



Report to the Dulles Corridor Advisory Committee



Proposed Dulles Toll Road Toll Rate Adjustment

October 2018



Purpose

The primary purpose of today's briefing is to:

- review the reasons for periodic adjustments to Dulles Toll Road (DTR) toll rates,
- summarize the Airport's Authority's regulatory process for adjusting DTR rates,
- provide an overview of public comments on the proposed toll rate increases at the DTR ramp and mainline toll plazas,
- describe public input on potential toll collection options and DTR operational improvements, and
- outline a proposed action plan developed by Airports Authority staff and advisors.



Background

The Airports Authority must implement periodic toll adjustments to operate and maintain the DTR, to pay DTR debt service obligations and to comply with bond rate covenants.

A projected toll rate schedule was initially made public in 2009 when the first DTR revenue bonds were issued. The schedule was modified in 2012 after the Airports Authority amended its toll rate regulations to provide for toll rate increases in the years 2013 and 2014, but not in 2015 and 2016, as anticipated.

The schedule of projected toll rates has not changed since 2014.

Background, *cont'd*

Cost of Full Trip *
 (Mainline Plaza toll plus one ramp transaction)

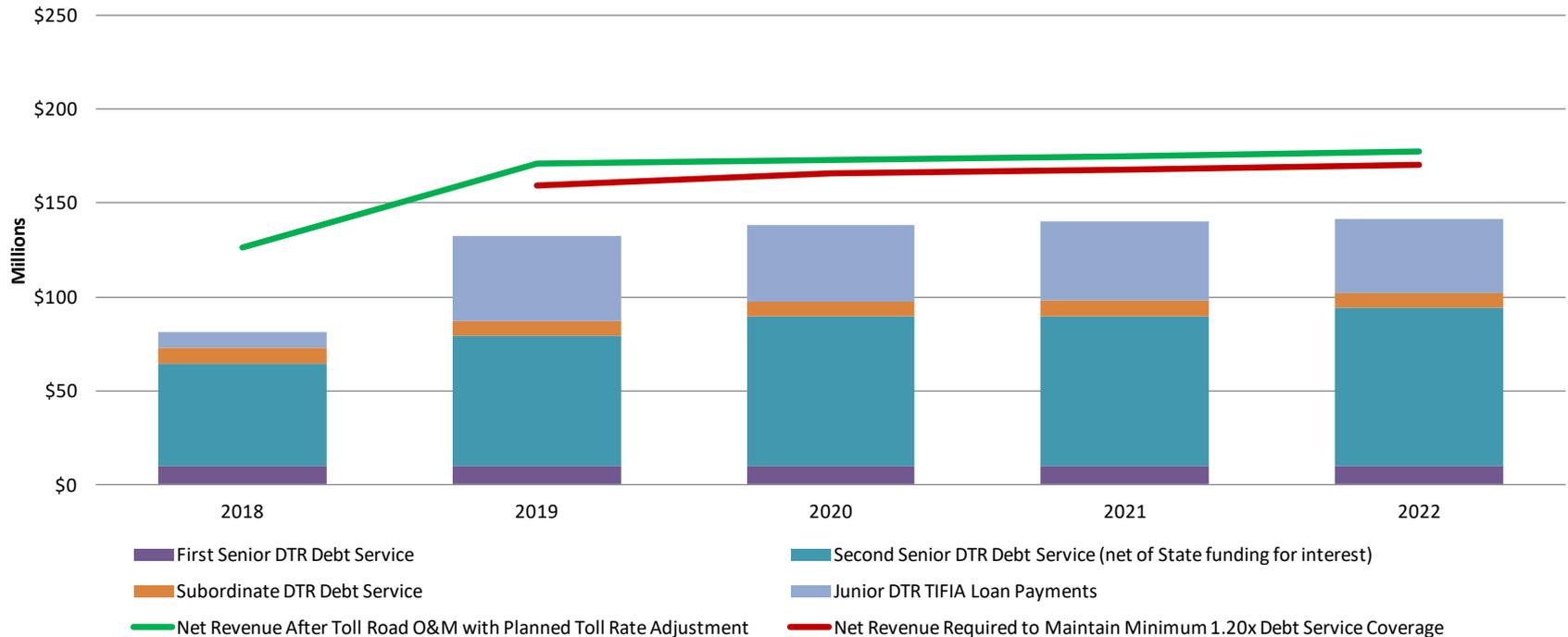
	Mainline	Ramp	Total
2013	\$1.75	\$1.00	\$2.75
2014	\$2.50	\$1.00	\$3.50
2015	\$2.50	\$1.00	\$3.50
2016	\$2.50	\$1.00	\$3.50
2017	\$2.50	\$1.00	\$3.50
2018	\$2.50	\$1.00	\$3.50
2019 - 2022	\$3.25	\$1.50	\$4.75
2023 - 2027	\$4.00	\$2.00	\$6.00
2028 - -2032	\$4.75	\$2.50	\$7.25
2033 - 2037	\$5.50	\$3.25	\$8.75
2038 - 2042	\$6.25	\$3.75	\$10.00
2043 - 2047	\$7.00	\$4.25	\$11.25

