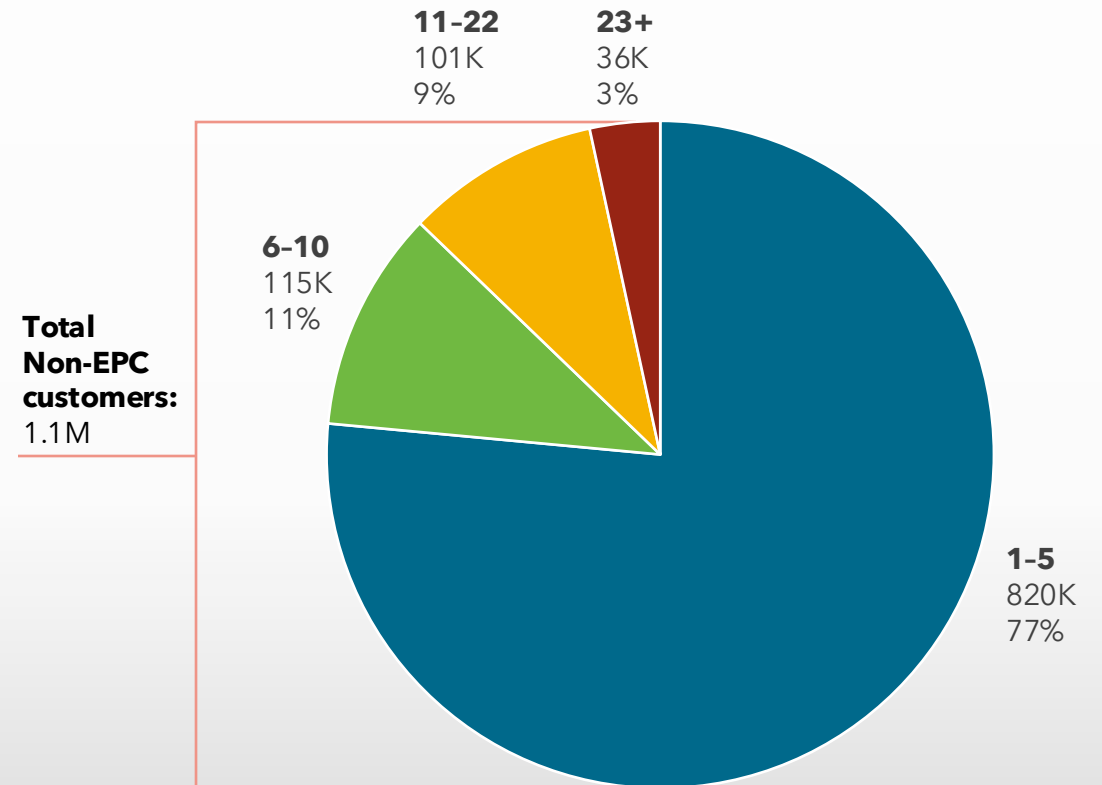
## EPC Customers by Number of Toll Crossings

(Individual Accounts) October 2023



## Non-EPC Customers by Number of Toll Crossings

(Individual Accounts) October 2023



Data from Oct 2023; locations based on census tracts associated with FasTrak or invoice accounts from the regional customer service center; individual accounts exclude commercial/business accounts and FasTrak accounts that have more than 5 vehicles associated with the account



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## Supporting Equity

# How do people get FasTrak?

- **Multiple channels**
  - Website – available 24/7
  - Call center – weekdays 8am-6pm
  - Walk-in center – weekdays 8am-6pm
  - Costco and select Walgreens locations
- **Support for a wide range of languages**
- **\$5 tag deposit; \$0 if setting up automatic reload with credit card**
- **Invoices and violation notices promote FasTrak**
- **Regular campaigns and outreach to encourage FasTrak use**

