

RIDOT SETTING OF TOLL RATE FOR TOLL LOCATION 5

PUBLIC NOTICE DATE: June 13, 2022

END OF COMMENT PERIOD: July 15, 2022

COMMENTS INVITED:

All interested parties are invited to submit written comments concerning the proposed setting of toll rates by **JULY 15, 2022** to the addresses listed below.

ADDRESSES FOR PUBLIC COMMENT SUBMISSIONS:

Mailing Address:

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Date Tolling To Commence: On or about September 1, 2022.

Cost-Benefit Analysis: RhodeWorks Tolling Locations 5

Toll Location	Toll Rate	Annual Revenue (B)	Annual Cost (C) (Implementation, O&M, and RITBA)	Benefit to Cost Ratio (B/C)
5	\$2.25	\$2,045,439	\$477,100	4.29

A Cost-Benefit analysis was performed to determine whether the proposed toll rate within the RhodeWorks Tolling Project – Project generates adequate revenue to pay back the cost of the Project and yield additional funds for bridge reconstruction. This analysis was conducted pursuant to R.I. Gen. Laws §42-13.1-4.

Methodology

To arrive at a cost-benefit ratio for the Project, annual revenue was predicted using proposed toll rates and truck toll traffic estimates. This annual revenue represents the Project Benefit (B) at the tolling location. The cost was calculated at the tolling location by combining the cost of the toll infrastructure, tolling system, operations and maintenance (O&M) costs as well as the tolling processing and invoicing costs. The infrastructure, tolling system and O&M costs are based on the contracted agreement with

Kapsch TrafficCom Inc. to provide Design, Build, Operate, and Maintain services at 13 proposed tolling locations. While infrastructure costs are included in the contract per location, the tolling system and operational costs were common to all 13 locations. Therefore, the tolling system and operational costs were divided by 13 to yield a cost per location. The processing and invoicing costs are based off an agreement with Rhode Island Turnpike and Bridge Authority (RITBA) to provide these services at all 13 proposed locations and includes startup costs. The total cost paid to RITBA was divided by 13 to yield a cost per location and added to each location's total cost. The total cost at each location was then divided by 20 years (the expected service life of the steel gantries) to yield the annual Project Cost (C) per location. The final benefit to cost ratio for each location was calculated by dividing the Benefit (Annual Revenue) by the Cost.

Conclusion

Tolling Location 5 yields a positive Cost-Benefit ratio of 4.29. A project with a Cost-Benefit ratio above 1.0 shows that the benefits outweigh the costs and the project is profitable. Therefore, the proposed toll rate within the Project generates adequate revenue to pay back the cost of the Project. Additional toll revenue, beyond the funds needed for the Project, would be available for deposit into the Rhode Island bridge replacement, reconstruction, and maintenance fund. This revenue would be used for purposes outlined in RIGL § 42-13.1 and compliant with 23 U.S.C. § 129.