The current disclosure and investor expectations regarding future toll rates, shown to the left, include an assumed toll increase in calendar year 2019.

This schedule was published in the Comprehensive Traffic and Revenue Study, 2014 Update.

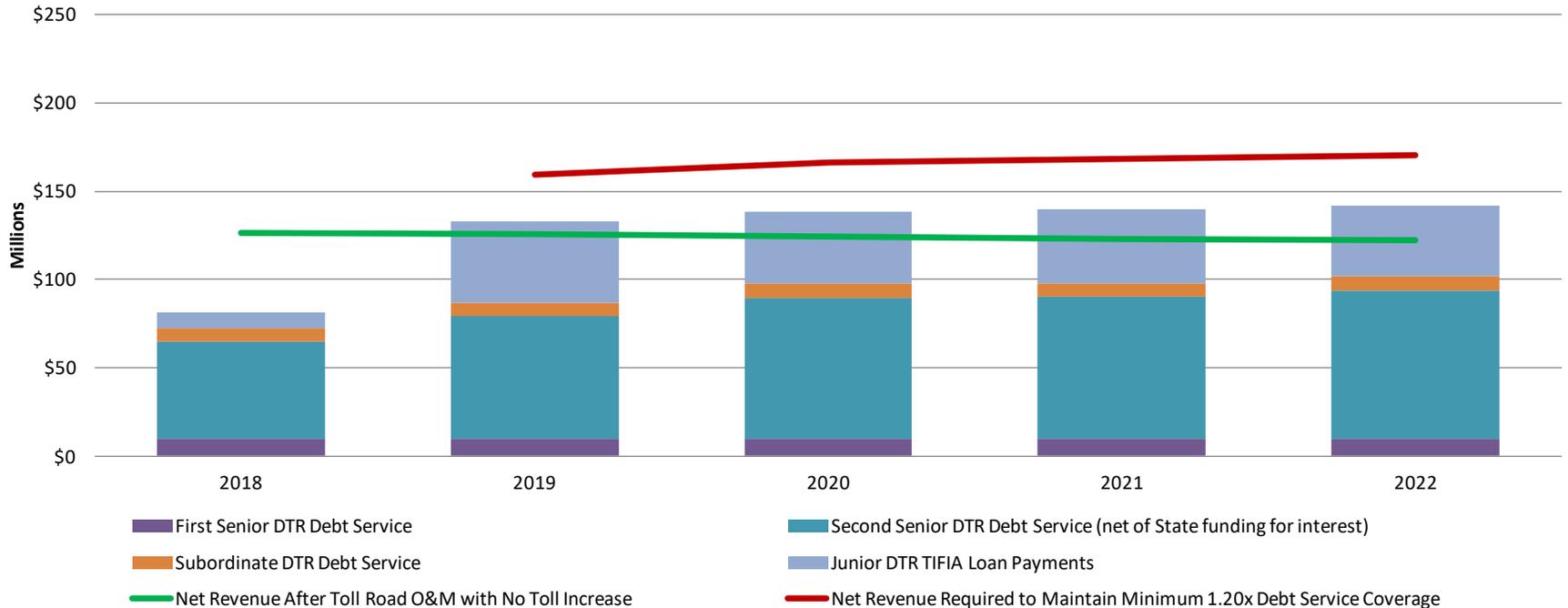
** Order-of-magnitude estimates based on numerous assumptions, including no future debt restructurings.*

Projected Net Toll Revenue and Debt Service Coverage*



* Based on preliminary estimates from the Comprehensive Traffic and Revenue Study 2018 Update using the 2019 toll rates in the proposed regulatory amendment prepared by CDM Smith; amounts subject to change.

