



# Strategic and Policy Planning Study

## All Electronic Tolling

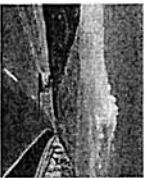
### Phase 3 – Design Update

March 8, 2012



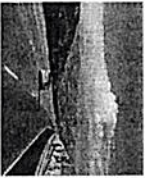
*Transportation Corridor Agencies*

James Gallagher  
Chief Toll Operations Officer



## Goals and Purposes

- **Review and renew technology**
  - consider future tolling at TCA
- **Evaluate future operational costs**
  - optimize investments and cost savings
- **Consider alternative toll payment methods**
  - introduce License Plate Tolling (LPT)
- **Offer Open Road Tolling to all customers**
  - eliminate plaza queuing and improve safety levels
- **Extend environmental responsibility**
  - reduce air pollution



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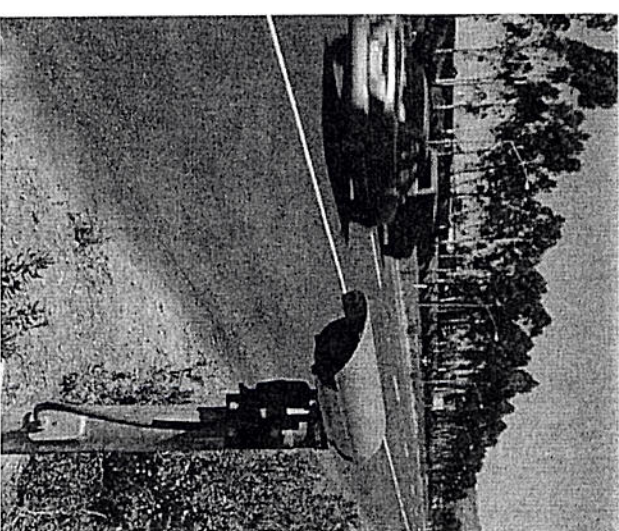
**The Strategic and Policy Plan for technological advances in toll collection is designed and executed in four phases.**

- Started in FY 2010
- Completed assessment of current tolling system and policies
- Phase 1 – Tolling Alternative Study completed September 2010
- Phase 2 – All Electronic Tolling Feasibility Study completed May 2011
- Phase 3 – All Electronic Tolling Planning and Design decision point – FY13 Budget
- Phase 4 – All Electronic Tolling Implementation scheduled completion October 2013



