

**Transportation Toll Facility Advisory Committee
October 13, 2010**

1. Call to Order: James Roy called the meeting to order at 11:30 am.

2. Roll Call: Committee members in attendance.

Committee Members in Attendance

W. Scott Davis
Kathi Hodges
James Roy
Larry Zoeller

Ex-officio Members in Attendance

Eric Martin
Kelly Pereira
Amar Dwarkanath

Committee Members Not in Attendance

Angel Guzman

Non-Committee Members in Attendance

Terry Herbert	Michael Johnson
Mary Ann Saunders	Earl Sorey
Jill Mergen	
David Cuneo, Andrew Desautels, and Toshi Shepard-Ohta of Steer, Davies and Gleave	
Sean Ekiert of BB&T Capital	

3. Meeting Discussion:

A motion was made by Mr. Davis to approve the minutes from the last meeting; there was a second by Ms. Hodges and the motion carried unanimously.

Handout - TTFAC Meeting October 13, 2010 - was given to review the presentation on the Chesapeake Expressway and the Dominion Boulevard Bridge provided to the Chesapeake City Council on the previous evening.

City Staff reviewed each slide as was presented to council. Ms. Sauders informed the committee that the City did not get the TIFIA loan; the City has worked on an alternate plan to finance the Dominion Boulevard Bridge Capital Project through the Chesapeake Expressway Bonds and revenue from a toll increase.

Mr. Sorey, Mr. Cuneo, Mr. Ekiert and Ms. Saunders presented the handout.

During the review of the handout, Mr. Davis asked what percentage would the TIFIA loan have been for the Dominion Blvd Project? The maximum amount allowed by law is 1/3 of the cost of the project. The City had asked for the maximum, which included financing costs.

Following the review of the handout, the floor was opened for questions.

Mr. Roy remarked that our goal is to achieve the highest revenue, not only for the maintenance of the Chesapeake Expressway, but also to generate enough revenue and credit worthiness for

the Dominion Boulevard project to join together with the Expressway. He also remarked that we also want to avoid any unintended consequences.

Mr. Roy explained that the committee is charged with checking into the study to arrive at a recommendation to Council. With that in mind, the committee is encouraged to ask a lot of questions.

Mr. Roy asked who ordered the study. Council authorized the funding for the Traffic and Revenue Study. The contract with the consultant that performed the study is with BB&T, in consultation with the City.

Mr. Roy asked when the committee will be getting a copy of the study. Committee will be provided with the study by late fall.

Ms. Hodges asked how the figures were devised in the toll rate structure, expressed her concern for the high cost of the peak weekend; thinks people will have a problem with paying \$5.00. Mr. Cuneo answered the higher price is matched to the higher demand for the use of the facility on the peak weekends. As part of the traffic and revenue study, out-of-region travelers were surveyed about their state of preference and willingness to pay higher tolls. The higher rate during peak weekends is based off of the behavior model result of the survey.

Mr. Zoeller asked for the percentage of users that are on the Discount Programs. The answer depends on the time of year, 75-80% of users are in the discount program during the off-peak season (Sept – May), and approximately 18% of the people in the Chesapeake Expressway Discount Program live in Chesapeake.

Mr. Zoeller asked how easy it would be for people to get the discount program or for people to find out that there is a discount available. The Expressway currently advertises on the website and on VDOT's website, and also offers the program when people appear in person to obtain an E-ZPass.

Mr. Zoeller asked how the rates were determined. Toll rates were determined by evaluating the total corridor traffic against choice models of the travelers. The traveler's willingness to pay (time value to money) was measured during the peak and off peak travel periods. The rates were set in order to be able to adequately meet the maintenance needs of the Expressway for Renewal and Replacement.

Mr. Zoeller remarked that it appeared Council was shocked at the rates that were introduced in the recommendation. Mr. Zoeller would like to ensure that when it comes time to attend the public hearing that he has facts to be able to back up his recommendation. Mr. Roy answered the public hearing is for the purpose of listening to citizen comments and general explanations of the purposed rate increase on the Expressway. The committee would not be preparing a recommendation to Council until after viewing the traffic and revenue study and holding the public hearing.