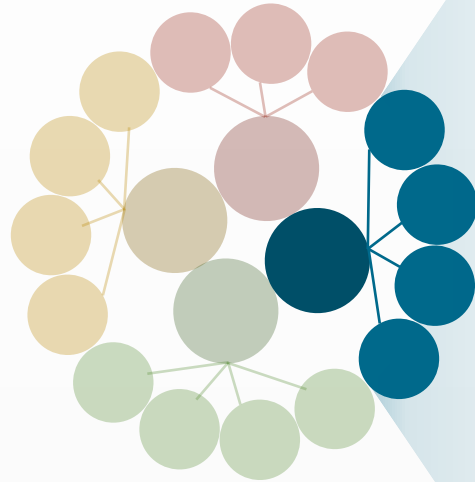
# Future opportunities for meeting customers where they are

What else can we do to make FasTrak more accessible and attractive – especially in EPCs?

- Expand access to tags
- Reduce burden to open and maintain account
- Provide incentives to open and maintain a FasTrak account
- Increase other options for paying bridge tolls



# BATA has taken numerous actions aligned with MTC's Equity Platform



- Increased access to tags
- Expanded language accessibility
- Increased options for making payments with cash, including no-fee cash payment network
- Reduced requirements for setting up and maintaining FasTrak accounts
- Introduced additional support for invoice customers with more time to pay and no penalty if violation paid promptly

# Opportunity to double down on affordability programs

- Build partnerships with other programs to increase uptake (e.g., CalFresh, Medi-Cal, county programs)
- Actions to streamline enrollment in both programs (Fall 2024)



- Clipper START offers 50% discount on 22 transit operators
- Pilot program in operation for 4 years



- Express Lanes START pilot offers 50% discount on I-880 Express Lane tolls
- Pilot program in operation for 18 months

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## Proposal for Toll Increase



