

TOLLING POLICIES FOR COMPREHENSIVE DEVELOPMENT AGREEMENTS, INSTITUTIONAL STRUCTURE TO CONSTRUCT S.H. 121 AND GENERAL TOLLING PRINCIPLES

Joint Regional Transportation Council /
Surface Transportation Technical Committee
Workshop
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OVERVIEW

Basic Questions on Tolling Policies Regarding Comprehensive Development Agreements

Basic Questions Regarding S.H. 121 in Denton and Collin County as a Comprehensive Development Agreement

Policy Questions Regarding Toll Facilities in North Central Texas



SCHEDULE FOR TOLLING S.H. 121 AND DEVELOPMENT OF REGIONAL POLICIES

STTC	February 24, 2006
RTC	March 9, 2006
Public Meetings	March 21 and 22, 2006
Joint STTC/RTC Workshop	March 24, 2006 (11:30 a.m.)
STTC	March 24, 2006
RTC Workshop	March 30, 2006 (1:30 – 3:30 p.m.)
RTC	April 13, 2006



TEXAS METROPOLITAN MOBILITY PLAN

IDENTIFIED FUNDING NEEDS

Metropolitan Transportation System Components	Funded Needs (Billions/2004 \$)	Unfunded Needs (Billions/2004 \$)
Operation & Maintenance	\$14.1	
Congestion Mitigation Strategies	\$1.9	
Bicycle & Pedestrian Facilities and Transportation Enhancements	\$1.0	
Rail and Bus Transit System	\$8.9 ¹	
HOV and Managed Facilities	\$1.4	
Freeway and Toll Road System	\$11.9 ²	\$16.2³
Regional Arterial and Local Thoroughfare System	\$5.8	\$3.3
Additional Cost to Purchase Right-of-Way		\$2.3
Rehabilitation Costs		\$31.4
Goods Movement/Rail Freight Costs		\$2.6
TOTAL	\$45.0	\$55.8
	\$100.8 Billion	

¹ \$3.0 billion obtained through Regional Transit Initiative

² \$2.0 billion obtained through Partnership Program #1

³ Includes Freeway-to-Freeway Interchanges





REGIONAL TRANSPORTATION COUNCIL ACTION STEPS

Toll Policy

- a) Toll Rate
- b) Adjustment of Rate Over Time
- c) Up-Front or Out-Year Excess Revenue
- d) Use of Fixed Time-of-Day Pricing

Schedule for Toll Policy

- | | |
|---|---------------|
| 1) S.H. 121 CDA (Pilot) | April 2006 |
| Option A: Denton County | |
| Option B: Collin County (Comparison Only) | |
| Option C: Denton and Collin County | |
| 2) I.H. 635/Loop 12 Managed Lanes | May 2006 |
| 3) I.H. 35W/I.H. 820/S.H. 183 Managed Lanes | May 2006 |
| 4) S.H. 161/CDA | November 2006 |
| Selection of S.H. 121 Institution | February 2007 |

FUTURE NTTA TOLL RATE PHILOSOPHY

<u>Annual</u>	<u>Year</u>	<u>(1.015)^N</u>	<u>Electronic Toll NTTA (Cent/Mile)</u>	<u>Annual Change</u>	
				<u>From 2006</u>	<u>From 2010</u>
-	2006	-	10¢		
-	2007	-	11¢	10.0	
0	2010	-	12¢	5.0	
5	2015	1.08	13¢		1.5
10	2020	1.16	14¢		1.6
15	2025	1.25	15¢		1.7
20	2030	1.35	16¢		1.7
25	2035	1.45	17¢		1.8
30	2040	1.56	19¢		1.9
35	2045	1.68	20¢		2.0
40	2050	1.81	22¢		2.0
45	2055	1.95	23¢		2.1
50	2060	2.11	25¢		2.2