Projected Net Toll Revenue and Debt Service Coverage with No Toll Increase





Airports Authority's Regulatory Process

✓ Notice of Public Hearings and Public Comment Period

Notice for three public hearings was published on June 25, 2018. The public was invited to submit written comments between July 2 and August 3 at the public hearings, on the Airports Authority's website, via e-mail and regular mail.

Information about the public hearings and the public comment period was provided in print and digital banner advertisements in local newspapers in English and Spanish. Reminders posted regularly to social media and sent to the Airports Authority's stakeholder e-mail distribution lists.

Public Hearing Dates and Locations		
July 11, 2018 5:00 to 8:00 p.m. Spring Hill Elementary School McLean, VA 22102	July 17, 2018 5:00 to 8:00 p.m. South Lakes High School Reston, VA 20191	July 19, 2018 5:00 to 8:00 p.m. Stone Bridge High School Ashburn, VA 20147

Airports Authority's Regulatory Process

✓ Provide information on the Proposed Toll Increase

The Airports Authority proposed to amend its regulation that establishes the toll rates for the Dulles Toll Road. The proposed amendment, if adopted, would increase the Dulles Toll Road toll rates in the following manner, effective January 1, 2019:

Vehicle Class	Main Line Toll Plaza		Tolled Ramp Entrances/Exits	
	From	To	From	To
2-axle	\$2.50	\$3.25	\$1.00	\$1.50
3-axle	\$5.00	\$6.50	\$2.00	\$3.00
4-axle	\$6.25	\$7.75	\$2.50	\$3.50
5-axle	\$7.50	\$9.00	\$3.00	\$4.00
6 or more axles	\$8.75	\$10.25	\$3.50	\$4.50



Airports Authority's Regulatory Process

- ✓ Provide additional information on the Dulles Toll Road and the Metrorail Project

The information provided at the public hearings addressed the following subjects:

- Dulles Toll Road Operations and the E-ZPass program;
- Dulles Corridor Improvements;
- The Metrorail Silver Line Project; and
- The Finance Plan and other financial information relating to funding the operations of and improvements to the Dulles Toll Road and construction of Metrorail Silver Line project.

This information was provided in a series of boards relating to each subject area with Airports Authority staff members assigned to each area to answer questions.

Copies of the public hearing brochure, informational exhibits, traffic study and Q&A are available at:

www.dullestollroad.com/toll/toll-setting-process



Airports Authority's Regulatory Process

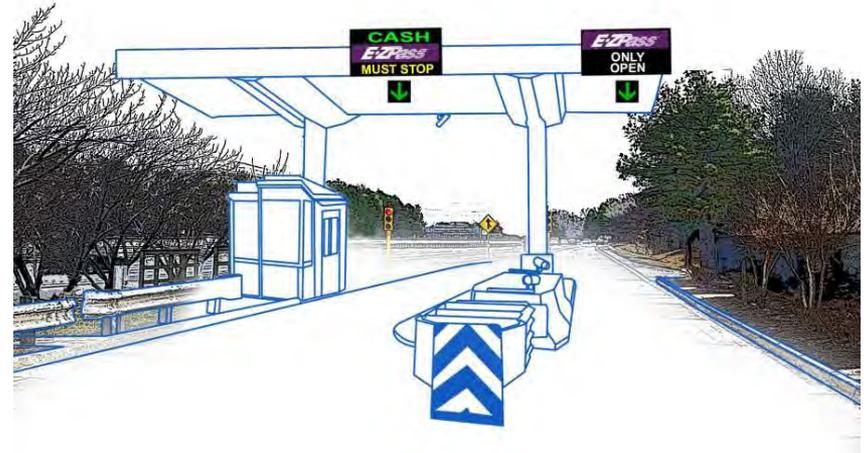
- ✓ Solicit public input on potential toll collection options and operational improvements to assist with ongoing planning efforts for the DTR.

