Research Project Statement

Fiscal Year: 2005  Project Statement Date: July 30, 2003
Project Number: 0-5020  RMC Number: 2

Title: Toll Revenue Success in a “Tax Supported” Road Network

Developed By: TAP

<table>
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Duration (# of years):

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<tr>
<th></th>
<th>First Year</th>
<th>Second Year</th>
<th>Additional FYs</th>
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<tr>
<td>Total Budget:</td>
<td>$</td>
<td>$</td>
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Project Description: Success in meeting toll road revenue projections depends on the ability of the toll road to continue to offer faster or more direct service than a “gas tax-supported” alternative. This axiom can cause a conflict between toll and public roads. Improvements to public roads can change the time advantage offered by a toll road, thus reducing toll road demand and, consequently, reducing toll revenues. Reduced revenues can make it difficult to meet the expenses of toll facilities, including operations and maintenance expenses and debt service on revenue bonds sold to pay for construction.

As more toll-financed facilities are built in Texas, TxDOT, toll authorities, regional mobility authorities, and local governments will need to work together to ensure that toll facilities and “tax-supported” roadways compliment, rather than compete with each other. In California, a “non-compete” clause prevented Caltrans and local governments from making any transportation improvements in a one-and-one-half corridor on either side of a toll facility located in the center median of the State Rout 91 Freeway. Ultimately, the local transportation authority bought out the toll road so they could make other improvements in nearby corridors.

Research conducted in the RMC project, “Guidelines for TxDOT-Regional Tollway Authority Cooperation” (0-4055) examined the non-compete clauses included in Memorandum of Understanding (MOU) between TxDOT and toll authorities on toll projects in Texas, and those in use in other parts of the country. The guidelines developed in this project provide guidance on the inclusion of non-compete clauses in MOUs. To date, toll authorities and TxDOT have worked cooperatively to ensure that toll projects and freeways provide complimentary, rather than competitive facilities.

This research would examine planning techniques that can be used to better define the service areas for toll roads and “tax-supported” freeways to help ensure that new projects complement the existing system and meet the mobility needs in the area. The results of the research would provide a guide to TxDOT and local officials on examining the service areas for toll roads and “tax-supported” freeways and will describe strategies for addressing possible conflicts within the context of providing mobility to the public.

Deliverable Products And Reports: • Product P1 - Guidelines on examining the service areas for toll roads and freeways, and strategies for addressing conflicts with toll roads in a tax supported network. The guidelines and strategies will consider application of “best” practices determined from the research. This will be a standalone document.
• **Product P2** - One or two page summary of key findings to distribute to pertinent stakeholders including the general public. The summary should be in color, printed on glossy paper, and utilize graphs and illustrations to present findings so as to be readily understood by the general public.

• **Product P3** - Power Point presentation (with speaker notes) that highlights the guidelines, and identifies potential strategies (with pros and cons). This product will be used by TxDOT as an educational tool for RMAs, RTAs, local and regional governments, as well as District planning, and design staffs.

• **R1-Research report**

• **Project Summary Report (PSR)**

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**Implementation:**

This research will complement that done in FY03 to foster coordination and cooperation between TxDOT and tolling authorities. Districts and TTA will be better prepared to understand the relationships between revenue-backed toll roads and tax-funded highways.

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**Pre-proposal Meeting:**

☑ Yes ☐ No  
February 17, 1:00 pm at the San Jacinto Room, Bldg 1, TxDOT Camp Hubbard Complex, 4000 Jackson St., Austin, TX. Tele-conferencing will be available.

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**Sole Source Justification, if applicable:**

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**Additional Information:**

- Proposals are required to be submitted in both hard copy (4 copies) and PDF format (1 PDF file per proposal). Both formats are used within TxDOT for evaluating the proposals and **must** contain identical information.

- The “Background and Significance” portion of the proposal should be limited to 10 pages.

- All proposals from researchers should be sent directly to your university’s Research Liaison for submission to RTI. The Research Liaison is TxDOT’s official contact with the university.

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**Proposal Submission:**

1. All individuals interested in proposing are encouraged to contact the PC or PD by February 12, 2004.

2. Proposals are due to RTI by 4:00 p.m. CST on March 24, 2004.

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**Deadlines (for RTI use only):**