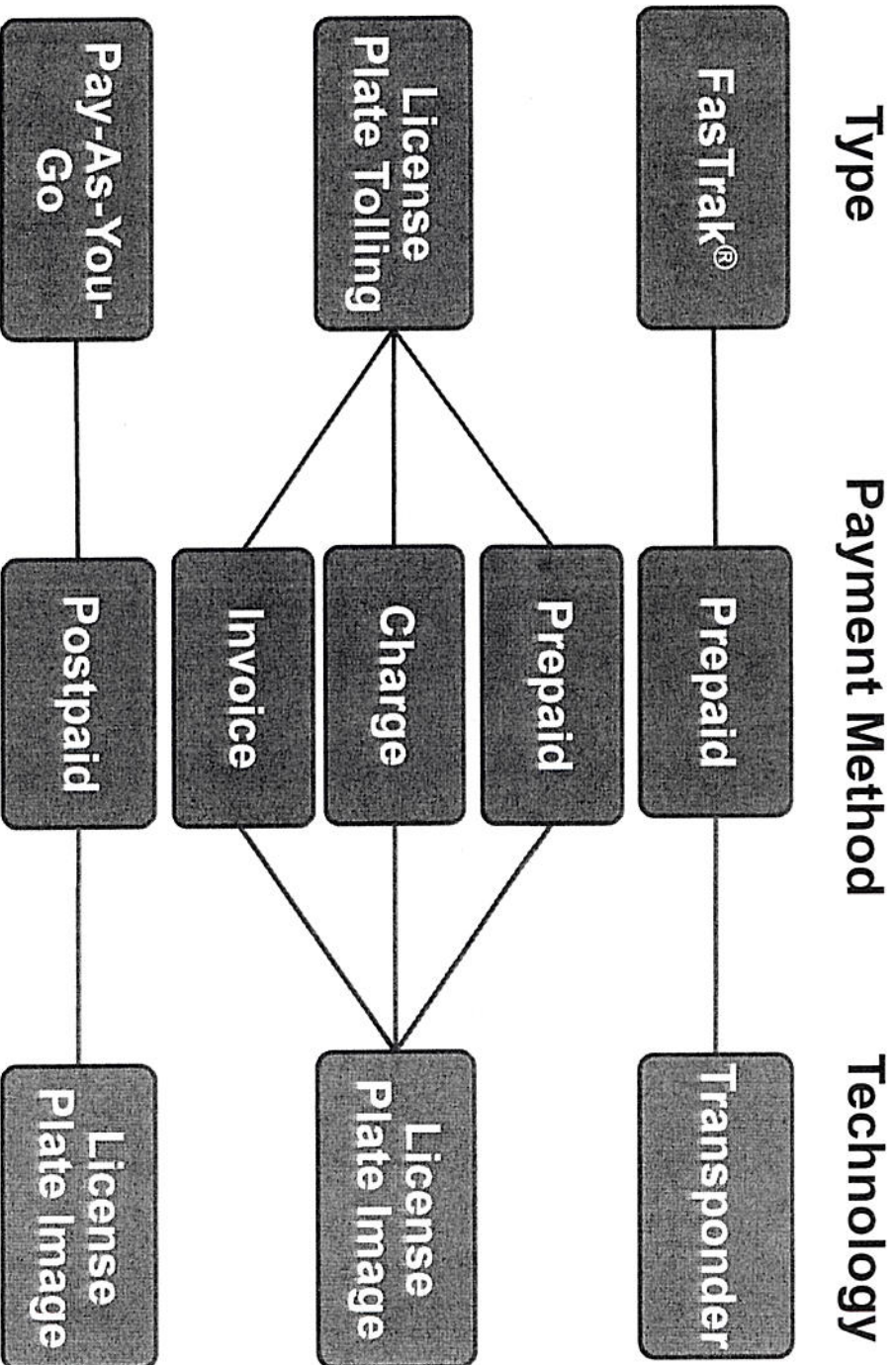
## All Electronic Tolling

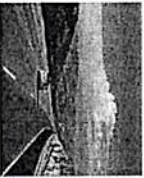
- Upgrade of tolling technology: reduce complexity of system and software
- Operational cost savings: elimination of cash collection
- Maintenance cost savings: reduction of lanes and equipment per lane and retire cash collection equipment
- Capital cost savings: replacement of aging equipment in fewer lanes
- More flexibility: toll rate structure
- Nonstop tolling: increased safety and decreased pollution





# New Options to Pay Toll





# All Electronic Tolling Upgrade Projections

## Traffic Distribution

	FasTrak	Cash	LPT	Pursuable Violations	Non-Pursuable Violations	Diversion Rate
Current System	80.6%	16.6%	0%	1.3%	1.5%	0%
AET	82.7%	0%	12.3%	1.6%	2.2%	1.2%

- Supporting analysis from:
  - Two cash customer surveys; detailed analysis
  - Operational cost modeling
  - Other agencies' conversion experiences
  - Qualitative focus group feedback



## All Electronic Tolling Upgrade Projections (in millions)

### Net Revenue and Cost

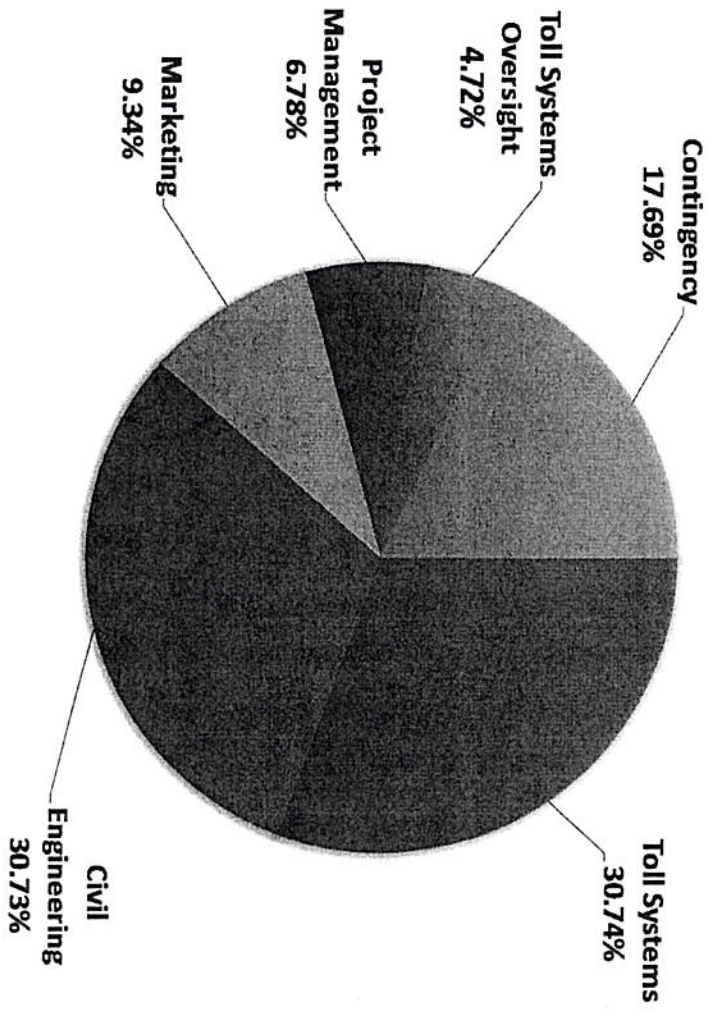
	Projected Capital Investment	Revenue	Operating Costs	Net Revenue
Current System	\$18.80	\$204.6	\$35.4	\$169.2
AET	\$13.98	\$201.9	\$31.4	\$170.5