Mr. Martin remarked that Council's expressed a concern that higher tolls would create more

truck traffic on Battlefield Blvd. Mr. Martin said staff and committee members would need to look at the percentage of trucks, how much diversion there is going to be. Mr. Zoeller asked about the road maintenance cost to the City for the truck traffic on Battlefield Blvd. Mr. Zoeller suggested to subsidize money received for maintaining Battlefield Blvd and lower the cost for trucks on the Expressway. Council was quoted 95% of trucks use Battlefield instead of the Expressway. Mr. Martin explained that the percentage was too high and more of a perception than a reality. Mr. Roy asked if lowering the tolls for trucks was under consideration. While the original recommendation did not take into account lower tolls for truck traffic, Mr. Martin explained that staff has been asked by Council to report back with further consideration for the trucks. The project team will seek to answer the following types of questions: What is the current truck traffic split between Battlefield Blvd and the Expressway, what is the time/value/money model to truckers, what is the diversion model if the trucks are given a discount, how will revenue be affected, etc. The study will try to demonstrate where the balance is between generating revenue and balancing out the impact to the parallel roadways.

Mr. Roy referred to the possible diversion of the Discount Program users by raising the toll and reducing the discount, asking staff to elaborate on the rate proposed. Other discount programs at toll roads throughout the country were evaluated and the discount offered by the Expressway was found to be one of the most generous. Many of the other programs are commute programs where a discount of 60-70% may be available, but the user must travel the road every day, whereas the Expressway discount benefits the user after three trips. Mr. Davis asked about whether or not the discount users were specifically targeted in the study. Mr. Cuneo answered the Discount Program members were included in the survey.

Mr. Zoeller explained that one of the Council members asked about restricting truck traffic on Battlefield Blvd. Mr. Zoeller expressed that he did not think it would be a good idea. Mr. Martin explained the topic has come up before. In terms of legality, restrictions could be placed on Battlefield by pointing to the safety and deterioration of the road that truck traffic impacts. However, the road was recently paved, and there are very little accidents involving trucks on Battlefield to support that argument. Operationally, there is a cost directly associated with running trucks on the roadway that causes deterioration.

Ms. Saunders explained that City staff will prepare a comprehensive response to all of the questions that Council raised during the Work Session and what committee has raised and will provide the report to Council and committee members as soon as each of the items are addressed. The report will involve answers from the City Attorney's Office, Public Works, and the Police Department.

Mr. Zoeller expressed his concern with a time line of only three months, providing a recommendation to Council without the benefit of the study.

Mr. Roy reiterated that the committee focus is to generate as much revenue as possible without creating unwanted consequences.

The committee discussed the potential format of a public hearing and topics that would be presented.

Ms. Saunders explained that the action Council was asked to vote on is a legislative decision of the Council to create a system of tolls. This has been presented to Council as early as 2005 or 2006, but has never been voted on. They would be voting on creating the system of tolls and authorize the City Attorney and City Manager to negotiate with VDOT and FHWA to execute a number of agreements in regard to moving forward with Right of Way and funding. Staff will not act on behalf of the City without Council's blessing. The Council action planned on the 26th would create the system of tolls and has nothing to do with the toll increase.

The committee discussed the next steps necessary (for the review of the study, public hearing and recommendation) and the time frames involved. There is no legally required time frame for advertising the public hearing. The typical amount of time given for a public hearing is an initial two week notice followed up by a one week notice. The release of the study is in question. Mr. Roy indicated that the committee needed the traffic and revenue to study and develop questions. Staff will research the means to provide the study to the committee as soon as possible.

Committee plans to meet next as soon as the study has been made available. Ms. Saunders will be in touch via Expressway staff with an option of days for the next meeting.

Adjournment: The meeting was adjourned at 1:03 pm.