

## MEMORANDUM

**TO:** CTIO<sup>1</sup> BOARD OF DIRECTORS  
**FROM:** KELLY BROWN, CHIEF TOLL OPERATIONS OFFICER  
**SUBJECT:** APPROVAL OF I-25 SOUTH MONUMENT TO CASTLE ROCK TOLL RATES  
**DATE:** NOVEMBER 15, 2023

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### Purpose

Staff is requesting that the Colorado Transportation Investment Office (CTIO) Board of Directors (Board) review and approve the proposed initial toll rates and schedule for Automatic Vehicle Identification (AVI) and License Plate Toll (LPT) transactions for the I-25 South Monument to Castle Rock (Gap) Express Lanes.

### Action

The Board is being asked to approve resolution #432, adopting toll rates for I-25 South Gap Express Lanes.

### Overview of Recommended Toll Rates

At the October 2023 Board meeting, staff presented proposed initial toll rates for the I-25 South Gap Express Lanes. In consultation with CTIO's Traffic and Revenue advisor, staff recommended a base toll rate high enough to cover toll collection and toll equipment maintenance costs but low enough to attract initial customers to use the toll lane, even when traffic in the general purpose lanes is relatively light, and the corridor is free flowing. The technical memorandum and detailed analysis are in the October 2023 board [packet](#).

The following operations policies apply to the I-25 South Gap Express Lanes:

- Hours of operation: 24 hours a day, 7 days a week, 365 days a year.
- High occupancy vehicles with three or more passengers (HOV3+) use the Express Lanes for free with a switchable HOV transponder.
- Motorcycles use the Express Lanes for free.
- Vehicles with four or more axles pay a surcharge of \$25.
- The tolling regime is Time-of-Day (TOD) pricing (the tolling regime will become dynamic based on traffic demand in the future).

In calculating the Transponder or Automatic Vehicle Identification (AVI) toll rates, the following assumptions were made:

- Tolls will be charged based on a Time-of-Day methodology consistent with the current regime on I-25 Central, I-25 North, and US 36, and not on a dynamic tolling basis;
- The minimum AVI toll rate is set to recover the AVI toll operation cost;
- Toll rates are set based on models developed by the T&R consultant, which estimated toll rates in 2017 dollars;
- Toll rates were adjusted for inflation based on the change in CPI to reflect 2023 dollar values and rounded to the nearest 5 cents;
- The maximum toll rate for the corridor is capped at \$3.75 for the opening year.

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<sup>1</sup> The High Performance Transportation Enterprise (HPTE) is now doing business as the Colorado Transportation Investment Office (CTIO). CTIO is how the enterprise refers to itself now and in the future. However, the HPTE name is retained for legislative and legal documents.

License plate tolling (LPT) costs more than AVI tolling due to additional back-office costs and LPT leakage. Therefore, LPT rates are developed by imposing a surcharge on the AVI toll rates. The following considerations were made when calculating the License Plate Toll (LPT) toll rates:

- LPT surcharge covers back-office additional cost and LPT leakage;
- LPT leakage is assumed at 40 percent based on historical data;
- LPT leakage includes uncollectable and unbillable LPT transactions.

Figure 1 shows the northbound and southbound TOD AVI toll rates as well as the LPT rates for year 2024 when the I-25 South Gap Express Lanes are expected to open for tolling.

		Northbound			
Day	Time of Day	Monument to Larkspur		Larkspur to Castle Rock	
		AVI	LPT	AVI	LPT
Weekdays & Weekends	9:00 pm - 6:00 am	\$ 0.80	\$ 2.73	\$ 0.70	\$ 2.90
	6:00 am - 9:00 pm	\$ 2.00	\$ 4.77	\$ 1.75	\$ 4.69
		Southbound			
Day	Time of Day	Castle Rock to Larkspur		Larkspur to Monument	
		AVI	LPT	AVI	LPT
Weekdays & Weekends	9:00 pm - 6:00 am	\$ 0.70	\$ 2.90	\$ 0.80	\$ 2.73
	6:00 am - 9:00 pm	\$ 1.75	\$ 4.69	\$ 2.00	\$ 4.77
Truck surcharge (4+ Axle)		\$ 25.00		\$ 25.00	
Motorcycles		Free		Free	
HOV 3+		Free		Free	

Figure 1 I-25 South Gap Time-of-Day AVI and LPT Rates for 2- and 3-Axle Vehicles for 2024

### Board Options and Recommendations

1. **Staff Recommendation:** Act on Resolution #432, adopting the proposed initial toll rates and schedule for the I-25 South Gap Express Lanes, which would go into effect when the Express Lane opens for tolling, currently anticipated to be in the first quarter of 2024.
2. Deny the request. The CTIO staff will review the Board’s feedback and return to the CTIO Board with new proposed initial toll rates for the I-25 South Gap Express Lanes.

### Next Steps

1. If adopted, CTIO staff will implement the approved initial AVI and LPT toll rates for the I-25 South Gap Express Lanes effective 12:00 AM on the I-25 South Gap Express Lanes Go Live date.
2. CTIO staff will continue the Public Outreach process.
3. If the Board does not adopt the proposed initial toll rates for the I-25 South Gap Express Lanes, the CTIO staff will review the Board’s feedback and return to the CTIO Board with new proposed initial toll rates for the I-25 South Gap Express Lanes.

### Attachments

Attachment A: Resolution #432 Toll Rates and Schedule for the I-25 South Gap Express Lanes