

VALUE PRICING PROJECT QUARTERLY REPORTS

October - December 2003

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CONVERTING HOV LANES TO HOT LANES

CALIFORNIA: HOT Lanes on I-15 in San Diego

San Diego's FasTrak™ pricing program was implemented in April 1999. Under this program, customers in single-occupant vehicles pay a toll each time they use the Interstate 15 HOV lanes. The unique feature of this program is that tolls vary dynamically with the level of congestion on the HOV lanes. Fees can vary in 25-cent increments as often as every six minutes to help maintain free-flow traffic conditions on the HOV lanes. Motorists are informed of the toll rate changes through variable message signs located in advance of the entry points. The normal toll varies between \$0.50 and \$4.00. During very congested periods, the toll can be as high as \$8.00. Toll revenues support express bus service in the corridor, in addition to all operational costs of the HOT lanes, including police enforcement.

At the end of November 2003, there were 25,127 transponders issued. During November 2003, average daily traffic on the Express Lanes reached a peak of 23,004 total vehicles. This is a 150 percent increase from the 9,200 daily vehicles prior to the initiation of the program. On average, 76 percent of the daily traffic is from high occupancy vehicles (HOVs), and 23 percent is from FasTrak customers. Total revenue in 2003 is estimated at \$2.2 million. Approximately 50 percent of this goes to fund the *Inland Breeze* Express Bus Service that operates in the I-15 corridor. The remaining FasTrak funds pay for enforcement on the lanes by the California Highway Patrol; and for maintenance of the electronic toll collection (ETC) system and operation of the Customer Service Center, by TransCore.

In 2001, SANDAG conducted extensive outreach to measure public response to the value pricing concept. The surveys found that equity was not considered a major issue or obstacle to implementing pricing on the managed lanes. The majority of those interviewed in the phone survey (71 percent) felt that pricing the lanes was "fair" for travelers on the main lanes. Furthermore, 66 percent approve of the current configuration of the HOT lanes, and 71 percent believe that tolls are an effective way to manage demand. Both users and non-users of the dynamically priced I-15 HOT lanes strongly support the use of pricing. Support is high across all income groups, with the lowest income group expressing stronger support than the highest income group (80% vs. 70%).

October – December 2003 Update: The first half of the Weekend HOT lanes operation test will be complete on January 5, 2004. The I-15 HOT lanes have been open to HOV and FasTrak users in the northbound direction for 24-hour weekend operations since September 2003. On January 9, 2004, the direction of the test will be reversed to southbound for a similar duration up to four months. The purpose of the pilot program is to determine the most efficient direction to operate the Express Lanes on the weekends. Thus far, traffic and toll revenue data have revealed limited demand for a HOT lanes option on weekends, with Sundays' grossing slightly more revenue on average. More than 95 percent of the commuters using the lanes remain carpoolers on weekends.

For More Information Contact: Derek Toups, San Diego Association of Governments; Phone (619) 595-5307, e-mail dto@sandag.org.

CALIFORNIA: HOT Lanes on I- 880 in Alameda County

Interstate 880 is a major congested freeway in Alameda County. It has one high-occupancy vehicle (HOV) lane plus three contiguous mixed flow lanes in each direction for approximately 17 miles, from just south of Oakland to Fremont. This corridor has the highest volume of truck traffic in the region. It connects the Port of Oakland and Oakland International Airport with high technology companies in Santa Clara and southern Alameda counties and with goods distribution centers to the east. A study was done to determine whether excess capacity does exist, whether there is a market among potential users, and how to address the physical and operational issues associated with such a plan. Study results indicated that, while excess capacity exists, it is not sufficiently high to make local officials comfortable that additional priced vehicles could be accommodated. Also, the demand by light duty commercial vehicles was perceived as modest, and the California Highway Patrol expressed strong reservations about its ability to conduct effective enforcement.

October –December 2003 update: Nothing to report. Study completed.

For More Information Contact: Jean Hart, Deputy Director, Alameda County Congestion Management Agency; telephone (510) 836-2560, fax (510) 836-2185, email jhart@accma.ca.gov

COLORADO: HOT Lanes on I-25/US 36 in Denver-Implementation

A regional study of the feasibility of HOT lanes in Denver concluded that the I-25/US 36 corridor was the most feasible location for a pilot demonstration of HOT lanes. The I-25 Bus/HOV lanes, also known as Downtown Express lanes, consist of a two-lane barrier-separated reversible facility in the median of I-25 between downtown Denver and 70th Avenue, a distance of 6.6 miles. The lanes are used by southbound traffic from 5:00 am to 10:00 am, and by northbound traffic from noon to 3:00 am.

The proposed value pricing program would manage and partially alleviate severe congestion during the peak periods, as well as yield greater utilization of the I-25 HOV lanes. The plan would convert the Downtown Express HOV facility into a HOT lane facility, serving additional trips and optimizing the use of the facility. This HOT lane facility would feature dynamic pricing of single-occupant vehicles (SOV). Toll-paying SOVs would be excluded from access to the facility if SOV access were found to depreciate the level of service for HOVs and buses. In 2002, CDOT received \$1,721,526 toward its request for \$4 million in Federal funds for implementation of the project. The HOT lanes would be the first demonstration in the United States of value pricing directly into and out of a large central business district, with multiple ingress and egress.

October - December 2003 update: Colorado DOT, through its contractor Parsons Brinckerhoff, further developed its traffic and air quality analyses for the purpose of NEPA clearance. These analyses forecast the utilization of the HOT facility through 2025, using the regional model. The next step will be to conduct toll diversion analysis to refine the expected toll-paying utilization. Furthermore, air quality analysis shows no net increase to Vehicle Miles Traveled (VMT) and no intersection hot spots, both critical to incorporation in the 2025 Regional Transportation Plan (RTP) and for CDOT's application to obtain a "Categorical Exclusion".

CDOT and its contractor UrbanTrans Consultants completed the public outreach and involvement tasks to examine Environmental Justice and any controversial issues. Interestingly, the level of support for HOT lanes on I-25 has significantly increased since 2000, when the last series of public outreach on the concept was conducted.

Full implementation of the HOT Lane conversion on I-25 is still targeted for late 2004 or early 2005.

For More Information Contact: Myron Swisher, Colorado Department of Transportation, 2000 S. Holly St., Denver, CO 80222; phone 303-984-5272; e-mail myron.swisher@dot.state.co.us

FLORIDA: HOT Lanes on I-95 in Miami-Dade County

This funding would pay for an investment grade traffic and revenue study, market research, outreach efforts, and development of monitoring and evaluation plans. FDOT already funded a preliminary feasibility study.

A proposed new lane would be added in I-95's median. A moveable zipper barrier would permit multiple lane configurations of between two and three HOT lanes in the peak direction. The additional lanes would use the two existing HOV lanes. The HOT lanes would allow multiple ingress and egress points.

FDOT hopes to carry out this project via a public-private partnership. A private firm or consortium would be selected to design, finance, build, and operate the HOT lanes. FDOT would make use of a non-profit corporation to run the facilities and issue the toll revenue bonds. FDOT would not permit a non-compete clause in the public-private partnership agreement.

The overall project, which includes new ramps and several minor improvements to the mixed flow lanes, would provide a 20 percent increase in peak hour, peak direction capacity without having to widen I-95. The project's estimated benefits, in terms of travel time savings and reduced vehicle operating costs, are \$3.77 billion and the cost is about \$600 million. This produces a very impressive benefit-cost ratio in excess of 6.0.

October – December 2003 update: The Office of Planning for District Six, FDOT finalized the Request For Proposals (RFP). The Professional Services Office will advertise one contract for a single firm to perform the Traffic Revenue Study, Marketing and Public Outreach.

For More Information Contact: Kenneth Jeffries, Office of Planning FDOT, District 6, 305.377.5683 (phone) 305.377.5684 (fax) email: ken.jeffries@dot.state.fl.us

TEXAS: HOT Lanes on Two Radial Corridors in Houston (I-10 and US 290)

In January 1998, Houston's "QuickRide" pricing program was implemented on existing HOV lanes of I-10, also known as the Katy Freeway. It was implemented on US 290 in November 2000. The HOV lanes are reversible and restricted to vehicles with three or more persons during the peak hours of the peak periods. The pricing program allows a limited number of two-person carpools to buy into the lanes during the peak hours. Participating two-person carpool vehicles pay a \$2.00 per trip toll while vehicles with higher occupancies continue to travel free. Single-occupant vehicles are not allowed to use the HOV lanes. The QuickRide project is completely automated and no cash transactions are handled on the facility. Results from surveys conducted on I-10 indicate that the primary source of QuickRide participants is persons who formerly traveled in single-occupant vehicles on the regular lanes. Toll revenues from several hundred vehicles each day pay for all program operational costs.

October-December 2003 Update: The Texas Transportation Institute project team designed a comprehensive project to provide improvements to the existing QuickRide program, options for the use of QuickRide during the reconstruction of the Katy Freeway corridor, and a model for extending QuickRide to other regional HOV lanes as conditions warrant in the future. Changes in the HOT lane pricing, enforcement (including electronic toll collection), driver communication, and marketing will be implemented and evaluated to determine their effectiveness.

This quarter a website was created to promote the Value Pricing Program known as QuickRide. The website address is www.QuickRide.org. The website site was used this quarter for an on-line survey and on-line data of non-user, transit use and causal carpooler data. This website is also used as an information source and for enrollment in The QuickRide program.

Antenna upgrades on the Automatic Vehicle Identification equipment were implemented. Orders were submitted for the purchase of one fixed and one portable enforcement/tag verification device from TransCore. Also purchase requisition for two vehicle detection systems for volume and occupancy were advertised in December.

Investigations continued on improving enforcement technology with a vendor demonstration performed on December 9 in College Station, Texas. Compliance letters were mailed to current QuickRide members. Letters were also sent to suspect HOV lane violators observed during the September data collection period.

