



Metro

**AD HOC CONGESTION PRICING COMMITTEE
JUNE 17, 2009**

SUBJECT: PRELIMINARY TOLL RATES FOR I-10/I-110 EXPRESSLANES

ACTION: RECEIVE AND FILE

RECOMMENDATION

Receive and file this update on the Preliminary Toll Rates for I-10/I-110 ExpressLanes

ISSUE

SB1422 (Ridley-Thomas) requires Metro to hold a public hearing 30 days prior to adoption of toll rates. The target date for the Board to consider adopting the toll rates is July 23, 2009. As a result, public hearings will be held later this month. The purpose of this report is to provide an update on the public outreach process.

DISCUSSION

Next month, the Board will be asked to consider adopting the toll policy, including toll rates, for the LA County Congestion Reduction Demonstration (ExpressLanes) Project. The recommendation in July will be based upon data and analysis from our contractor, PB Americas, as well as public input from stakeholders. Tolls would go into effect with the opening of the ExpressLanes, on December 31, 2010.

DRAFT TOLL POLICY

Establishing a toll policy with toll rates and performance measurements represents an important implementation milestone for the ExpressLanes Project. The toll policy will set the framework for the Request for Proposal for the Toll Systems Integrator and be included in the draft environmental document, both of which will be circulated in August 2009.

The goals of the Toll Policy are:

- Provide a safe, reliable, predictable commute for the ExpressLanes
- Reinforce Metro's ongoing efforts to increase vehicle occupancy rates and transit ridership
- Optimize vehicle throughput at free flow speeds through dynamic pricing
- Generate sufficient revenue to sustain the financial viability of the ExpressLanes

Business Rules for the ExpressLanes are:

- Toll free travel for vehicles that meet minimum vehicle occupancy requirement, motorcycles, and privately operated buses; all existing carpools would continue to be able to access the lanes without charge.
- Trucks are not allowed
- Minimum peak tolls shall be no less than 150% of Metro transit fare on the ExpressLanes
- Every vehicle is a customer. All vehicles are required to have a transponder.
- Toll/Transit Credits available to frequent ExpressLanes transit riders

LOW INCOME COMMUTER

The recent RAND report “Equity and Congestion Pricing: A Review of the Evidence” recommends that “a region seeking to implement congestion pricing should look at measuring and assessing equity early in the planning process.” Metro’s tolling authority legislation, SB1422, requires Metro to assess the impacts of the ExpressLanes on “commuters of low income and provide mitigation to those impacted commuters. Mitigation measures may include, but are not limited to, reduced toll charges and toll credits for transit users.” It is important to note that implementation of the ExpressLanes is enabling Metro to access \$210 million in federal funds. 70% of which are going to enhance transit along the I-10 and I-110 corridors, with benefits accruing to transit-dependent communities along the corridors.

The eligibility requirements in authorizing legislation, recent action by the Los Angeles County Board of Supervisors, Metro’s Rider Relief Program, and examples from other areas were all considered in developing a recommend “low-income” threshold of \$35,000 (in 2009 dollars).

Data analysis and public feedback to date indicate a high percentage of zero-vehicle households in the I-10 and I-110 corridors. As a result, the following program is recommended:

- ExpressLanes Rewards Program – provides a Toll Credit or Transit Credit of \$5 to Frequent Transit Riders on I-10 & I-110. To earn the \$5 Credit, Transit Riders would have to ride 16 round-trips during the peak over a 60 day period. Transit Rider would choose to apply the credit to their toll account or transit fare. \$5 Credit would expire after 60 days in order to encourage the low income commuter to take advantage of the discount. Frequent Transit Rider could earn up to \$30 Toll/Transit Credit over the one-year demo period.
- Rewards Program would apply to all LA County transit lines operating during the peak on the ExpressLanes (i.e. Torrance Transit, Gardena Transit, Foothill Transit, LADOT). ExpressLanes toll revenues would reimburse operators and Metro operations for the \$5 Transit Credit.

The Rewards Program represents one form of mitigation. The low income assessment is ongoing. Data available from surveys and other sources will be used to identify the potential demand for mitigations such as toll credits. A wide range of possible mitigation measures will be surveyed, including enhanced transit investments (to which Metro has already committed), various types of credit schemes, and other strategies. The Assessment will be completed this Fall and reported back to the Board for review and approval.

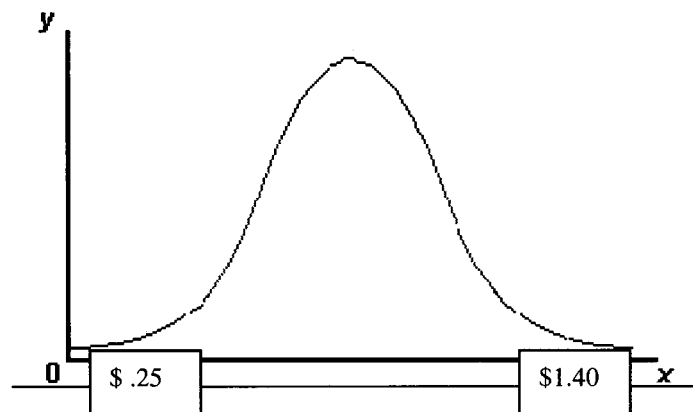
KEY PERFORMANCE MEASURES

SB1422 also requires Metro and Caltrans to report back to the legislature by December 31, 2012 on the performance of the ExpressLanes. Preliminary key performance measures are as follows:

- Arriving at your destination in less time in either the ExpressLanes or general purpose lanes (travel time savings, average vehicle speed)
- Change from driving alone to car pooling, riding transit, and or Metro vanpool (mode shift)
- Increase in efficiency by moving more people on the ExpressLanes in a specified period of time (person throughput)
- Improved transportation access for the low income commuter (public surveys; credit redemption)

DRAFT TOLL RATES

The recommended toll range is a minimum toll of \$0.25 per mile and maximum toll of \$1.40 per mile. The toll rate is based on traffic levels in the ExpressLanes to ensure 45mph and will vary within the range based upon demand. Note, the maximum toll is reached only when traffic flow in the ExpressLanes declines to a rate that substantially impacts the flow of traffic for eligible carpools and transit. As a result, the maximum toll represents a price to *discourage* more entry rather than generate additional revenue. The toll rate distribution curve below is as follows:



WHAT FACTORS INFLUENCE THE TOLL RANGE?