# Proposal: Phased in toll increase

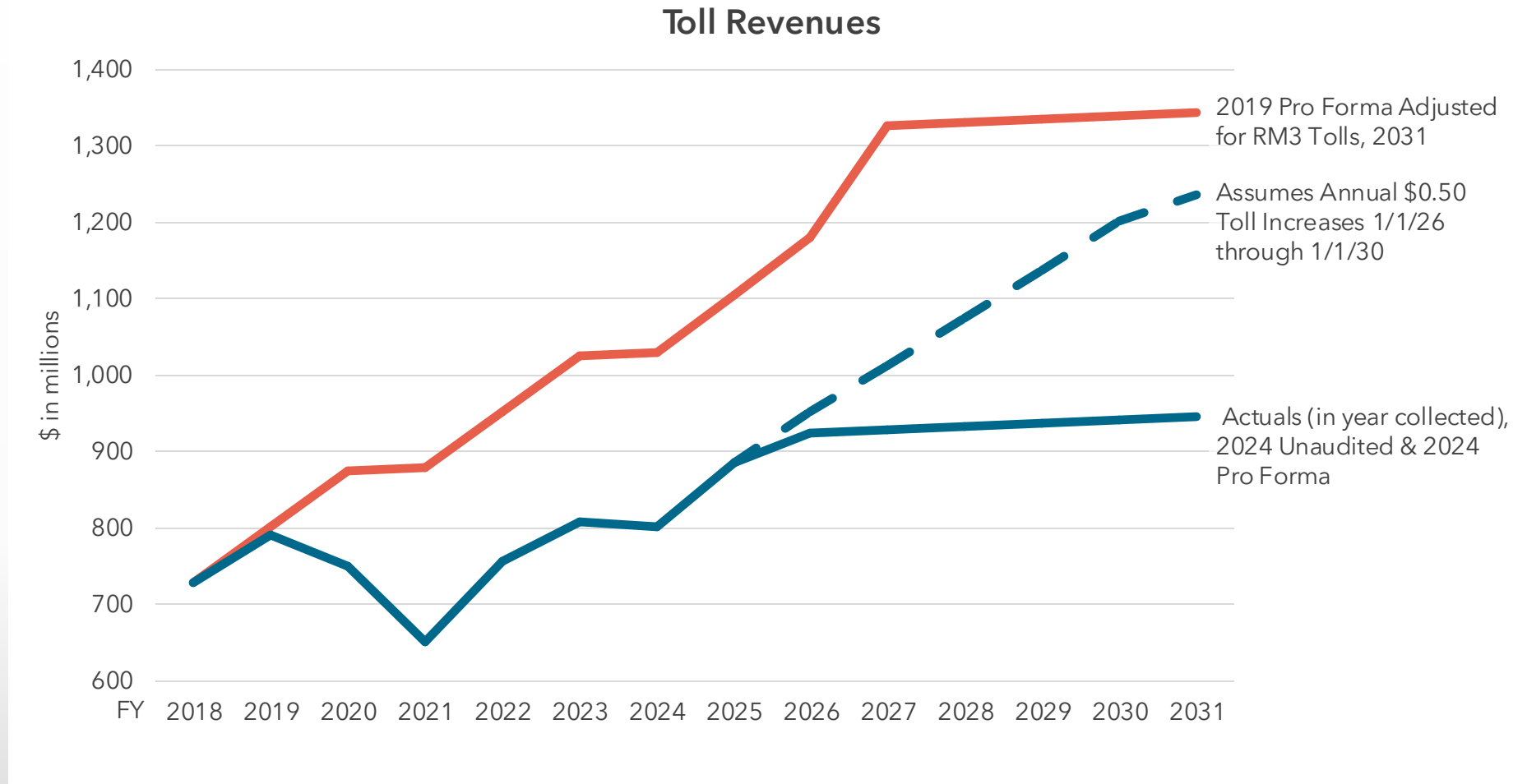
- 5-year toll increase plan

Date	2-Axle Vehicle*	3+ Multi-Axle Vehicles
January 1, 2026	\$0.50	\$0.50 per axle
January 1, 2027	\$0.50 Introduce toll differential	\$0.50 per axle Introduce toll differential
January 1, 2028	\$0.50	\$0.50 per axle
January 1, 2029	\$0.50	\$0.50 per axle
January 1, 2030	\$0.50	\$0.50 per axle

- Multi-year plan of toll increases provides revenue necessary to fund maintenance of bridges in a state of good repair
- Mitigates impact of toll increases in any single year

\*Carpool is 50% of the FasTrak rate, 2-axle only

# Revenue projections – \$2.50 phased toll increase



# Proposal: Regionally consistent differential pricing

Align with Golden Gate Bridge tiered pricing that has been in effect for 10+ years

Proposed differential pricing:

- Invoices: +\$1.00 per transaction
- License plate account: + \$0.25 per transaction

Proposed Toll Rates for 2-Axle Vehicles by Payment Method

	Jan 1, 2025 RM3 Increase (Approved)	Jan 1, 2026 Toll Increase	Jan 1, 2027 Toll Increase & Differential	Jan 1, 2028 Toll Increase	Jan 1, 2029 Toll Increase	Jan 1, 2030 Toll Increase	July 1, 2029 GGB
<b>FasTrak</b>	\$8.00	\$8.50	\$9.00	\$9.50	\$10.00	\$10.50	\$11.25
<b>Invoice</b>	\$8.00	\$8.50	\$10.00	\$10.50	\$11.00	\$11.50	\$12.25



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## Next Steps

# Next steps for toll increase

- Based upon Committee input, staff will incorporate Committee feedback into its proposal for further discussion at October BATA meeting.
- Conduct public review process in November 2024, including webinar with Q&A, formal comment period, and public hearing.
- Seek approval for toll increase at December BATA meeting, in conjunction with update to high occupancy vehicle (HOV) policy changes.

# Proposed timeline for toll increase

Tasks	2024				2025												'26	
	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	
BATA review of proposed toll rate change for public comment		●																
Public comment period & hearing at Nov BATA			●●															
One virtual public meeting			●															
BATA approval of toll rate change				●														
Implementation: RCSC, toll system, signage					■													
Customer education													■					
Toll increase effective Jan 1, 2026																		◆