For More Information Contact: David Fink, Transportation Operations Engineer, Texas Department of Transportation; Phone (713) 881-3063, dfink1@houstontranstar.org.

CORDON TOLLS

FLORIDA: Cordon Pricing in Lee County

The Town of Fort Myers Beach in Lee County, Florida, is an island community with a heavy influx of visitors during the tourist seasons. Access to the Town is provided by road at two points of entry. Travel within the Town can be challenging, particularly during the winter tourist season. Due to the relatively small land area and environmental issues, options for additional roadways on the island are not practical. Further, due to limited right-of-way on the only non-local road on the island, and the high financial and social costs of obtaining additional right-of-way, significant widening is not considered practical. The Town is studying the feasibility of introducing a new variable toll at both approaches to the Town.

October – December 2003 Update: The project options report was delivered to the Town of Fort Myers Beach on November 17, 2003. The Options Report is the culmination of the research and public involvement to date on the project. The initial recommendations include traffic operations improvements, improved trailblazing, increased transit and real time data for transit and parking modifications. While not a specific implementation step, the process of observing the impact from changes made and then adjusting future changes based on what is learned can be a powerful congestion management tool. This approach is recommended for the Town. It is very similar to the Total Quality Management (TQM) process pioneered by W. Edwards Deming.

The transportation planning process, and the process of implementing transportation improvements for the Town of Fort Myers Beach needs to be interactive and ongoing. This report begins that process by identifying improvements that can be implemented immediately and then provides recommendations for follow up improvements depending on the result of the initial efforts. The Town can enhance this process by establishing a structure to perform this review and analyze the results. Whether this process is based on new or existing organizations and whether it is a public, private, or hybrid entity is up to the Town.

There is no doubt that this approach represents a significant change in the approach of the project team, and there is no doubt that it is a direct result of the public involvement process. During the summer, the project team at the direction of the Town Manager re-evaluated its approach. Where the team had been proceeding in a manner that sought to simultaneously solve all problems, the process evolved into one where simple, but effective, solutions were identified. Each of these solutions can stand on its own; however, there is also significant synergy among them. On December 8, 2003 the Town Council agreed to move forward with this direction and the recommendations.

For More Information Contact: Chris Swenson, P.E., CRSPE, Inc.; Phone 239-573-7960, crs@crspe.com; or Margie Byers, CRSPE, Inc. Phone 239-573-7960, mwb@crspe.com; Scott Gilbertson, Director, Lee County Department of Transportation; Phone 239 479-8580; gilbersm@leegov.com

FAIR LANES

CALIFORNIA: FAIR Lanes with Dynamic Ridesharing in Alameda County

This FAIR lanes study will focus on the congested Interstates 580 and 680 in Alameda County and will build upon the existing Interstate 680 value pricing study. The "Sunol Grade" portion of Interstate 680 is, by voter-approved ordinance, required to operate new value-priced carpool lanes. New carpool lanes are also planned for I-580. The FAIR lanes feasibility study will examine options in this integrated corridor, including FAIR lane connector ramps at the I-580/I-680 interchange near the Dublin-Pleasanton Bay Area Rapid Transit (BART) station.

Complementary measures to increase public acceptability will be implemented in the study corridor. These will include "dynamic ridesharing" and priority parking for ridesharing users at participating BART stations. Dynamic ridesharing enables travelers to respond to pricing in flexible ways that traditional ridesharing and transit options do not. It uses web-based and telephone-based systems to allow users to find carpool partners on a "real-time" basis, close to the time that travel is needed. This new type of ridesharing is expected to be more readily acceptable in the Bay Area than elsewhere, because casual carpooling with strangers is already prevalent there, and this project would add some new security features. In addition to cost and time savings (due to free use of express lanes), dynamic ridesharing would be further facilitated with reserved premium parking spaces at participating BART stations, on-demand backup services, and in-station electronic information screens providing necessary details about individual ride matches.

October - December 2003 update: A Request for Proposals for the FAIR Lanes Feasibility Study was issued in November. Parsons Brinckerhoff was selected as the consultant in December. The consultant is subject to a pre-award audit by the California Department of Transportation. Work is expected to begin in early 2004. The study will take one year to complete.

One proposal was received for the Dynamic Ridesharing Project and found to be non-responsive. A consultant has been retained to help redefine the scope and identify community characteristics that could improve the success of a pilot program. The report will be completed by the end of December. It is expected that a modified RFP will be issued in early 2004.

For More Information Contact: Jean Hart, Deputy Director, Alameda County CMA; telephone (510) 836-2560 ext. 11, fax (510) 836-2185, email jhart@accma.ca.gov

PRICED NEW LANES

CALIFORNIA: Express Lanes on State Route 91 in Orange County

The 91 Express Lanes opened in December 1995 as a four-lane toll facility in the median of a 10-mile section of one of the most heavily congested highways in the U.S, the Riverside / State 91 freeway. Toll revenues have been adequate to pay for construction and operating costs. The toll lanes are separated from the general purpose lanes by a painted buffer and plastic channelizers. In the toll schedule effective August 1, 2003, tolls on the express lanes vary between \$1.00 and \$5.50, with the tolls set by time of day to reflect the level of congestion delay avoided in the adjacent free lanes, and to maintain free-flowing traffic conditions on the toll lanes. All vehicles must have a “FasTrak” transponder to travel on the express lanes. Beginning in May 2003, vehicles with three or more occupants travel free except when traveling Eastbound, Monday through Friday between the hours of 4:00 p.m. and 6:00 p.m., when they pay 50 percent of the regular toll. This policy also applies to individuals on a motorcycle. Other toll discount offers are extended to zero-emission vehicles and vehicles with disabled person’s license plates.

There were over 143,000 transponders in circulation at the end of Fiscal Year 03. During the six month period ending June 30th, the facility served almost 5 million vehicles, averaging over 27,000 vehicles per day, with approximately \$13 million in gross potential revenue. The Express Lanes carry over 40 percent of the total SR-91 traffic during heavily congested periods, even though they comprise only one-third of the total freeway capacity. This amounts to a 33 percent higher throughput per Express Lane, relative to the general-purpose lanes. The higher throughput occurs because freeway vehicle throughput under free flow conditions is significantly higher than when it is congested.

October - December 2003 update: This successful VPPP project is still operating under the Orange County Transportation Agency, changing from private to public ownership in January 2003. OCTA adopted a progressive new toll policy in July 2003 that builds on the road’s successful congestions-management pricing philosophy.

The plan’s short-term projects will direct \$90 million to help relieve major freeway bottlenecks during the next five years, including adding auxiliary lanes and improving transit options for commuters. Mid-term projects over the next decade include spending \$260 million to add freeway lanes as well as create intermediate access to the 91 Express Lanes. At the same time, Riverside County has launched \$498 million in planned improvements for the 91 Freeway in Riverside County. Both counties are funding a joint \$3.3 million study of major long-term improvements, including such as a high speed rail line, elevated freeway lanes and an additional freeway.

In November 2003, OCTA refinanced the taxable debt on the 91 Express Lanes. This action, refunding taxable bonds and issuing non-taxable bonds, is projected to save about \$24 million over the life of the debt. OCTA is the only single-asset toll road agency in the country to receive a single “A” bond rating.

For More Information Contact: Ellen Burton, OCTA, General Manager, 91 Express Lanes; (714) 560-6282; eburton@octa.net

CALIFORNIA: HOT Lanes on I-680 in Alameda County

The Alameda County Congestion Management Agency is investigating design concepts and feasibility of new High Occupancy Toll (HOT) lanes on a 14-mile portion of I-680 connecting residential areas in the north and east to the job centers of Silicon Valley in the south. Currently, I-680 is a six-lane facility with three mixed-flow lanes in each direction. Traffic is highly congested southbound in the a.m. peak and northbound in the p.m. peak. Considerable growth in traffic demand is anticipated. A new southbound lane opened as an HOV lane in December 2002, and a new northbound lane is expected to open as an HOV lane in 2005. The study is reviewing various design concepts for HOT lanes. Major design options under consideration include: one HOT lane in each direction, two reversible HOT lanes in the peak direction, and an additional (ninth) lane in the median that would be reversible HOT.

October - December 2003 update: The feasibility study is complete. It concluded that the proposal to utilize the planned high-occupancy vehicle (HOV) lanes on Interstate 680 as high-occupancy toll (HOT) lanes is financially, operationally, and physically feasible. California legislative authority is needed to proceed with implementation of the HOT lane. Presentations have been made to Alameda County and Santa Clara County legislators. It is anticipated that legislation will be introduced in the 2004-2005 legislative session. Coordination with California DOT on I-680 corridor improvements continues.

For More Information Contact: Jean Hart, Deputy Director, Alameda County Congestion Management Agency; telephone (510) 836-2560, fax (510) 836-2185, email jhart@accma.ca.gov

CALIFORNIA: Extension of I-15 HOT Lanes in San Diego

The I-15 HOT lanes (described in the previous section on “Converting HOV Lanes to HOT Lanes”) may be extended to create a 20-mile "Managed Lanes" facility in the median of Interstate 15 between State Route 163 and State Route 78. When completed, there will be a four-lane facility in the median with a moveable barrier, multiple access points from the regular highway lanes, and direct access ramps for buses from five transit centers. A high frequency Bus Rapid Transit (BRT) system also will be operated in these managed lanes. Seven pricing alternatives were considered. All alternatives included either dynamic or time-of-day pricing fluctuation. A preferred pricing alternative has been approved. It involves a skewed per mile rate, which would vary the toll based on where the customer enters.

October– December 2003 update: On November 20, 2003, local officials celebrated the groundbreaking ceremony for the I-15 Managed Lanes/Bus Rapid Transit project. SANDAG staff continue to work with FHWA to determine steps for re-issuing unspent VPPP funds to initiate Final Design and Engineering of the Managed Lanes extension variable toll collection system. All issues remaining regarding funds from the previous managed lanes study will be addressed. Staff will complete the required reporting for Caltrans and FHWA.