1. TOLL RATE AND USE OF FIXED TIME-OF-DAY PRICING (EXAMPLES)

	<u>2010 Average</u>	<u>Daily Electronic</u>	<u>45% Peak ²</u>	<u>Off Peak Weekend (55%)</u>
NTTA	12.6¢	12¢	12¢	12¢
Flat #1	13¢	13¢	13¢	13¢
Flat #2	15¢	15¢	15¢	15¢
TOD #1	13¢	-	15.4¢	11¢
TOD #2	13.8¢	-	16¢	12¢
TOD #3	15¢	-	18¢	12.5¢

County Specific

¹20% Cash Tolls at 25% Greater

²AM 6:30 to 9:00 / PM 3:00 to 6:00



SAMPLE OF URBAN TOLL FACILITIES (Current Rates)

<u>Toll Rate Cents/Mile</u>	<u>Number of Facilities</u>
<10¢	2
10¢ – 15¢	5
15¢ – 20¢	3
>20¢	1



2. ADJUSTMENT OF RATE OVER TIME

NTTA (Historical, Since 1968)

4.4% Annual Compounded Rate

NTTA (Future)

1.5% Annual Compounded Rate

Adjusted Every Five Years

CPI¹ (Since 1970)

4.7% Annual Compounded Rate

CPI¹ (1990-2000)

2.8% Annual Compounded Rate

Household Income¹ (1990-2000)

3.9% Annual Compounded Rate

Real Income Growth

1.1% Annual Compounded Rate

Policy Option 1 Low Growth (1.5% Annual Compounded)

Policy Option 2 Middle Growth (2.5% Annual Compounded)

Policy Option 3 Higher Growth (4.0% Annual Compounded)

¹ U.S. Department of Census, Bureau of Labor Statistics for Dallas/Fort Worth region



3. UP-FRONT OR OUT-YEAR EXCESS REVENUE

Excess Revenue to County – Local Choice

Excess Revenue to County – Up Front

Excess Revenue to TxDOT District – Up Front





POLICY COULD BE:

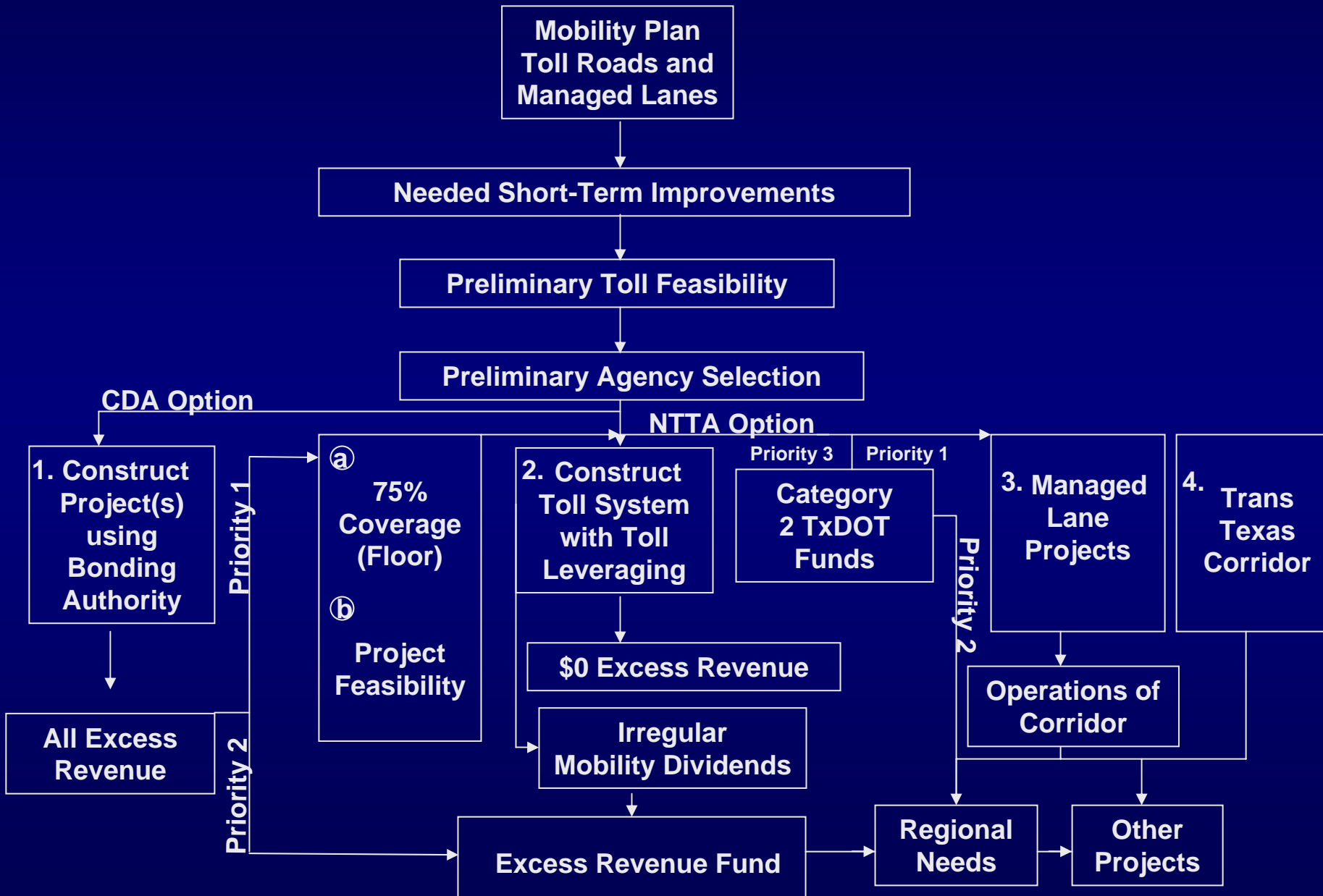
PEAK	Not To Exceed
OFF PEAK	Not To Exceed
GROWTH RATE	Not To Exceed
REVENUE POLICY	Up Front