5-Year	Projected Capital Investment	Revenue	Operating Costs	Net Revenue	5-year cumulative impact *
Current System	\$18.80	\$1,122.1	\$196.3	\$925.8	\$907.0
AET	\$13.98	\$1,106.2	\$172.5	\$933.4	\$919.4

\* Net revenue less investment cost



# Foothill/Eastern and San Joaquin Hills



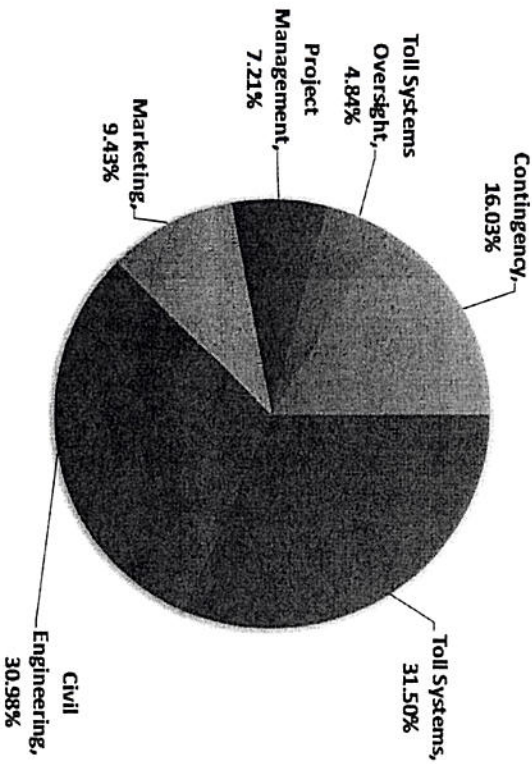
Description	Investment
Toll Systems	\$ 4,296,470
Civil Engineering	\$ 4,296,278
Marketing	\$ 1,305,000
Project Management	\$ 948,000
Toll Systems Oversight	\$ 660,000
Contingency	\$ 2,473,317
<b>Total</b>	<b>\$13,979,065</b>



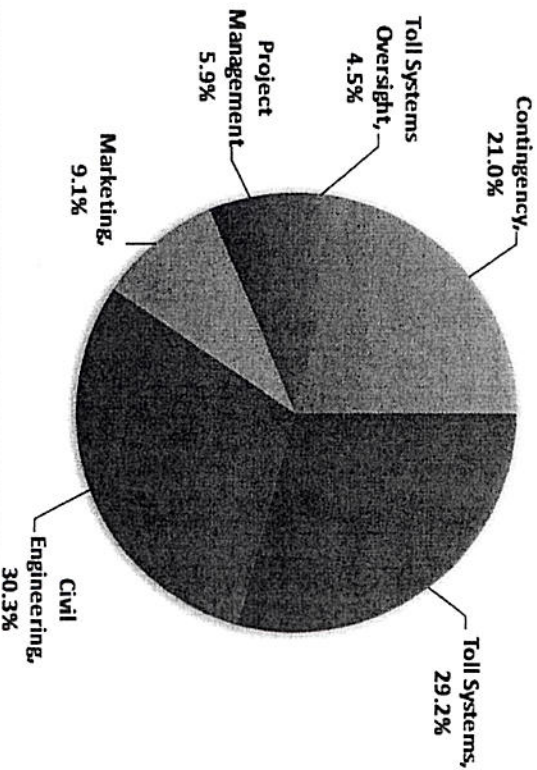


# All Electronic Tolling Upgrade

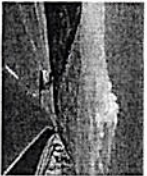
## Foothill/Eastern



## San Joaquin Hills

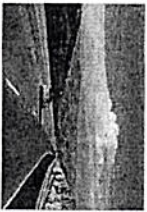


Description	F/E Investment	SJH Investment	Combined
Toll Systems	\$ 2,919,750	\$ 1,376,720	\$ 4,296,470
Civil Engineering	\$ 2,871,172	\$ 1,425,106	\$ 4,296,278
Marketing	\$ 874,349	\$ 430,651	\$ 1,305,000
Project Management	\$ 668,439	\$ 279,561	\$ 948,000
Toll Systems Oversight	\$ 448,800	\$ 211,200	\$ 660,000
Contingency	\$ 1,485,534	\$ 987,783	\$ 2,473,317
<b>Total</b>	<b>\$ 9,268,044</b>	<b>\$ 4,711,021</b>	<b>\$ 13,979,065</b>



## Next Steps

- **March 2012**
  - Complete market survey and analysis
  - Complete program budget work – FY13 Budget cycle
  - Issue Cash Payment Network RFP
  - Advance civil design work
- **April 2012**
  - Market research update
  - Complete equipment and services procurement approach
  - Refined analysis of traffic and revenue by Stantec
  - Advance civil design work
  - Progress update to Boards of Directors
- **May 2012**
  - Wrap up system designs, procurement matters, scheduling coordination
  - Progress update to Boards of Directors
  - Finalize marketing program



# Phase 4: Project Schedule