For More Information Contact: Derek Toups, San Diego Association of Governments; Phone (619) 595-5300, e-mail dto@sandag.org.

CALIFORNIA: HOT Lanes in Median of State Route 1 in Santa Cruz County

A five-mile section of State Route 1 is proposed for widening. The facility is currently a four-lane divided freeway. The segment operates under severe congestion during weekday peak hours and extended periods on summer weekends. Within the study corridor limits there are seven interchanges. Five HOT lane alternatives were studied in detail, including: (1) one lane in each direction with barrier separation, no intermediate access; (2) one lane in each direction, with buffer separation, no intermediate access; (3) one lane in each direction with striped separation, 1 or 2 intermediate access points; (4) one lane in each direction with striped separation, continuous access; and (5) one reversible lane with barrier separation, no intermediate access. The results of the study indicated that HOT lanes in the study corridor would be subject to a number of design and operation constraints, due to the short study corridor, multiple interchanges on the adjacent main lanes, and anticipated high levels of HOV traffic. In June 2002, the Regional Transportation Commission voted not to include a HOT lane alternative in further consideration, however it did select a carpool lane alternative with a footprint that would allow conversion to a HOT lane at a future date, should demand warrant it.

Project Complete: Since Phase II will not be undertaken; some funds will be leftover in this study (around \$68,000). As such, FHWA and Caltrans will work with SCCRTC to close out the contract. The Final Report is available on the Santa Cruz County Regional Transportation Commission's website (<http://www.sccrtc.org/highway.html#hot>). There are no additional activities expected on this project.

For More Information Contact: Karena Pushnik, Santa Cruz County Regional Transportation Commission; tel: 831/460-3210; karena.pushnik@co.santa-cruz.ca.us.

COLORADO: HOT Lane on C-470 in Denver

A study was initiated to assess the design, operational, and financial feasibility, as well as expected public acceptance and use of HOT lanes as part of the potential widening of the 27-mile length of C-470 in the southwest quadrant of the Denver metro area, from US 6 to I-25. C-470 is a four-lane beltway with 18 interchanges, including the end points. Commuters are typically destined to the Denver Technological Center and adjacent offices, a regional employment hub with over 100,000 employees. The segments that do not currently experience severe congestion are all projected to experience such conditions by 2020. Future projected traffic volumes indicate that a phased implementation of added toll lanes may be viable. The study is an outgrowth of the recommendations of a recently completed regional feasibility study of “Value Express Lanes.”

The project team executed a consultant contract on February 21, 2003 and issued the first task order on March 14, 2003. The task order covers approximately three months worth of work, which includes project initiation, public involvement services, data collection of existing conditions, completion of project management plan, and project schedule. The project team initiated Federal and local agency coordination and public outreach efforts. The data collection of existing conditions continues on schedule.

October - December 2003 update: The project team completed Year 2025 Traffic forecasts and potential access points are being modeled to establish which access points are best suited to support value priced express lanes. Evaluation of the geometric design of the mainline and the potential access points is ongoing. Alternative development efforts are being metered to coincide with development of other alternatives being considered in the C-470 Environmental Assessment. Three Open Houses were held in October - primary questions were toll collection methods, access, and enforcement. The next steps in the communication program will include additional information on these and other issues, as well as a January 2004 Focus Group and a February 2004 Stated Preference Survey to establish value of time for potential users of the facility.

For More Information Contact: Ron Buck, Colorado Department of Transportation; Phone 303-972-9112, ron.buck@dot.state.co.us.

FLORIDA: Priced Queue Jumps in Lee County

This project follows on a \$309,280 grant provided in FY 2000 for a feasibility study of Queue Jumps in Lee County, Florida. The feasibility analysis indicated that while queue jumps did not appear to be a good candidate for traditional toll bond financing, they are nonetheless financially feasible. The analysis has shown favorable public acceptance. Lee County DOT and FDOT are experienced partners in efforts to introduce pricing. The final report and a Monitoring and Evaluation Plan are complete and available.

FY03 funds are for two separate Queue Jump projects: one at Summerlin Road and San Carlos Boulevard and one at Metro Parkway and Colonial Boulevard. Funds would pay for critical project development and design costs, as well as Electronic Toll Collection (ETC) and Visual Enforcement Systems. Costs for monitoring and evaluation efforts and outreach tasks are also included.

A Queue Jump is a facility that can be used to bypass points on the transportation network where congestion is particularly severe and occurs in a predictable pattern. Tolls would vary by time of day and would be levied electronically, and would be tied in with the County's existing ETC system. A significant characteristic of queue jumps is their ability to generate revenue for needed roadway improvements while simultaneously contributing to travel demand management.

Goals of this effort include traffic demand management using variable pricing; evaluation of various types of pricing programs; information on the impact of pricing at "point" locations; reduced emissions from reduced congestion; increased overall effectiveness of the County's existing variable pricing program; and fast-tracking of infrastructure improvements.

These funds would provide for the establishment of the first test of a value priced Queue Jump. Testing this concept and evaluating its effectiveness would provide very useful information for other areas considering priced Queue Jumps.

October – December 2003: The cooperative agreement for the current phase of the project has not been signed yet.

For More Information Contact: Chris Swenson, P.E., CRSPE, Inc.; Phone 239-573-7960, crs@crspe.com; or Kris Cella, Cella & Associates, Inc.; Phone 239-337-1071, kcella@cella.cc

NORTH CAROLINA: HOT Lanes on I-40 in Raleigh/Piedmont

HOT lanes and other potential value pricing options are being explored on I-40 in North Carolina's Piedmont (Greensboro, High Point, and Winston-Salem) and Research Triangle (Raleigh and Durham) areas. I-40 is the principal east-west corridor for the southern half of the U.S. The highway segments in the Research Triangle area are seriously over-capacity. Due to continued employment and residential growth, the segments in the Piedmont Triad are showing signs of similar affects during peak period congestion.

July – September 2003 update: Solicited and received data from NCDOT on average daily traffic, current use of the facility, and GIS maps of roadways and roadway attributes. In addition, the Piedmont Authority for Regional Transportation (PART) provided information on traffic forecasts for 2025 on the main roads in the area.

Received completed graduate study work including a literature review, ancillary data collection from the U.S. census to characterize the study area, and a report that displayed and examined information received from NCDOT and PART.

Team members had two meetings with other colleagues at NCA&T University and PART, as well as NCDOT. As a result of the meeting with NCDOT, the team performed additional calculations (V/C) and expanded the area of study to include another segment that NCDOT provided additional data for and that completed the analysis. A report including recommendations and three appendices regarding the concept lanes was provided to NCA&T.

For Additional Information Contact: Mrinmay Biswas, NCDOT; tel: 919/715-2465, e-mail: biswas@dot.state.nc.us.

OREGON: HOT Lanes on Highway 217 in Portland

The Highway 217 corridor, which connects I-5 to US 26, is the major north-south transportation route in the Washington County portion of the Portland metropolitan area. It runs through two major regional centers, connects the region's high tech centers, and serves one of the highest growth areas in the region. There is a need for additional capacity in the corridor. Value pricing options are being integrated into the mix of alternatives being evaluated and considered for implementation. A prior study, the Traffic Relief Options study, evaluated value pricing in the Portland metro area from a regional perspective and recommended that value pricing be considered whenever major new highway capacity is added. The current study will develop and evaluate several HOT lane and ramp meter bypass alternatives in this corridor, including consideration of FAIR lanes among other value pricing approaches at ramp meters.

October - December 2003 update: During the quarter, consultant contracts were finalized and executed. DKS will lead the traffic and civil engineering components with the support of URS and David Evans and Associates. ECONorthwest was selected to head up the financial and economic analysis. Zenn Associates will lead a public involvement team including Jeanne Lawson Associates and Riley Research Associates. Metro, ODOT and the consultants reviewed contracts in October and November. Kick-off meetings were held for the public involvement and technical tasks.

The Policy Advisory Committee (PAC) met in October and December. In October, the PAC developed study goals and objectives, learned about value pricing options and participated in a group stakeholder interview. In December, the PAC provided additional information on the study's objectives by prioritizing the objectives and responding to a series of questions about the objectives to aid the study team in developing alternatives.

Metro and jurisdictional staff completed the remaining stakeholder interviews during the quarter. In total, 40 stakeholder interviews were completed. A report compiling the views of the stakeholders was drafted and shared with the project TAC. The stakeholder interviews provided information and solicited perspectives about the role that managed lanes and value pricing can play in the corridor as well as other information about travel patterns, preferences and concerns. The public involvement team began developing focus group methodology. The focus group will be held in February 2004. Metro staff also began to meet with neighborhood and community groups about the project. The effort to meet with all affected neighborhood associations and groups will continue in 2004.

The technical consultants began a review of value pricing technology in December. The value pricing technology review will be completed in early 2004. The technical consultants also began to organize a peer review panel for the value pricing technology review to be held in late January. Project staff and consultants worked together to develop criteria and measures related to the PAC's adopted goals and objectives and began to develop project alternatives.

For More Information Contact: Ms. Bridget Wieghart, Metro Project Manager Phone 503-797-1775; wieghartb@metro.dst.or.us.

TEXAS: Managed Lanes on the LBJ Freeway in Dallas

The LBJ Freeway (I-635) is the major circumferential roadway in the Dallas region. The total length of the corridor is 21 miles. Traffic on certain portions of the LBJ Freeway is heavily congested for many hours of each day. The major attractors in this portion of the Dallas/Fort Worth region include regional malls, thriving business districts, and adjacent residential communities. Currently, the West Section facility consists of eight general-purpose lanes and one HOV lane in each direction. The facility may be upgraded with up to six HOT lanes (three in each direction). The proposed lane configuration would vary – the West Section would have six HOT lanes, the East Section from US-75 would have four HOT lanes, and the rest of the facility would have two HOT lanes. The LBJ Managed Lanes project design uses variable tolling to provide free-flowing traffic conditions and connections to transit centers to support Bus Rapid Transit.