The Airports Authority invited comments on the following topics:

- 1) Whether the proposed increase of \$1.25 in the cost of a Dulles Toll Road typical trip should be allocated as proposed between the mainline toll plaza and ramps (i.e., a \$0.75 increase at the mainline toll plaza and a \$0.50 increase at the tolled ramps) or should be allocated in a different manner between the mainline plaza and the ramps;
- 2) Whether, at a future date to be determined, the Dulles Toll road's mainline toll plaza lanes that allow customers to pay in cash should be converted to "E-ZPass only" (or open road tolling), similar to newer toll facilities;

Airports Authority's Regulatory Process

- 3) Whether, at a future date to be determined, credit cards should be accepted in certain Dulles Toll Road toll lanes, similar to the Dulles Greenway and other toll facilities; and
- 4) Whether any other operational improvements should be made to the Dulles Toll Road.



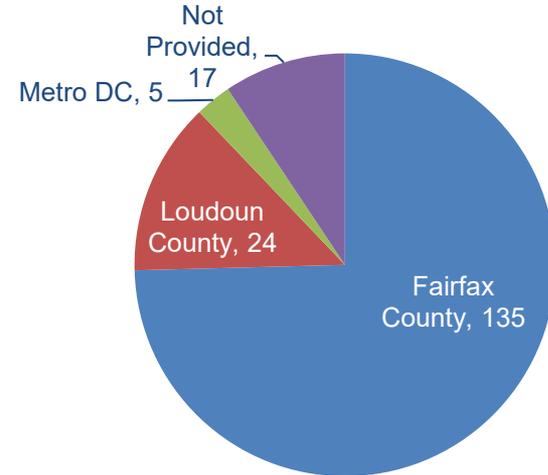


Report on Public Comments

A total of 52 individuals attended the three public hearings.

During the comment period, 181 individuals and 3 organizations submitted a total of 190 comments.

The 190 comments conveyed a total of 363 views, positions and recommendations on the proposed toll rates (187) and on the four posed questions (176).



Stated Residence of the 181 Individuals Submitting Comments

The summary data provided above is not intended to be a substitute for the information provided in the Report on Public Comments prepared for the Airports Authority.

Report on Public Comments

Comments on the proposed toll increase can be grouped in the following general categories:

Comments by General Category	Number of Comments
A toll rate increase will make the toll road unaffordable and divert traffic to local streets	109
Alternative sources of funding for the Silver Line should be pursued to reduce or eliminate the toll increases	28
Increasing DTR toll rates to fund the Silver Line is not fair	23
Do not increase toll rates	20
General support for the toll increases as proposed	7

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Report on Public Comments

Question 1: Should the proposed increase of \$1.25 in the cost of a typical DTR trip be allocated as proposed between the mainline toll plaza and ramps or allocated in a different manner?

Comments by General Category	Number of Comments
Increase the ramp toll rate as proposed at all or at certain ramps; no increase or a smaller increase than proposed at the mainline toll plaza	26
Increase rates at the mainline and the ramps to rates other than the proposed rates	13
Allocate the toll increase between the ramps and mainline toll plaza as proposed	7
Do not increase current toll rates	7
Increase the mainline toll rate as proposed; no increase or a smaller increase than proposed at the ramp toll plazas	2

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Report on Public Comments

Question 2: Should the DTR toll plaza lanes that now allow customers to pay in cash be converted, at some point in the future, to "E-ZPass only" lanes (or open road tolling)?

Comments by General Category	Number of Comments
Full Conversion of Cash to E-ZPass	19
Partial Conversion (leave one cash lane at each location)	13
No Conversion of Cash to E-ZPass	12

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Report on Public Comments

Question 3: Should credit cards be accepted in certain Dulles Toll Road toll plaza lanes at some point in the future?

Comments by General Category	Number of Comments
Accept credit cards; eliminate cash option	20
Accept credit cards; retain at least one cash lane	11
Do not accept credit cards	7

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Report on Public Comments

Question 4: Should any other operational improvements be made to the Dulles Toll Road?

Comments by General Category	Number of Comments
Miscellaneous suggestions involving repaving or restriping the road, improving certain exit ramps, adding another HOV lane, allowing HOV to travel toll-free, and tolling in one direction only	14
Mitigate toll-related incentives for traffic to use local streets to avoid the mainline toll plaza and to use local streets instead	11
Implement distance-based tolling	7
No operational improvements necessary	7

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Proposed Action Plan

1. Implement the proposed toll rate increase as presented to the public and reserve an option to modify toll rates at specific ramp locations in calendar year 2020.

The same toll rate is charged at all tolled ramp locations and there are some ramp locations that are not tolled. It may be possible to address potential traffic diversion issues along the eastern end of the DTR corridor by reducing the toll rate at the Spring Hill Road ramp locations or by imposing tolls at the Route 7 ramp locations that are currently not tolled.

