

Illinois Route 53/120 Project
Lake County Tolling and Motor Fuel Tax Working Group #1
Roll Call August 5, 2014
Meeting Minutes issued by Lake County

PRESENT	NAME	REPRESENTING
Present	Aaron Lawlor	Lake County
Present	Marty Buehler	Lake County Transportation Alliance
Present	John Yonan	Cook County DOT and Highways
Present	Burnell Russell	Village of Volo
Present	George Monaco	Village of Round Lake
Present	Pete Harmet via phone	Illinois Department of Transportation
Present	Charles Eldredge	McHenry County
Present	David Stolman	BRAC Founding Co-Chair
Present	Pat Muetz	Village of Gurnee
Unable to attend	Robin Helmerichs	Federal Highway Administration

General Business

Call to Order and Roll Call

Chair **Marty Buehler (MB)** established draft working group objectives:

1. Recommend a tolling strategy within Lake County for Illinois Route 53/120 and for I-94
2. Determine the recommended tolling strategy's expected level of revenue available to support the Illinois Route 53/120 project
3. Provide a recommendation and justification on what portion of these toll revenues should be considered a local contribution to the Illinois Route 53/120 project
4. Identify implementation and potential legislative challenges associated with the selected tolling concept
5. Develop a recommended strategy for how a new motor fuel tax could be structured and determine the expected level of revenue available to support the Illinois Route 53/120 project
6. Identify necessary next steps related to implementing a new motor fuel tax (County analysis, outreach, legislation, etc.)

Action item: The group then moved to adopt the objectives on a motion by **David Stolman (DS)**, seconded by **John Yonan (JY)**.

As a follow up to initial questions raised at the July 29 Finance Committee Meeting, **Ron Shimizu (RS)**, of Parsons Brinkerhoff, provided an overview of the project tolling assumptions, forecasted traffic by county and results of the project's stated preference survey. **MB** noted that the group supported all-electronic tolling (i.e. gantries between each interchange). **Action items: George Monaco (GM)** requested to know how high the toll rate would be if the goal was to maximize the revenue from the new roadway. **MB** confirmed the group's interest in a toll sensitivity analysis.

Matt Smith (MS) of TranSystems, presented the refined bonding capacity estimates related to the BRAC menu of funding and financing options. **RS** stated congestion pricing assumes a 25-cent toll in 2025 and a 35-cent toll by 2040 to ensure a reasonable level of service during peak periods. **Aaron Lawlor (AL)** said congestion pricing combined with indexing were very favorable among the local mayors. He said these options provide revenue for the project and also a qualitative value to the Tollway Board, serving as a pilot for potential future systemwide application. **MB** noted the group endorsed congestion pricing combined with indexing on the facility and would carry that forward in the group's discussion.

The group then discussed the options of longer term borrowing and lower cost borrowing. Lengthening the borrowing term would require legislation. **Action item:** **MB** asked for a summary on other states' borrowing terms. **MB** also asked for more information regarding the terms of borrowing for Illinois public-private partnerships.

The group turned to a discussion on potential tolling of I-94. **MB** requested that **Rocco Zuccherro (RZ)** of the Tollway, speak to existing tolling along I-94 and opportunities to address long standing concerns about toll diversion while also generating revenue for the project. Removing the Deerfield Road Plaza in 1998 alleviated congestion due to cash payments that were used prior to I-PASS, but it also eliminated one of the more equitable ways to toll the corridor. **Action items:** The group agreed it was important to address toll equity and limit toll diversions by examining three tolling strategies: (1) a new mainline toll plaza near Deerfield Road, (2) per-mile tolling using all-electronic tolling with gantries between each interchange and (3) adding tolls at all existing un-tolled ramps. The group asked for more information on each, such as the bonding capacities, safety impacts and local road impacts.

It was stated that a new mainline toll plaza may be the most cost-effective strategy, but did little to reduce the toll diversions experienced north, near the state border. Legislation is required to convert that stretch of I-94 south of the state border to a Tollway. **Action item:** The group sought more information regarding the legal and regulatory hurdles of tolling at the border.

Currently, 87 percent of transactions are made through I-PASS systemwide. The industry is increasingly moving toward a cashless system. In the meantime, cash is still an option at the Waukegan Plaza, due to a notable amount of out-of-state traffic entering and exiting the system. **Action items:** The group asked what the percentage of I-PASS use in Lake County was and sought more information about I-PASS use at the Waukegan Plaza (Plaza 21) in the north and the Lake Cook Road ramps (Plaza 26) in the south.

The revenue from all three options should be fairly similar, but the cost to implement and operate new technology and policies may be different. **RZ** clarified that new revenue from I-94 in Lake County could not necessarily be assumed to solely fund the Illinois Route 53/120 Project. The Tollway would need to evaluate other long term systemwide capital needs in the corridor that are not included in the current capital program and apportion sufficient funds to address those needs. An example is the potential ramp tolling at Illinois Route 132 would also require improvements. The goal is to provide a benefit to the customers that are using I-94 as well as the new facility. **Action items:** The group agreed to study what impacts earlier tolling on the system may make, starting as early as 2018. They also sought more

information on what those improvements at Illinois Route 132 might include if ramp tolling was pursued.

A conversation on the Lake County motor fuel tax was postponed until the next meeting on August 19 at 2 p.m. With a motion from **AL** and seconded by **JY**, the meeting was officially adjourned at 3:52 p.m.