October –December 2003 update: The project team is moving forward with the possible implementation of the project as a Comprehensive Development Agreement (CDA). The selection process for a Procurement Engineer is underway. The North Central Texas Council of Governments and Dallas Area Rapid Transit have pledged additional funding for the project. This can be combined with City of Dallas' Bond funds to raise the amount of local funding for the project to \$117 Million dollars. Project development is continuing in many areas of the project. This includes Geotechnical Investigation, Traffic and Revenue, Drainage, Early Frontage Roads, Skillman Intersection, Value Pricing Pilot Program, and many other areas. Additional project information can be found at the project web site:
<http://www.dot.state.tx.us/DAL/mis/ih635/LBJhome.htm>.

For More Information Contact: Matthew MacGregor, P.E. LBJ Project Office; Phone 214/319-6570, mmacgre@dot.state.tx.us

TEXAS: Managed Lanes on the Katy Freeway in Houston

Katy Freeway (IH 10), in the western portion of Houston, is a heavily congested urban interstate facility. The existing freeway is 23 miles long and consists of six general-purpose main lanes (three in each direction), with two-lane continuous one-way frontage roads in each direction for most of its length. Additionally, the freeway has a one-lane reversible high occupancy vehicle (HOV) lane between I-610 and State Highway 6, and one HOV lane in each direction between State Highway 6 and the Grand Parkway (State Highway 99). West Houston is one of the fastest growing areas in the Houston metropolitan region. Population and employment along the corridor is projected to increase by 40 percent in the near future, with population in certain portions of the corridor expected to grow by up to 130 percent. The freeway is proposed to be expanded to eight general-purpose lanes, four in each direction, with continuous three-lane frontage roads in each direction. In addition, in the center of the facility from I-610 west to State Highway 6, four HOT lanes are proposed, two in each direction. From State Highway 6 to the Grand Parkway, two HOT lanes are proposed, one in each direction. A re-evaluation of the FEIS was completed and made available to the public in January 2003. A press conference was held March 14 to formally sign a tri-party agreement.

October- December 2003 update: Construction continues on three sections of the IH 10 projects: IH 10 and IH 610 (West Loop), IH 10 from SH 6 to Peek Road, and IH 10 from Peek Road to the Fort Bend County Line. The next section to go for bid will be the section around Beltway 8, which is scheduled for July 2004. Work continues on modifying operations of the value pricing program known as QuickRide so that it remains operational throughout the IH 10 construction.

For More Information Contact: David Fink, Texas Department of Transportation; Phone (713) 881-3063, dfink1@houstontranstar.org.

TEXAS: Pricing on I-35 in San Antonio

The San Antonio district of the Texas Department of Transportation (TxDOT) is evaluating managed lane options for a 15-mile section of the Northeast Corridor (I-35). Public involvement has been a key in developing the I-35 project to date. Pre-project studies have provided some guidance in developing managed lanes, including incorporation of value pricing. Although TxDOT is an existing partner with value pricing projects in Dallas and Houston, this is San Antonio's first VPPP grant.

The purpose of the project is to evaluate potential operating strategies, including value pricing, which could be used as tools to manage travel demand on I-35. Alternative pricing scenarios can be utilized to allow certain user groups into the managed lanes at different stages over the facility's life. The I-35 Managed Lanes study is expected to show congestion-reducing benefits on a 15-mile stretch of the Northeast Corridor.

Implementation of managed lanes is highly likely, as it is already part of the planned freeway expansion project. Plans for additional public input (via public meetings and individual stakeholder meetings) are planned.

July – September update: The cooperative agreement was signed in September. The Draft Proposal previously submitted is now the final work plan. The San Antonio District will proceed with the study through a consulting firm. The study will assist in the development of the final project for I 35, Northeast Corridor.

For More Information Contact: Judy Friesenhan, Planning Engineer, Texas Department of Transportation; 210/615-5814; e-mail: jfrieese@dot.state.tx.us.

PRICING ON TOLL FACILITIES

CALIFORNIA: Peak Pricing on the San Joaquin Hills Toll Road in Orange County

The San Joaquin Hills Toll Road (State Route 73) is 15 miles long and extends from Interstate 5 near San Juan Capistrano to Interstate 405 in Newport Beach. It provides an alternative to heavily congested portions of I-5 and I-405, two north-south freeways in the southern portion of the Los Angeles metropolitan area. It carries in excess of 2.3 million vehicles monthly (2.7 million annual average) on a six-lane facility. Currently the Toll Road is near capacity during peak periods. A small peak period premium of 25 cents was implemented at most entrances to the facility in February 2002. The premium was calibrated to reduce congestion and spread peak demand to shoulder and off-peak periods, while maintaining revenues at levels required to maintain the covenants on the Agency's revenue bonds. Evaluation results showed that there was a net reduction of 2.7 percent in total traffic along with a net increase of 5.8 percent in toll revenue due to the premium tolls.

October – December 2003 Update: The San Joaquin Hills Transportation Corridor Agency (SJHTCA) increased the tolls at the Catalina View and Tomato Springs Toll Plazas on October 6, 2003. The increase at the Catalina View Plaza was \$.25 for FasTrak and \$ 0.50 for cash customers. The transactions in the AM peak were 4% higher after the toll increase than before the toll increase based on a year-to-year comparison. In the PM Peak, transaction growth was slightly less (-0.2%). Revenue growth change was 13.5% for the AM peak and 9.5% for the PM peak.

The toll increase at the Tomato Springs Plaza was \$0.25 for FasTrak and Cash customers. A summary of AM and PM data representing the “peak” for the Tomato Springs Plaza comparing 2002 to 2003 shows that there was a 1.5% increase in transactions and 18.9% increase in revenue for FasTrak customers. Cash customers recorded -7% in transactions and a 5.6% increase in revenue.

For More Information Contact: Terry Swindle, San Joaquin Hills Transportation Corridor Agency; phone: 949-754-3487, swindle@sjhtca.com.

FLORIDA: Bridge Pricing in Lee County

In August 1998, Lee County implemented a value pricing strategy on two toll bridges between the cities of Ft. Myers and Cape Coral. The project created a peak/off-peak pricing structure offering bridge users a discount toll during times before and after the peak traffic periods. Under the pricing plan, a 50 percent toll discount is provided for trips made during the half-hour period before the morning peak of 7:00-9:00 a.m. and in the 2-hour period following the morning peak. In the evening, the discount period is during the two hours before the evening peak of 4:00-6:30 p.m. and during the half hour after the peak. The program has been successful in inducing significant shifts in traffic out of the peak congestion period. Surveys indicate that over 71 percent of eligible motorists (i.e., those with vehicle transponders) shifted their time of travel at least once a week to obtain a toll discount amounting to just 25 cents (Burris *et al* 2002).

July – September 2003 update: This successful Value Pricing Pilot Program (VPPP) project is still operating. There is nothing new to report.

For More Information Contact: Kris Cella, Cella & Associates, Inc.; Phone 239-337-1071; e-mail kcella@cella.cc or Chris Swenson, P.E., CRSPE, Inc.; Phone 239-573-7960; e-mail crs@crspe.com; Scott Gilbertson, Director, Lee County Department of Transportation; Phone 239 479-8580; gilbersm@leegov.com

FLORIDA: Variable Tolls along the Sawgrass Expressway in Broward County

In May 2003, Florida began a pilot project to combine Open Road Tolling and Value Pricing entitled *Sawgrass Expressway: A Study of New Technologies*. Open Road Tolling (ORT) utilizes electronic toll collection to create a tolled highway system free from toll plazas and delays. This technology has the potential to change the toll industry by improving customer service, lowering operating and maintenance costs, and providing potential savings in capital costs. Under ORT, toll roads would be open to everyone and completely transparent to customers. There would be no toll plazas, tollbooths, or lane restrictions. All traffic would operate at highway speeds, yet every vehicle would pay a toll. Toll collection would occur through equipment located on overhead gantries. Eliminating the toll plazas themselves and the merging and weaving that occur while entering and exiting the plazas enhances roadway capacity and safety. Customers with a transponder would already have a pre-paid account with the toll agency. The toll charge would be automatically debited from their accounts. Value Pricing could be utilized during heavily congested peak periods along the corridor.

October-December 2003 update: Future traffic (2026) was produced for the Sawgrass Expressway using the Turnpike Model and Broward County's future land use, population and employment data. Operational analyses were completed for mainline and ramp (merge/diverge/weave) facilities from Atlantic to the Turnpike Mainline. This analysis was included in a Traffic Technical Memorandum (TTM) dated December 2003 that identifies existing and future level-of-service conditions. Additional operational analyses will evaluate the Sawgrass between Commercial Boulevard to I-595 and the impacts of removing the two Mainline Toll Plazas.

In October, the project team completed a summary report of the first round of Focus Groups. The key findings from this set of focus groups include the following:

- There is an important group of very-frequent Sawgrass customers who continue to use cash because they see no direct benefit from the current SunPass program.
- The most effective ways to convert resident cash customers will be to create SunPass/cash toll differentials (as will be done with the planned toll increase) and to either lower the transponder purchase cost or structure it as a refundable deposit.
- Broward County residents are especially concerned about how visitors and tourists will be accommodated under open road tolling and suggest a disposable phonecard-type system or transponder lease program for those populations.
- Residents do not favor the application of value pricing on the Sawgrass Expressway, but do strongly support several ITS initiatives.

A second set of focus groups will be conducted in early 2004 to consider more specific details of the proposed open road tolling plan.