The potential ramp tolling options would have to be evaluated based on the technical feasibility of collecting different tolls with existing or new technology, the estimated implementation costs and potential impacts on safety, traffic flow and toll revenue.

This action would enable the Airports Authority to meet its financial obligations while evaluating ramp tolling options.

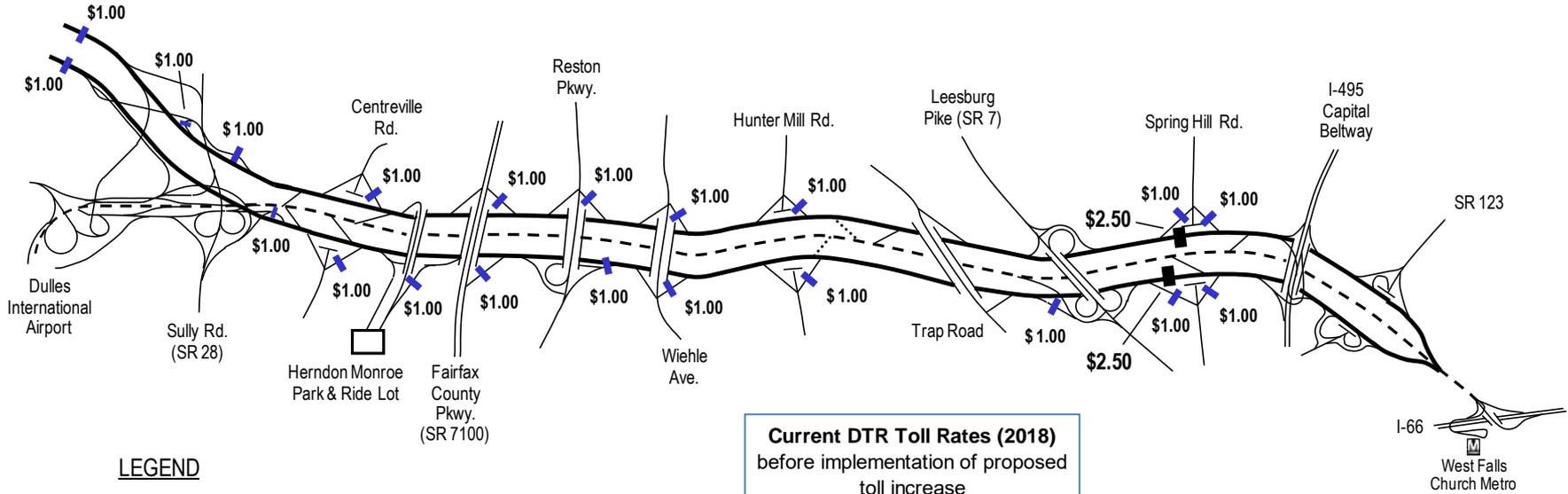


Proposed Action Plan

2. Work with VDOT, Fairfax County and Loudoun County to identify and evaluate potential strategies for enhancing mobility in the Dulles Corridor.

In addition to evaluating potential ramp toll rate options, the Airports Authority would work with VDOT and the Counties to identify other potential opportunities to address traffic issues along the DTR corridor. Any mobility strategies that are developed would be advanced through appropriate transportation planning and project approval processes.

Dulles Toll Road Mainline and Ramp Locations



LEGEND

-  Dulles Toll Road
-  Dulles Access Highway
-  Buses Only
-  Mainline Toll Plaza
-  Ramp Toll Plaza

Current DTR Toll Rates (2018) before implementation of proposed toll increase		
	Mainline Toll	Ramp Toll
2-axle vehicle	\$2.50	\$1.00
3-axle vehicle	\$5.00	\$2.00
4-axle vehicle	\$6.25	\$2.50
5-axle vehicle	\$7.50	\$3.00
6 or more axles	\$8.75	\$3.50



Schedule

<p>November 2018</p>	<p>11/14/18 MWAA Board of Directors Meeting</p> <ul style="list-style-type: none">• <i>Staff report on public comments and DCAC input</i>• <i>Board Committee action on DTR toll rates for 2019</i>• <i>Action by full Board on DTR toll rates for 2019</i>
<p>January 1, 2019</p>	<p><i>Effective Date of Proposed Toll Rate Adjustments</i></p>



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