**Managed Lanes Trip / Summary of Tour and Meetings**

On Thursday and Friday, November 19th and 20th, 2015, Mayor of Davidson John Woods, and Mayor of Cornelius Chuck Travis, traveled to the Dallas / Fort Worth area to learn first-hand about the Managed Lanes projects that have been constructed and operated by Cintra, the same P3 partner that is working with the NCDOT on I-77.

The trip included meetings with Cintra officials - Alberto Gonzalez, Deputy CEO, Ignacio Vivanco, Ferrovial Agroman (Cintra’s construction company), Robert Hinkle, Director of Corporate Affairs, along with tours of the LBJ Managed Lanes project including the Traffic Management Center - finished in August, 2014, and the North Tarrant Expressway project – finished in October 2014. In addition, we met with Transportation leaders in the state - Michael Morris, Director of Transportation for the North Central Texas Council of Governments, Victor Vandergriff, current Texas Transportation Commissioner and David Laney, former Chairman with the Texas Transportation Commission and LBJ Chairman and TxDOT staff members, Brian Barth and Renee Lamb. Local elected officials that we met with included Jungus Jordan, Councilman in Fort Worth, Jim Griffin, Mayor of Bedford, Texas (where the NTE has been constructed), and business leaders including Russell Laughlin with Hillwood Properties (a Ross Perot Company), David Cook, Fort Worth City Manager, Bill Thornton, President and CEO of the Fort Worth Chamber of Commerce and David Berzina, Chamber Executive Vice President.

Managed Lanes Tour

The LBJ (13 miles) is an impressive undertaking in scope and magnitude, with 225,000 vehicles per day traveling through the corridor – most of the Managed Lanes are constructed below grade with the General Purpose lanes stacking above. Where the project intersects another Toll Road, the LBJ extends to three levels in height. All work is complete and the final product appears to have quality workmanship with pleasing aesthetics. This does not compare to majority of the I-77 corridor, except this is an example of how the more complex interchange at connection to Brookshire Freeway will be constructed with fly over bridges.

NTE (13.5 miles) is more closely aligned with I-77. The distinguishing differences include service roads that have been constructed on both sides for local travel. The entire roadway was reconstructed, which I-77 will only upgrade most of the General Purpose lanes with resurfacing. The composition of asphalt used on the NTE is a mixture that has been developed through research to hold up to extensive traffic volumes and reduce maintenance requirements over the life of the road.

LBJ : Public Funding $0.55B leverages Private Funding $2.13B + $0.5B (maint):

NTE: Public Funding $0.83B leverages Private Funding $2.56B + $0.83B (maint).

LBJ driving tour was conducted during the 5-5:45pm timeframe. More cars were in the GP lanes than the Managed lanes, however, both were moving without stopped vehicles. 60’ trucks and service trucks are allowed to use the Managed Lanes. Toll rates ranged from $4.20 to $4.40 for both West Bound segments – total of $8.60 for both west bound segments. (see attached photo from the data tracking at the Traffic Management Center). Congestion was heavy at the termination of the Managed Lanes project where lanes merged together.

NTE tour was early afternoon, 2-2:20pm timeframe. GP lanes were free flowing at what appeared to be posted speeds and the Managed Lanes had a mixture of trucks and cars. The toll rate was $2.30 for one segment and $2.15 for the other - total of $4.45 for the entire corridor from Ft. Worth towards the Airport.

The LBJ Traffic Management Center houses the framework for all monitoring devices – from license plate readers to monitors displaying all activities along the corridor from cameras. The facility includes a Maintenance Yard for service vehicles that include snow and ice removal. This facility is a 24-7 operation with emergency power backup systems to assure uninterrupted service. If emergency situations are created in the LBJ corridor, either by wrecks or weather, the fees for the Managed Lanes are forgiven and all lanes are accessible for both GP and Managed lane users during the time of the event. I-77 Managed Lanes will be separated from GP lanes with flexible bollards that can be driven over to allow emergency access versus the concrete barriers for LBJ and NTE, that require gates in the walls. Cintra is responsible for all roadway maintenance in the Managed Lanes and General Purpose lanes – including a fleet of service vehicles to assist motorist with breakdowns and accidents (we witnessed a deployment of a service vehicle discovered by the camera system to the scene in less than 10 minutes while touring the Center).

Cintra is currently conducting surveys with the commuters for feedback on the use / performance of both projects. Cintra is reporting that traffic volume has increased 20% on the NTE with an 80% decrease in congestion / delay in the corridor. Both projects took 3-4 years for construction and were delivered +/-4 months earlier than the proposed timeline that was developed by Cintra. The lengths of contracts are for 52 years and include full responsibility for maintenance of all lanes, accident mitigation, establishing toll rates and general operation of the facilities.

Council of Government Discussion

Texas has been working on the Managed Lane projects for the LBJ and NTE since before 2,000, over 15-18 years ago. Texas benefited from the slow-down in the economy by leveraging the low cost to borrow money and construction costs during the 2009 – 2011 timeframe in their state.

The majority of Gas Tax revenue has been going to just the “maintenance” of roads. The State is currently building a network of roadways, a “system”, with both Toll Roads and Managed Lane projects – the smaller projects are being built and maintained by the State, while others are in being built with P3 partnerships. The “key” is for projects to touch one another and avoid gaps where congestion will occur.