For More Information Contact: Randy Fox, AICP – Turnpike Planning Manager, Phone (407) 532-3999, E-mail: Randy.Fox@dot.state.fl.us or Gary Phillips, AICP – Project Manager, URS Corporation, Phone (850) 574-3197, E-mail: Gary_Phillips@urscorp.com.

FLORIDA: Variable Tolls for Heavy Vehicles In Lee County

The on-going operational Variable Pricing Program in Lee County (see above) is currently restricted to light duty vehicles. This project will expand the existing program to allow larger vehicles to participate in the program and encourage them to travel during off-peak times. The program is anticipated to be operational in summer 2003.

October – December 2003 update: The public hearing was held in November. The Lee County project began a “soft” implementation on December 1, 2003. This implementation is similar to that of the 1997 transponder distribution, which was in preparation for Variable Pricing. Lee County began the Variable Tolls for Heavy Vehicles Program at the same time they began distributing transponders to 3 plus axle vehicles. As of December 12, the County had issued 290 transponders to 3 plus axle vehicles. The implementation began with little advertising, though a direct mail brochure and application form will be distributed in January. This soft implementation allows the County to make sure there are no read issues with the transponders on the larger vehicle types. Useable data will be available after the first of the year, with analysis beginning in early spring of 2004.

For More Information Contact: Kris Cella, Cella & Associates, Inc.; Phone 239-337-1071; e-mail kcella@cella.cc or Chris Swenson, P.E., CRSPE, Inc.; Phone 239-573-7960; e-mail crs@crspe.com; Scott Gilbertson, Director, Lee County Department of Transportation; Phone 239 479-8580; gilbersm@leegov.com

FLORIDA: Pricing Options on the Florida Turnpike in Miami-Dade County

The Florida Turnpike Enterprise recently completed a study of the feasibility of implementing value pricing on a 21-mile section of the Homestead Extension of Florida's Turnpike (HEFT) in Southwest Miami-Dade County. The facility can be divided into two unique and distinct segments. The southern segment extends from SR 874 to SR 836. It is approximately eight miles long and includes four interchanges. The northern segment extends from SR 836 to I-75. It is approximately 13 miles long and includes six interchanges. For the southern segment, the study recommended widening the HEFT from six to eight lanes in the short-term. The long-term recommendation (by 2010) was to add two reversible, elevated, value-priced Express Lanes. The recommendation for the northern segment was to widen from four to six lanes in the short-term. The long-term recommendation was to add an additional four value-priced express lanes at ground level by 2015.

Final: FHWA is closing out this study and will ensure that all deliverables are received. A new study with the Florida Turnpike is beginning under this original cooperative agreement, so the cooperative agreement will not close out. A final report and executive summary is available on FHWA's Community of Practice website at <http://knowledge.fhwa.dot.gov/cops/nsf> Go to "Value Pricing" then to "References" and sort by alphabet.

For More Information Contact: Gary Phillips, URS Corporation; Phone (850) 574-3197, e-mail Gary_Phillips@urscorp.com.

ILLINOIS: Variable Pricing on the Northwest Tollway/I-90 in Chicago

A Value Pricing Pilot Project is being conducted on the Illinois State Toll Highway Authority (ISTHA) system. The ISTHA operates 274 miles of interstate tollways in twelve counties in northern Illinois including the East-West Tollway (I-88), the North-South Tollway (I-355), the Northwest Tollway (I-90) and the Tri-State Tollway (I-94, I-294, and I-80/I-294). The eastern portion of the East-West Tollway from Illinois 31 to the Tri-State Tollway (I-294) a distance of 23 miles is the section chosen for the pilot project study. Phase 1 involves the basic feasibility study and evaluation of possible value pricing options for the Tollway. This will include identification of alternative pricing strategies, extensive market research and outreach, traffic and socioeconomic impact analysis, development of preliminary plans and cost estimates, and a review of toll technology considerations. Based on the results of this work a decision would be made whether to proceed to a second phase. If so Phase 2 would involve the actual implementation of the pilot program. A possible Phase 3 would be implementation system-wide of the selected program.

October – December Update 2003: The study got underway in October. Baseline data collection and user surveys were the principal activities conducted this quarter. Traffic volume and speed data was obtained from existing sources and speed runs. An Origin-Destination survey of study segment users was conducted in mid-November. Survey cards were distributed at toll plazas and through the mail. Origin, destination, trip purpose, frequency, and vehicle occupancy were some of the information sought. As of this writing over 13,000 responses have been returned and are being processed.

Several focus groups of Tollway users were conducted in November to develop a qualitative understanding of the issues for the study and to help guide development of the quantitative stated preference survey. A stated preference survey was designed and is being implemented in the first two weeks of December. The survey is conducted via an interactive computer program. The program seeks basic information about the participant's trip making in the study corridor and then presents various possible future choices including value pricing based options. Participants are recruited at intercept sites such as shopping malls, DMVs, community colleges and other sites in the corridor. Origin-Destination survey participants were asked to volunteer as candidates to take the stated preference survey over the Internet. We got over 5,500 volunteers from that source.

Processing of the Origin-Destination and stated preference survey data is expected to be completed by the end of December. This information will be used to analyze value pricing strategies beginning in January.

For More Information Contact: Eugene Ryan, Wilbur Smith Associates, phone: (630) 434-8111 eryan@wilbursmith.com; or Dean Mentjes, Mobility Engineer, phone: (217) 492-4631 dean.mentjes@fhwa.dot.gov.

NEW JERSEY: Variable Tolls on the New Jersey Turnpike

The New Jersey Turnpike Authority operates a 148-mile facility with 28 interchanges. It is one of the most heavily traveled roadways in the country with average daily trips exceeding 500,000 vehicles. The Turnpike's variable pricing program began in the fall of 2000. The program provides for tolls that are about seven percent higher during peak traffic hours than during off-peak periods for users of the electronic toll collection system. The price differential is scheduled to increase in a phased manner over several years.

The introduction of variable tolls has improved traffic flow and provided associated air pollution and energy consumption benefits. Preliminary data show that value pricing is working to shift traffic out of the peak period. Most of the recent growth in traffic on the Turnpike has been in the off-peak hours, with total traffic up by around seven percent, but morning peak traffic up by only six percent and afternoon peak traffic up by only four percent. The proportion of daily Turnpike traffic accounted for by the morning peak dropped from 14 percent to 13.8 percent, and the afternoon peak's share of traffic decreased from 14.7 percent to 14.3 percent.

October – December 2003 Update: This quarter, we worked on the development of the theoretical framework for the assessment of impacts. Since, the surveys are not finalized yet, we are still working on laying out the foundation for a theoretical analysis of the impacts. The data that will be obtained from the surveys will be used to calibrate the models of this theoretical framework. Our review of literature and simple simulation based work shows that the “value of time” is one the major factors that need to be considered when the impact analysis is conducted. We developed a mathematical model of the “value of time”. This model incorporates a utility function that represents the “behavior of the commuters” and represents “value of time” quite realistically for each commuter.

We also wrote a preliminary working paper that is based on the analysis of traffic data we obtained from the NJ Turnpike. Allan Lichtensten of Voorhees Transportation Center at Rutgers is continuing to work on the media issues. A series of meetings with the major players of the “NJ Turnpike value pricing initiative” will be scheduled during the next quarter and a working paper based on this work will be prepared. Based on the results of the focus groups being conducted by RPI researchers, and our on-going work with the other members of the research team, we will conduct updated surveys during the next quarter.

For More Information Contact: Kaan Ozbay, Ph.D., University Principal Investigator, Rutgers University; phone 732/445-2792; fax 732/445-0577; email kaan@rci.rutgers.edu.

NEW JERSEY: Variable Tolls on Port Authority Interstate Vehicle Crossings

The Port Authority of New York and New Jersey (PANYNJ) adopted a variable toll strategy for users of the electronic toll collection system (E-ZPass) in March 2001. The Port Authority provides a 20 percent (\$1.00) discount for off-peak tolls on its bridges and tunnels crossing the Hudson River between New York and New Jersey. Peak toll rates are effective on weekdays from 6-9 a.m. and 4-7 p.m., as well as on weekends from 12 Noon to 8 p.m. An estimated 125.2 million vehicles used the tunnels and bridges in 2002, and approximately 62 million interstate bus passengers use the interstate crossings annually.

As the interstate transportation system operations and demand have stabilized following the events of September 11, 2001, preliminary analyses of the data indicate positive results in sustaining some shift in travel demand to the hour prior to the peak toll rates on weekdays. The hourly percentage distribution of 5-10 a.m. weekday showed as much as a 2.6 percent (2400 vehicle) increase in the 5-6 a.m. share of morning traffic demand, just before the peak toll rates go into effect. There is less evidence that the off-peak discount has been effective in shifting demand to the hour following the 6-9 a.m. peak toll period. As the sluggish New York City economy has dampened travel demand in 2003 in all times periods, there has been some evidence of a shift back to the now less-congested peak hours by early hour off-peak motorists. This suggests that the \$1.00 discount has had some meaningful and sustainable ability to shift travel demand, but the effectiveness of the discount to shift demand to off-peak hours is highly correlated to continued levels of peak-period congestion. While similar results are evident during the weekday evenings, the effect is not as strong, suggesting somewhat less willingness to travel off-peak or flexibility in evening schedules. There is little evidence that the off-peak discounts have been effective in influencing weekend travel patterns.

October - December 2003 update: The project team has held a series of meetings and conference calls to develop the behavioral analysis tools to assess the behavioral impacts of value pricing. Four focus groups have been conducted for auto drivers: one for cash users and three for E-ZPass users (Holland/Lincoln Tunnel, George Washington Bridge, Staten Island Bridges). In addition, two focus groups are scheduled to understand the commercial markets: one for shippers and receivers, and one for trucking companies. The project team is also undertaking in depth interviews with shippers and carriers to develop a deeper understanding of their behavioral rules. The project team has developed preliminary survey instruments (for both passengers and commercial vehicles) that will be finalized with input from the focus group outcomes. A plan for the behavioral research has been developed by the PI and will be finalized by the Project Advisory Group early in 2004. Rutgers University is analyzing the traffic data, to complement the ongoing assessments of the PANYNJ. New York University has completed draft analyses documenting the stakeholders/media reaction to the Value Pricing Program at the Port Authority crossings. This report should be ready for public distribution shortly.

