



## Colorado Transportation Investment Office Memorandum

**To:** CTIO Board of Directors

**From:** Kelly Brown, Chief Toll Operations Officer

**Date:** October 16, 2024

**Subject:** Central 70, I-25 South Gap and Westbound Mountain Express Lanes Dynamic Pricing Algorithm Parameters Approval Requests

### **Purpose:**

Staff is requesting that the Colorado Transportation Investment Office (CTIO) Board of Directors (Board) review and approve the recommended dynamic pricing algorithm parameters for the Central 70, I-25 South Gap and Westbound Mountain Express Lanes.

### **Action:**

The Board is asked to approve Resolution #455, adopting recommended dynamic pricing parameters for the Central 70, I-25 South Gap and Westbound Mountain Express Lanes.

### **Background:**

Where possible, the dynamic pricing criterion is designed to be either a range of acceptable values and/or a set of guardrails that will give the dynamic pricing algorithm the flexibility to set toll rates that will conform to the existing Tolling Policy already approved by the CTIO Board. Per the Tolling Policy, specific ranges or criterion for each corridor will be brought to the Board for review and approval prior to implementing dynamic pricing on each Express Lanes corridor.

Pursuant to the CTIO amended toll rate setting and adjustment policy (November 2023), if a board-approved dynamic pricing algorithm criterion is not sufficient to meet the needs and goals of the Tolling Policy, staff may present the Board with a new Dynamic pricing algorithm criterion for their consideration and approval. This reconsideration may take place during the annual toll rate evaluation or whenever staff analysis reveals that the Express Lane-specific board-approved dynamic pricing algorithm criterion cannot and/or will not meet the needs and goals of the Tolling Policy.

## Summary of Central 70, I-25 South Gap, and Westbound Mountain Express Lanes Dynamic Pricing Algorithm Parameters Approval Requests

*Table 1 Central 70 Express Lanes Updated Parameters*

Parameter	Previous Value	New Value
Maximum Increment	50 cents	\$4.00
Maximum Decrement	50 cents	\$4.00

*Table 2 I-25 South Gap Express Lanes Parameters*

Parameter	Value
Minimum toll rate:	\$1.50
Maximum toll rate:	\$4.75
Rate change interval range:	5-15 minutes
Maximum Increment:	\$3.25
Maximum decrement:	\$3.25

*Table 3 Westbound Mountain Express Lanes Parameters*

Parameter	Value
Minimum toll rate:	\$6.00
Maximum toll rate:	\$9.00
Rate change interval range:	5-15 minutes
Maximum Increment:	\$3.00
Maximum decrement:	\$3.00

### Options/Decision Matrix

1. **Staff Recommendation:** Act on Resolution #455, adopting recommended dynamic pricing parameters for the Central 70, I-25 South Gap, and Westbound Mountain Express Lanes.
2. Deny the request. The CTIO staff will review the Board's feedback and return to the CTIO Board with new recommended dynamic pricing parameters for the Central 70, I-25 South Gap, and Westbound Mountain Express Lanes.

### Next Steps

1. If adopted, CTIO staff will implement dynamic pricing using the approved parameters on the Central 70, I-25 South Gap, and Westbound Mountain Express Lanes, currently estimated to be on November 1, 2024.
2. CTIO staff will continue the Public Outreach process.

### Attachments:

- Attachment A: Resolution #455