COG has determined that management of the system requires “active demand management” similar to air traffic control. The primary focus is on “travel reliability” for more than just peak periods of use, which is another way of saying guaranteed speed in Managed Lanes at all times. Invoicing and the sale of transponders should be handled by one agency to avoid redundancy / confusion for the customer by having multiple agencies collecting, etc. It is important to have the capability to travel seamlessly from one facility to the next for payment purposes. Closely coordinate ingress / egress locations for Managed Lanes.

In order to encourage car-pooling, two or more occupants travel for ½ the fee during peak hours of use in Managed Lanes – the local MPO pays the concessionaire for the reduction in revenue on a yearly basis. Bus riders have a guaranteed arrival time that uses the Managed Lanes project or the trip is free and fares refunded.

Dinner with Transportation Commissioners

The State of Texas will continue to pursue P3 projects for their large scaled projects with higher risks. However, TxDOT will also build and operate Managed Lanes and Toll Roads when the projects are smaller.

The distinction they have seen between Toll Roads and Managed Lanes is “Toll Roads” tend to fill up with vehicles and essentially stop during peak hours without having the “reliability” of maintaining an acceptable speed, as experienced with Managed Lane projects.

Commissioners encouraged the inclusion of truck traffic in the I-77 Managed Lanes. Texas has this capability as a requirement. Most users of Managed Lanes are driving from one end of the corridor to the other and not interested in stopping along the corridor, such as the larger trucks. Also, service vehicles will use the lanes to expedite travel time and be more efficient with billing hours. In all cases, safety of the roadway is the primary concern, and having trucks in managed lanes has not created any negative impacts.

Commissioners discussed the projects in the San Antonio area that are not as financially successful as the LBJ and NTE. Lessons learned include the projects were “ahead of their time” and too far removed from areas where Managed Lanes should be constructed. In addition, they were financed with too much debt. A lesson learned for future projects is to have more equity in the project than debt.

There has been an anti-tolling effort in the San Antonio region and the result is no new / renovated roads under construction there as the state has committed to P3 Partnerships and Managed Lanes. We have contacted the person described as the “leader of the anti-toll position” and hope to speak with her after Thanksgiving week, when she returns from her holiday travels.

Breakfast with Local Elected Officials and Business Community Leaders

Beginning in the early stages of construction, Public Meetings should occur in an ongoing basis to forecast and communicate with residents and businesses. Social media, municipal websites and mobile apps to assist motorist should be developed. During the initial construction planning process, the objective is to keep traffic moving – in some cases they experienced better traffic movement than prior to construction. This may be attributed to the desire by drivers to just have dirt moving and see that improvements were being made.

Signage is key to inform drivers. Lane closures should only occur during the evening hours (I-77 is slated for closure from 10pm until 5am according to NCDOT). The majority of the work should be limited to between the barricades as much as possible.

Expect the unexpected with discovery of unknown utilities, etc. Don’t underestimate any issue and get it on the table for discussion. Cintra will need to have public relations contact as point person for communication with all municipalities. Largest employers need to have a “champion” to lead communication efforts for the business community.

Dallas / Ft. Worth is the fastest growing region in the US, and the 2040 plan expects continued growth to become the 7th largest market in the US. GDP is the 10th largest in the US currently. The Perot Company lobbied for a Managed Lanes project to be constructed for the Chisolm Trail Parkway. This project has opened thousands of acres for new development.

Chamber of Commerce Conversation

NTE has experienced 35% increase in sales tax revenue since the completion of the project. There will be short term pain; however, the result will be long term gain. Improvements from Managed Lanes has created long term economic competiveness for North Texas. The Chamber is reporting significant job growth, especially from California. Technology is an industry segment that will follow infrastructure, as well as human capital that is drawn to options for quality of life / living environments.

The Chamber leadership was astounded to learn that businesses in our community would object to managed lanes, although they experienced some residents with anti-tolling positions based on concerns of double taxation, “Lexus Lanes” concerns, regressive actions, etc. The Chamber also predicted that large employers exploring our market would turn away if the region didn’t offer transportation reliability to meet travel time expectations. They emphasized that they compete with the Charlotte region and this is a clear disadvantage to even retaining our existing large employers.

Observations

1. Cintra will announce expanding the ingress / egress locations to the I-77 Managed Lanes project. A new plan needs to be provided for consideration.
2. Truck access in the Managed Lanes needs further investigation / discussion for the I-77 project, both service vehicles and 60’ trucks.
3. Texas has used the concept of starting operation with fixed “toll” rates and transitioned to variable rates in +/- 6months. Further discussion is merited for the I-77 project.
4. Verify flexible bollards are planned to be installed to allow full movement between lanes in the event of emergency and / or break downs. Verify actual design and confirm access is available.
5. Cintra officials need to schedule Public Meetings in areas where construction has started and coordinate website links, social media, and traffic apps.
6. We highly encourage any and all decision makers to personally visit the DFW system so they can experience the daily operation of a Managed Lane system first-hand.

Respectfully submitted, Mayor John Woods & Mayor Chuck Travis