For More Information Contact:

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NEW JERSEY: Express Bus/HOT Lane Study for the Lincoln Tunnel

The Port Authority of New York and New Jersey (PANYNJ) implemented variable pricing on the six vehicular crossings between New York City and New Jersey in March 2001. The Value Pricing Pilot Program is currently funding a monitoring and evaluation study to analyze the impacts of the variable pricing structure. (See the project update above). This project is designed to assess the feasibility of pricing a new managed lane application intended to connect the New Jersey Turnpike and New Jersey highways to the Lincoln Tunnel and the Port Authority Bus Terminal in Midtown Manhattan.

On weekdays from 6-10 a.m., the PANYNJ currently operates a 2.5-mile eastbound contra-flow Exclusive Bus Lane (XBL) along the westbound Route 495 approach to the Lincoln Tunnel from the New Jersey highway interchanges. The XBL carries approximately 1700 and 60,000 passengers each morning to Midtown Manhattan, saving about 15-20 minutes in travel time as compared to the regular travel lanes bus passengers. Since the XBL has reached its capacity, the PANYNJ is assessing the physical and operational feasibility of adding a second XBL to the Route 495 corridor.

The project being funded by the Value Pricing Pilot Program will allow the Port Authority to assess options of pricing the excess capacity of a second Bus Lane in a High-Occupancy Toll (HOT) Lane application. The objective of this project is to determine whether value pricing might be used to allow non-bus traffic to use the excess capacity of a potential second Exclusive Bus Lane on NJ Route 495 leading to the Lincoln Tunnel and Midtown Manhattan. This study will consider whether pricing is an appropriate mechanism to manage the demand of non-bus traffic wishing to take advantage of the reliability and the improved service levels on the new bus lane.

This project will evaluate an array of pricing alternatives that allow a vehicle mix that ensures a travel time advantage in the new managed lane, while also improving overall passenger throughput and travel time reliability during the weekday a.m. peak period. The major benefit of this study is in the increased service level for buses through more reliable travel times. This enhanced service would meet increased demand for buses and may potentially increase bus ridership.

October - December 2003 update: The project team comprised of representatives from the PANYNJ, NJDOT, NJ Turnpike and FHWA held a kick-off meeting to review the scope of work, project budget, project and contract management responsibilities, and administrative requirements. A partnership agreement between the PANYNJ and NJDOT is expected to be approved in February 2004, which will allow the project to begin in earnest. A microscopic traffic simulation model being developed by the PANYNJ will be completed by December 2003. This tool will be used to evaluate the advantages and disadvantages of various pricing scenarios on the overall productivity of the corridor to move people and vehicles.

For More Information Contact: Mark Muriello, PANYNJ, Assistant Director (212) 435-4836 telephone, mmuriello@panynj.gov.

OHIO: Northern Ohio Freight Efficiency Study

Truck use on the Ohio Turnpike is low relative to total truck travel in the corridor that encompasses both the turnpike and many parallel arterial roadways. As a result of the recent expansion of the turnpike, turnpike capacity is underutilized. By contrast, parallel State routes are more congested, and some of these routes carry 30-50 percent trucks.

The proposal shows the link between arterial congestion and the turnpike tolls and cites a study finding that 70 percent of truck drivers using an arterial roadway through one town are doing so to avoid a turnpike toll.

Because of arterial truck traffic, local government officials have been pressuring the State to build bypass roadways around their towns. The proposal estimates the cost to construct all requested bypasses would exceed \$100 million. This study would explore turnpike truck toll discounts as an alternative to, or at least a means to reduce the need for, construction of bypasses.

Project goals are to identify whether value pricing can attract traffic from parallel routes onto the turnpike, and to develop and recommend a pricing strategy to encourage trucks to use the less congested Ohio Turnpike.

The project includes substantial public outreach and participation by government and non-governmental organizations.

A pricing structure would be developed to alleviate truck-caused arterial roadway congestion with no or minimal construction of new bypass routes and without substantially increasing turnpike congestion.

October – December 2003 update: The Scope of work details were completed with the Ohio Turnpike Commission in December. Currently, the project team is discussing the best options to procuring consultant services for the freight traffic and revenue modeling.

Meanwhile, the team began to collect and analyze data from the Turnpike, regarding pavement and bridge investment history, and asset conditions. This (in house) phase should be completed by the end of January 2004.

For More Information Contact: Howard Wood, Ohio Department of Transportation, (614) 466-2255, howard.wood@dot.state.oh.us.

PENNSYLVANIA: Variable Tolls on the Pennsylvania Turnpike

The project has involved a study of the potential for value pricing strategies to alleviate congestion; to facilitate the timely, efficient, and economical movement of commercial vehicles to industrial and commercial destinations; and to improve the movement of daily commuter vehicles to and from the workplace. Concurrent with the value pricing study, the Pennsylvania Turnpike Commission (PTC) has implemented electronic toll collection (E-ZPass) for travel between the ticket interchanges on its mainline system. The PTC is currently equipping additional lanes with E-ZPass, which would facilitate the implementation of variable tolls should the Commission decide to do so. This work has been accomplished without federal funds.

Meanwhile, the marketing and growth of E-ZPass usage has temporarily alleviated much of the congestion previously being experienced in the Philadelphia and Pittsburgh urbanized areas served by the Turnpike.

October – December 2003 update: Based on preliminary results of the value pricing study, revisions were made to the toll collection system to provide for a 25% discount to motorcycle customers who utilize E-ZPass. This went into effect on July 1, 2003. The appointments of a new Executive Staff at the PTC and PennDOT have delayed consideration of other pilot project implementation strategies due to new priorities being established. At this time, the PTC does not plan to pilot any further value pricing strategies in the near future.

Wilbur Smith Associates, the Pennsylvania Turnpike Commission's Consultant for the value pricing study, is preparing the final draft report that should be available for review within the next few weeks.

For More Information Contact: Robert J. Smith, Director of Finance, PA Turnpike; phone (717) 939-9551 x2432, rsmith@paturnpike.com, or George L. Hannon, Special Assistant, PA Turnpike, (717) 939-9551 x5124, ghannon@paturnpike.com.

USAGE-BASED VEHICLE CHARGES

CALIFORNIA: Car Sharing in the City of San Francisco

City CarShare is the nation's only non-profit, fully automated car-sharing program. It is located throughout the City of San Francisco, and expanding rapidly throughout the Bay Area. Today there are 2,700 members sharing 80 vehicles, located in the cities of San Francisco, Oakland, Berkeley, Palo Alto, and Mountain View, and at twelve Bay Area Rapid Transit stations.

Surveys of members and a comparable group of non-members (located in similar neighborhoods, but without convenient car sharing) suggest a decrease in driving from members, reduction in gasoline consumption and emissions, and sizable dollar and travel time savings, suggesting that cars were used to replace some of the least convenient off-peak transit trips. Future surveys will seek to identify how vehicle ownership and residential location choices, when combined with the availability of car sharing, affect travel patterns.

Project Completed: Received reports prepared by Prof. Robert Cervero, which are available on FHWA's Community of Practice website at: <http://knowledge.fhwa.dot.gov/cops/nsf> Go to "Value Pricing" then to "References" and sort by alphabet.

For More Information Contact: Larry Magid, Executive Director; phone 415.995.8588 x305, email larry@citycarshare.org; www.citycarshare.org

GEORGIA: Simulation of Mileage-Based Insurance in Atlanta

This test is designed to assess the effects of converting fixed automotive insurance costs into variable driving costs. To establish baseline travel patterns, the research team is monitoring the driving patterns of a pool of 875 household participants for one year with no pricing treatments. In the second year of the study, insurance rates for study participants will be assessed on a per-mile basis, such that if they continue their pre-existing driving patterns, their annual insurance premiums will remain unchanged. Participants that reduce their household miles of travel will receive insurance rebates in accordance with their mileage-based rate schedule. The research team will monitor the changes in driving patterns and will use statistical analyses of household characteristics, vehicle travel, and relevant employer survey data (parking costs, transit accessibility, etc.) to examine the relationships between the incentives offered and subsequent travel behavior changes.

October – December Update 2003: In September, the team deployed 375 units. Surprisingly, the recruitment and retention of high-income households was much higher than is typically experienced in travel diary studies, while recruitment and retention in low-income households was lower than expected. Additional households were recruited in October/November to infill the moderate and lower income groups to complete the random stratified sampling plan. In December, the team deployed the remaining vehicle instrumentation.

Instrumented vehicles make approximately six trips per day. As of November 30, 2003, more than 155,000 vehicle trips have been monitored on a second-by-second basis, yielding more than 100 million vehicle-seconds (28,000 vehicle-hours) of activity data. Trips are processed to routes in the GIS system. The database is approximately 14.5 Gb and includes all relevant vehicle activity data, including engine computer data for more than 300 of the vehicles.

Household interviews and travel diaries have established the demographic and socioeconomic characteristics of the households for use in mode choice analysis. The team will implement the final round of travel diary surveys in January/February 2004. All 875 employer commute options surveys were completed this quarter, with nearly a 50 percent response rate (well above the expected 35 percent rate). Phase I of the project is essentially complete, and the pricing experiment awaits a FHWA funding decision. For the next 9 months, the research team will continue monitoring vehicle activity and troubleshooting any problems that arise.