EXAMPLE PROJECTIONS OF TOLL RATES

	<u>NTTA Electronic</u>	<u>Middle Position</u>	<u>Maximum Revenue</u>
2010 Toll Rate	12¢ Mile	15¢ Mile	25¢ Mile
Growth Rate	1.5% Compounded	2.5% Compounded	4.0% Compounded
2030 Toll Rate	16¢ Mile	25¢ Mile	55¢ Mile
2050 Toll Rate	22¢ Mile	40¢ Mile	\$1.20 Mile

INTEGRATED COMPREHENSIVE APPROACH: TOLL SYSTEM FOR NORTH TEXAS



PUBLIC SURVEY ON TOLL ROAD POLICY

BASIC QUESTIONS:

1. What should the 2010 toll rate be for S.H. 121?
2. Should there be a Comprehensive Development Agreement (CDA) in Collin County?
3. Should we have a differential toll rate for peak and off peak conditions?
If so, what are the rates?
4. How should the toll rate grow over time?
5. If the CDA anticipates toll revenue greater than anticipated costs, do we request revenue up front or over time?

POLICY QUESTIONS:

1. Should gas tax funds be placed on NTTA toll projects that establish a minimum level of NTTA toll subsidy?



PUBLIC SURVEY ON TOLL ROAD POLICY

POLICY QUESTIONS (Continued):

2. Should local governments have final authority in selecting NTTA or the private sector to build a project?
3. It is critical that NTTA grow as a regional toll authority in our region.
 - A) Should they develop revenue to fund gas tax facilities?
 - B) Should they adjust internal policies to request less gas tax funds?
 - C) Other?
4. "Revenue greater than costs" should
 - A) Stay within the TxDOT district to fund other needed projects?
 - B) Stay within the county that the toll project is located in?



PUBLIC SURVEY ON TOLL ROAD POLICY

POLICY QUESTIONS (Continued):

5. Institutional selection should be

- A) Based on full public sector/private sector competition?
- B) Based on a two step process, first on a public vs. private sector selection and second, the best entity in a given category?

6. The RTC should take into account the number of toll roads in a specific area before setting toll rates?