The recommended toll range (min. and max.) is influenced by time period and space availability.

- The I-10 El Monte Freeway general purpose lanes are some of the most congested lanes in the county during peak periods. Additional roadway capacity by restriping the El Monte Busway between I-605 and I-710 will increase demand.
- And both facilities have high demand for carpools, vanpools, and transit during certain times of the day. As a result, the toll rates must balance supply and demand of toll customers and toll-free customers.

WHAT FACTORS INFLUENCE PERFORMANCE OF EXPRESSLANES?

- The minimum vehicle occupancy requirement (3+ vs 2+) has a significant impact on the performance of the ExpressLanes during the peak. The I-10 ExpressLanes (3+) perform better than the I-110 ExpressLanes (2+) during the peak. This is reflected in the travel speeds of the lanes as well as the annual revenue estimates of \$21 million. The I-10 ExpressLanes is projected to generate \$18 million, while the I-110 ExpressLanes is projected to generate \$3 million.
- Violators currently take up to 8% of capacity on the carpool lanes. As a result, the business rules recommend that all vehicles be required to have a transponder. (Vehicles that already own a FasTrak transponder do not have to get a new transponder.) A transponder distribution plan will be developed by the Toll Systems Integrator and reported back to the Board for approval.
- Single hybrids take up to 18% additional capacity on the I-110 Harbor Transitway during the pm peak. Tolling single hybrids during peak creates 6% additional capacity and enables preservation of traffic flow for transit and carpools. Current law allows tolling of single hybrids in congested corridors.

SB1422 requires that net revenues must be reinvested in the corridor where generated. An expenditure plan will be prepared for Board approval.

PROJECT BENEFITS

The ExpressLanes one-year demonstration project is unique because it offers improved transportation options and the new choice to pay to travel in a carpool lane. Although much attention has been and will be focused on the toll component of the ExpressLanes themselves, much of the benefit of the program is to the transit system and its users. The aim of the program is to foster incentives for sustainable change

that creates time savings, cost savings, reduces pollution, and effectively manages our current roadway network – basic essential elements of a green corridor.

The ExpressLanes are consistent with the Metro Sustainability Policy of sustaining the environment with efficiency and reduction of greenhouse gas emissions. Current estimates are a reduction of 124,047 kg/day from the ExpressLanes. Further program benefits include:

- 57 new clean expansion buses and operating subsidy for the demo period
- El Monte Transit Center Expansion
- New Transit Station at Patsaouras Plaza
- Harbor Transitway Park & Ride Upgrades
- Metrolink Pomona Station Expansion
- Transit Signal Priority Expanded in Downtown LA
- 100 New Metro Vanpools
- ExpressPark

With a project budget of \$290 million, it is estimated that more than 7,800 construction-related jobs are generated by the ExpressLanes.

PUBLIC OUTREACH

More than 80 briefings/meetings with the community and stakeholders have taken place over the last 12 months. This month our goal with the outreach effort is to increase awareness of the community meetings and receive input on the preliminary recommendations.

On the morning of the 8th, a briefing will be held with the media to provide an update on the Project. A special meeting with local elected officials from the I-10 and I-110 corridors will be held at Metro on Monday, June 8th from 10am – 11am.

The public will have the opportunity to comment on the preliminary toll policy, performance measures, and rates at a number of venues along the corridor:

June 9	I-10 Corridor Advisory Group (CAG)	Monterey Park	6p-8p
June 10	I-110 North CAG	Los Angeles	6p-8p
June 11	I-110 South CAG	Gardena	6p-8p
June 13	Public Hearing	Metro	10a-12p
June 15	Public Hearing	Carson	6p-8p
June 17	Public Hearing	El Monte	6p-8p
June 20	Public Hearing	West Covina	10a-12p
June 22	Public Hearing	Torrance	6p-8p

Staff will also accept written comment via the website. The deadline for the formal comment period on the preliminary toll rates is July 14, 2009. Notices for the Public Hearings will be placed in the following regional publications:

Los Angeles/South Bay

L.A. Downtown News	Torrance Daily Breeze	Random Lengths
Inglewood Today	Wave Newspaper Group	Compton Bulletin

San Gabriel Valley

Pasadena Star News	SGV Tribune	Whittier Daily News
Eastern Group	La Opinión	

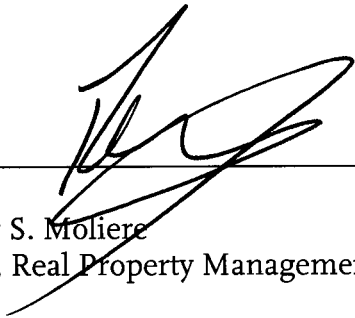
Riverside/San Bernardino

Inland Valley Daily Bulletin	San Bernardino Sun	Press-Enterprise
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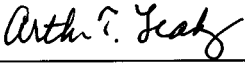
NEXT STEPS

Upon conclusion of the public hearings, staff will provide a recommendation for consideration at the July 15th Ad Hoc Congestion Pricing Committee meeting.

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