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MINNESOTA: Variabilization of Fixed Auto Costs

The Minnesota Department of Transportation and its consultant team led by Cambridge Systematics have begun a demonstration of how drivers change their travel behavior when some of the fixed costs of owning and operating a vehicle are converted to variable costs. The pilot project simulates conversion of vehicle lease and insurance pricing from fixed costs to per mile pricing incentives. Approximately 30 percent of new vehicles in the U.S. are acquired through leases that are typically structured with fixed monthly costs, and annual mileage caps. This demonstration is expected to help lease companies consider structuring incentives to reduce miles driven over the life of the lease, thus improving the resale value of vehicles, and to help insurance companies better understand the mileage based insurance market.

October – December 2003 update: The project team is undertaking a comprehensive market research effort to understand who would voluntarily opt for mileage based leasing and/or insurance incentives. This will build on the work done in the April focus groups, aiming for statistically relevant samples. The goal will be to understand the opportunities and constraints for a mileage-based leasing or insurance product that might be offered by the private sector.

Upon completion of the market research effort, the consultant team will recruit a sample of people that fit the profile of willing participants. The consultant team will monitor the participants' mileage via onboard equipment that will be easily exchanged out on a monthly or more frequent basis. Part of that time will be a control period, where participants receive no feedback on miles driven. The other part will be an experiment period, where participants are provided price signals on a semimonthly basis. We will compare the behavior of each participant during his or her own control period to his or her own experiment period. The control participants also will serve as a separate control group to those that are in the experiment period in order to identify any general changes in regional driving behavior during the experiment period.

Within the experimental period, we will test participant response to several variables, including total number of household vehicles, the number of vehicles included in the experiment, and variable pricing by time of day. Participants will be surveyed at various intervals in the project to identify shifts in their attitudes towards mileage based pricing concepts.

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OREGON: Mileage-Based Road User Fee Evaluation

This pilot is identifying and evaluating mechanisms to supplement or replace Oregon's statewide fuel tax. A Road User Fee Task Force (RUFTF, pronounced "Rough Tough") was formed in November 2001. The RUFTF has considered over 20 potential revenue sources to ultimately replace the fuel tax on gasoline as the primary funding source for the state's road and highway system. The task force decided to go forward with a test of a vehicle miles traveled (VMT) fee collected at the fuel pump, with data generated by either a simple GPS device or odometer sensor with automated vehicle identification (AVI) technology. Under either technology, the data would be transmitted to a reader at the fuel pump via radio frequency.

The Task Force concluded that the costs for implementing and operating a VMT fee will be extensive, much more than for the gas tax, but that the fuel pump collection option may prove affordable. It also determined that area pricing is feasible with the GPS technology option. Retrofitting a GPS device for every passenger vehicle in the state, however, will be cost prohibitive. The task force thus will recommend to the Oregon Legislature that a mandate be imposed that every new vehicle sold in the state be equipped with a properly configured GPS device. This would take over 20 years for full market penetration. Area pricing would not be implemented until every vehicle subject to area pricing is equipped with the device.

October - December 2003 update: On November 21, 2003, the Road User Fee Task Force reviewed the progress of ODOT and Oregon State University on the technological, financial, administrative and political aspects of development of a mileage fee (a.k.a. VMT fee) and a pilot test program. On technology, OSU described development of functional and technical specifications for integrated GPS/AVI and odometer sensor/AVI devices, the acquisition of technology devices for integrating, testing and refining the components into working prototypes and the preparation for functional testing of the devices in late December 2003. On finance, ODOT concluded that ultimate implementation of a mileage fee would be affordable with full technology implementation on new vehicles and to support service station collection costing less than two percent of the fee rate. On administration, ODOT concluded that integration of gasoline tax collection at the point of wholesale (a.k.a. "the rack") with collection of the mileage fee at the fuel station could be easily accomplished via a regular "true up" method called VMTCAR ("Vehicle Miles Traveled Collected At Retail"). On politics, ODOT reported on contacts with the fuel distribution industry and the conclusion that a small state such as Oregon will have great difficulty pulling national industry interests to the negotiating table without the intervention of national mileage fee supporters, even for the pilot. The task force also reviewed ODOT's decisions to hire consulting services to develop a pilot program design and implementation plan for the mileage fee and target a start date for the field test, involving approximately 500 volunteers, of February 1, 2005. A quarterly report for this project will be submitted by January 31, 2003.

For More Information Contact: Mr. James M. Whitty, Project Administrator; 503-986-4284 (office), 503-881-7552 (cell), jim.whitty@odot.state.us; Website: <http://www.odot.state.or.us/ruff/>

WASHINGTON: Global Positioning System (GPS) Based Pricing in the Puget Sound Region

In this pilot, meters will be placed in the vehicles of voluntary participants. Different prices per mile will be imposed depending upon the location and time of travel. Drivers will be made aware of the pricing both through maps and other printed material, as well as a real-time read-out on the in-vehicle meter. The location and time of travel of the vehicle will be determined by an integrated GPS antenna/receiver. The GPS approach has been selected because it offers a cost-effective method of pricing ubiquitously. By relying on "In-Vehicle Meters," the need for expensive wayside antennae is eliminated, and even arterial roads can be priced cost-effectively. At the start of the pilot, participants will receive a billing account with a positive cash balance. Any cumulative in-vehicle meter charges will be debited against this balance. Any funds remaining in the account at the end of the pilot may be kept by the participants. This "hold-harmless" study design gives participants the opportunity to participate without committing their own funds, yet gives them the incentive to adjust their driving behavior so as to enjoy the surplus remaining in the account at the end of the experiment.

October - December 2003 update: Completed a procurement process for a system integrator for the technical (software/hardware/systems) elements of the project implementation phase. Siemens ITS was selected as the preferred vendor. Siemens ITS has been included in a collaborative process to finalize the experimental and technical design of the implementation that will continue through March of 2004. Work has continued on the development of "toll system" functional specifications that will form the basis of a system delivery contract with Siemens ITS.

For More Information Contact: Matthew Kitchen, Puget Sound Regional Council; 1011 Western Avenue, Suite 500, Seattle, WA 98104-1035; 206.464.6196; mkitchen@psrc.org.

“CASH-OUT” STRATEGIES

WASHINGTON: Parking Cash-Out and Pricing in King County

The King County Parking Cash Out demonstration project is designed to implement Parking Cash Out and other parking management strategies in downtown high-rises in cooperation with building owners and employers; to provide building owners or managers with incentives to shift existing parking supply to carpool, vanpool, or short-term parking; and to reduce the supply and increase the cost of single-occupant monthly vehicle parking. Unfortunately, the serious downturn in the Seattle economy has stalled implementation. However, preliminary results indicate that for the 167 employees offered Parking Cash Out thus far, 17 (over 10 percent) took the cash in lieu of the parking, resulting in an annualized reduction of over 82,000 vehicle miles traveled.

October – December 2003 Update: King County continued an effort to develop and staff a Downtown Transportation Alliance (DTA) to bring the City Metro and the downtown business community together on Central Business District (CBD) parking, access, and Transportation Demand Management (TDM) issues. The DTA will have a policy element staffed by major decision-makers and a group to manage a one-stop shop for TDM and parking programs developed through the Downtown Seattle Access Project (DSAP). Next quarter activities include:

- Completing a policy review to guide long term Transportation Management Plan (TMP) development and TMP revision strategies.
- Presenting implementation strategies for goals-based TMPs to selected city staff and private sector stakeholders for review.

For More Information Contact: Kathy Koss, King County Metro; 206.684.1649, fax: 206.684.2058, Kathy.Koss@metrokc.gov; 400 Yesler Way, M.S. YES-TR-0600, Seattle, WA 98104.

WASHINGTON: Cash-Out of Cars in King County

The *Way to Go, Seattle!* "One-Less-Car Demonstration Study" asks households to use one less car and keep daily records of how they got around. Households were provided with information on how much their car actually costs to own and operate, as well as information on how to get around by biking, busing, and walking. Participant households are provided with a weekly study stipend during this time to simulate the financial savings they would realize if they were to actually sell one of their cars (the national average cost of owning/operating a second car is \$85 per week). Daily records, odometer readings, and anecdotal stories are analyzed to document costs and to understand whether or not households made significant behavior changes such as consolidating trips, carpooling, taking transit, biking, or walking.

The eighty-six participant households reduced total miles driven by 41,463, or an average of 1,974 miles not driven per week. Likewise, participants collectively saved a total of 8,003 fewer car trips, or an average of 381 fewer trips per week. Finally, the eighty-six households reduced total CO₂ emissions by 30,198 pounds, or an average of 1,438 pounds per week. Additionally, 20 percent sold their "extra" car after participating in the study or during the selection process.

Project Completed: The Final Report with stand-alone Executive Summary, Replicability Package, and grant obligations is complete. 50 CD-Rom copies of the Replicability Package disc will be duplicated. Arrangements are also being made to post all of the Replicability Package documents on the project webpage (www.seattle.gov/waytogo).

A pilot version of the "One Less Car Challenge" was launched in September 2003. The Challenge is based on the results of the Demonstration Study that showed that many types of households from all over Seattle were able to reduce drive-alone car trips, and the accompanying mileage and emissions, when given information about 1) the availability multi-modal transportation choices and 2) the actual costs of owning and operating their second (and in some cases their primary) car.

For More Information Contact: Ms. Jemae Hoffman, Mobility Manager for the Policy, Planning, and Major Projects Division of Seattle Department of Transportation; Phone: 206/684-8674; Fax: 206/684-5180; Email: jemae.hoffman@seattle.gov or visit www.seattle.gov/waytogo.

REGIONAL PRICING INITIATIVES

FLORIDA: Sharing of Technology on Pricing

The Federal Highway Administration, the Organization for Economic Cooperation and Development (OECD), the Transportation Research Board (TRB), and the Florida Department of Transportation collaborated in sponsoring an international symposium to set the stage for consideration of wider implementation of innovative pricing strategies to meet congestion relief, emission reduction, and fiscal objectives. The symposium assembled key pricing experts from across the U.S. and overseas and provided a unique opportunity to synthesize the lessons learned about pricing policies throughout the world. It generated a greater understanding of economic, institutional, and administrative issues and concerns relating to pricing strategies, and is expected to provide invaluable impetus for broader consideration of value pricing strategies throughout the U.S.

October - December 2003 update: The symposium was held in Florida at the [Sonesta Beach Hotel Key Biscayne, Key Biscayne, Florida on November 19–22, 2003](#). It explored U.S. and international applications of road pricing strategies in different governmental and socio-economic settings. Case studies from the United States, Europe, and Asia were the principal focus of the symposium. An international group of participants discussed the rationale and motivations for implementing pricing; factors affecting the political and public acceptance of pricing strategies; the use of pricing revenues; and project outcomes. Drawing on papers, presentations, and symposium discussions, the TRB Steering committee evaluated the current state of practice, assessed future directions and opportunities, and identified research and information needs.

For More Information Contact: Claire Felbinger, Transportation Research Board; Phone 202/334-3177, cfelbinger@nas.edu.

MARYLAND: Feasibility of Value Pricing

In the 2001 legislative session, the Maryland General Assembly directed the Maryland Department of Transportation (MDOT) to examine the potential for variable pricing strategies in highway project planning; and include such strategies in metropolitan and Statewide transportation planning to boost transportation efficiency and equity, expand travel choices, and reduce emissions. In June 2001, former Governor Parris N. Glendening decided to remove consideration of High Occupancy Toll (HOT) lanes from Maryland transportation plans. The former Governor's decision was based on the perceived inequity of linking an easier commute with a person's ability to pay. However, in the fall of 2002, the former Governor's Office of Smart Growth initiated a revised feasibility study of value pricing. The feasibility study will investigate and address equity issues that arose during the previous project, using the concept of "credits" (as in FAIR lanes) and smart card technology. The revised study scope includes developing initial alternatives, appraising new technology, developing a plan for public outreach, defining a concept test plan, and devising an implementation plan and evaluation process.

October – December 2003 Update: Coordination with the Advisory Committee continues to ensure the project's concepts are consistent with State and local government policies and directions. Project team members met with the Maryland State Police (MSP) to brief them on the study. The MSP supports the study; however, they are concerned with the logistics of enforcing the HOV lane. The Focus Group meetings took place. The groups were broken into three categories: 1) employers and landlords of the Rock Spring Office Park, 2) employees of the office park, and 3) general members of the community in the immediate vicinity of the office park. Overall, the proposed project received a favorable response from Focus Group #1.

The Study Team is pursuing the mobile "SmartMeter" concept which is capable of debiting toll charges on a user's smart card to reflect different time of day, toll rate, duration of usage and other factors. It can also report back valuable data on the patterns of usage for subsequent evaluation. The manufacturer is developing an assessment of the cost of various modifications required for our application.

Next quarter, feedback from the Focus Groups will be evaluated against the Project Team's goals for the study and an annual report will be submitted to the General Assembly.

For More Information Contact: Mr. Terrance Hancock at the Maryland State Highway Administration. Phone: 410-545-5675, 1-888-204-4828; Fax: 410 209 5025; or E-mail: thancock1@sha.state.md.us.

MINNESOTA: Project Development Outreach and Education

Previously, a 30-member task force of state legislators, mayors, and business, environmental and transportation leaders examined value pricing options in Minnesota and met regularly to develop support within the state to conduct a demonstration project. The task force completed its work in 2002. The objective of this project is to continue the work of the task force by developing local champions and educate the citizens of Minnesota to help bring about Value Pricing implementation projects in Minnesota. A visible group of local leaders will advocate value pricing in Minnesota and succeed in convincing doubters that pricing should be tested and implemented. The Humphrey Institute's project team will work with Mn/DOT Metro Division staff, Metropolitan Council transportation staff, and members of the Value Pricing Advisory Task Force to develop support for value pricing alternatives and specific projects. Specific activities will include examining the technical and political feasibility of alternative approaches, giving presentations to elected officials, transportation advocacy and other interest groups, and the formation of a local advocacy group for value pricing.

October –December 2003 update: Minnesota will implement *MnPass*, which will convert the I-394 high occupancy vehicle lanes into pay-per-use, high occupancy toll (HOT) lanes. The lanes will also remain open to high occupancy use at no charge. *MnPass*, Minnesota's first HOT lane project will affect existing car pool lanes on I-394 from Highway 101 to I-94. Drivers of single occupancy vehicles, currently restricted from using I-394's high occupant vehicle lanes, could choose to use the *MnPass* lanes by paying a fee.

The project is being developed and completed through a public/private partnership involving the state of Minnesota and service vendor Wilbur Smith Associates. Wilbur Smith Associates is expected to fund 25 percent of the project's estimated \$8 to \$10 million cost.

In mid-November Mn/DOT officials and Wilbur Smith Associates began negotiating the operating details of the system - including the price per use, access, hours of operation and enforcement. The administration will make a final decision about the *MnPass* operational plan by early 2004.

The I-394 Express Lane Community Task Force will continue to provide the Commissioner of Transportation with recommendations on public involvement, communications, community outreach and education. The Task Force may also address other policy issues regarding operations, pricing, access and violations and enforcement.

A Minnesota Project Update Section, focusing on progress on the I-394 project, has been added to the www.valuepricing.org website. Furthermore, a web forwarding address of www.MnPass.org has been put into operation allowing for a simple and easy-to-remember web address for those seeking information on the project.

For More Information Contact: Lee Munnich, Sr. Fellow and Director, State and Local Policy. Phone 612 625-7357; Fax 612 626-9833; E-mail Lmunnich@hhh.umn.edu.

TEXAS: HOT Lanes Region-wide Study in Dallas

The North Central Texas Council of Governments (NCTCOG), as the Metropolitan Planning Organization (MPO) for the Dallas-Fort Worth Metropolitan Area, in cooperation with Dallas Area Rapid Transit (DART), the Fort Worth Transportation Authority (the T), the North Texas Tollway Authority (NTTA), and the Texas Department of Transportation (TxDOT), initiated a review of value pricing concepts for applicability in the Dallas-Fort Worth Region. The regional study will establish criteria, policies, and procedures to identify potential candidates for a short-term value pricing demonstration project, and study the applicability of value pricing concepts in existing corridors. The study will also propose managed facilities for the next metropolitan transportation plan. Additionally, the results of this study will be incorporated into the concurrent IH-635/LBJ Major Investment Study and planning recommendations that include High-Occupancy Toll (HOT) Lanes/Value Pricing implementation.

October – December 2003 update: The Project Review Committee (PRC) met in December to review the consultant's status report and an overview of all work tasks completed, including: a screening process and evaluation criteria, methodology for evaluation of potential demonstration projects, and methodology for evaluating long term value pricing implementation. The goals and objectives are being modified slightly to reflect recent changes in the work plan due to mitigating political factors influencing the work scope. The is looking at pipeline projects in the two to five year time frame for the purpose of an interim demonstration project, which could be used to monitor the measures of effectiveness (MOE) of value pricing. NCTCOG staff suggested that establishing the MOE's is an essential goal of this project.

URS (the consultant for the project) presented their findings on the deliverable for *Task 3: Screening Process and Evaluation Criteria*. The purpose of this task is to develop a two-tier process to assess the potential application of value pricing concepts on the existing and proposed freeway, HOV and tollway corridors in the Dallas-Fort Worth region. URS staff then presented the draft deliverable for *Task 4: Methodology for Evaluation of Potential Demonstration Projects*. The Study Team developed a series of evaluation criteria that would be used to determine whether selected facilities could support value pricing as demonstration projects. The demonstration projects would then allow NCTCOG and its partners to learn more about the benefits and costs of using value pricing to address mobility in the region. The PRC has provided their review and comments about these criteria for final documentation.

URS staff then presented the draft deliverable for *Task 5: Methodology for Evaluating Future Value Pricing Implementation*. This task is to develop a process that the MPO can use to evaluate the need and potential for success of value pricing on freeway, tollway, and HOV facilities. Also, URS staff presented the draft deliverable for *Estimating Demand for Value Pricing Projects*, which is an inventory of current modeling practice. The PRC was asked to review these documents and provide any comments about these criteria for final documentation.

For More Information Contact: Wes Beckham, North Central Texas Council of Governments; Phone 817/695-9252, wbeckham@dfwinfo.com.

VIRGINIA: Value Pricing for the Northern Virginia and Hampton Roads Regions

Although the emphasis of the project is on Northern Virginia, the effort will essentially consist of two regional studies with strong outreach and education components. The initial tasks will focus on determining the corridors for which value pricing holds the greatest potential to improve regional mobility. Later tasks will include detailed analyses of those corridors.

Both regions currently have extensive networks of HOV lanes as well as transit services. Northern Virginia is considered to have some of the most successful HOV lanes in the country. In some corridors, however, HOV lanes currently operate with excess capacity and could potentially be candidates for value pricing.

While all corridors are open to consideration at this stage, the Capital Beltway (I-495) will receive particular attention in light of the recent submittal and VDOT's consideration of a proposal to implement HOT lanes on I-495 under Virginia's Public Private Transportation Act.

This study will focus a significant amount of effort in educating the public about pricing. It is recognized that an effective public outreach component is integral to successfully implementing pricing.

This study will ultimately lead to recommendations for potential implementation of value pricing concepts across the Northern Virginia metropolitan area and the Hampton Roads region.

October - December 2003 update: The first three months of this effort have been spent meeting with stakeholders within VDOT and investigating potential methods for moving forward. Time has also been spent coordinating with the ongoing process for evaluating the proposal to add HOT lanes to the Capital Beltway (I-495) in Northern Virginia, which was submitted under the Public-Private Transportation Act. In the next quarter, the process of identifying preliminary corridors for further evaluation will be the focus.

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