



COLORADO
Transportation
Investment Office

Tolling Policy and FY2026-27 Recommended Toll Rate Adjustments

May 20, 2026

Agenda

- Express Lanes 101
- Tolling Policy
- FY27 Toll Rate Adjustments
- Next Steps



Express Lanes 101

Purpose of Express Lanes

- Managing Congestion
- Travel Time Reliability and Savings
 - Federal code 23 U.S.C. 166(d)(2) requires CTIO Express Lanes meet mandated required speed of 45 miles per hour 90% of the time.
- GHG
 - Average reduction of 10% in GHG emission rates at peak periods.
- Incentivize Transit
- Finance Infrastructure

Express Lanes 101 (Continued)

CTIO Express Lanes

- I-70 Central
- I-70 Mountain Express Lanes
- I-25 South Gap
- I-25 North Segment 2 and 3
- I-25 North Segment 6, 7, and 8
- C-470
- I-25 Central (Operated by Plenary)
- US-36 (Operated by Plenary)

CTIO Express Lanes in Construction

- I-70 Floyd Hill

Current Pricing Strategies

- Dynamic Pricing
- Time-of-Day Pricing

Current Toll Rate Types

- Automatic Vehicle Identification (AVI)
- License Plate Toll (LPT)
- High Occupancy Vehicle (HOV3+)



CTIO Tolling Policy - Overview

- The primary purpose of CTIO's Tolling Policy is to establish a clear framework for setting and adjusting toll rates.
- The goals of this policy are to:
 - Promote Statewide Equity
 - Simplify Communications
 - Streamline Internal Administration

Colorado High-Performance Transportation Enterprise Tolling Policy

1. Purpose

The Colorado Transportation Investment Office (CTIO)¹ Tolling Policy ("Policy") is intended to provide a framework for the setting and adjustment of toll rates on CTIO operated corridors. The Policy aims to provide:

- **Statewide Equity:** implementing consistent statewide policies limits controversy and helps the public's acceptance of toll rates;
- **Communications:** Educating the traveling public on toll policies (HOV rate setting etc.) is a challenging proposition. A consistent policy greatly simplifies that effort; and,
- **Internal Administration:** A consistent tolling policy provides guidance to CTIO staff and simplifies the administration and operation of toll collections.

CTIO projects are complex, and each is unique. If it is necessary to deviate from this Policy on future projects, CTIO staff will document the different approach and seek input and approval from the Board of Directors (Board), and the practice will be incorporated, if necessary, into this Policy.

2. Toll rate setting and adjustment frequency

Background

Studies indicate that the primary reason motorists use Express Lanes is for travel time consistency and reliability. Given the desire for consistency, it is also essential that the motorist is not surprised or confused when receiving the monthly invoice for the use of the lane. A lack of understanding of the toll rate setting or adjustment policy is one key reason that motorists may choose not to use the Express Lane even in circumstances where he or she would otherwise choose to use it.

Policy

Initial toll rate setting will be initiated by a traffic and revenue study for each corridor. Before project opening, a sensitivity analysis on initial rates will be conducted to finalize toll rates for CTIO Board approval. The pricing objective in the toll rates setting phase is project specific based on financing covenants and traffic operations requirements.

For operational corridors, on a semi-annual basis, CTIO staff will evaluate the performance of each Express Lane to determine adherence to traffic operations requirements and financial covenants. Exhibit A shows the methodology for determining yearly toll rate adjustments.

3. Transactions surcharges

Background

The CTIO needs to balance allowing those who do not have an electronic toll pass the capability to use the lane on occasion against the additional costs associated with processing and collecting license plate tolls. Setting a policy on how to calculate such surcharges ensures fairness and a consistent standard across Express Lane corridors. For interoperability agreements, the CTIO needs to consider the cost they impose upon it and seek to recoup it.

Policy

A License Plate Tolling ("LPT") surcharge ensures that LPT payers bear the full cost of the additional expenses they impose on the system. To that end, an LPT surcharge will be priced based on two objectives: (1) offset the additional back office processing cost and (2) recover revenue lost due to LPT leakage.

For future transaction types, such as Interoperability transactions, CTIO staff will adopt the same methodology where surcharges are set based on recovering additional incurred costs and lost revenue.

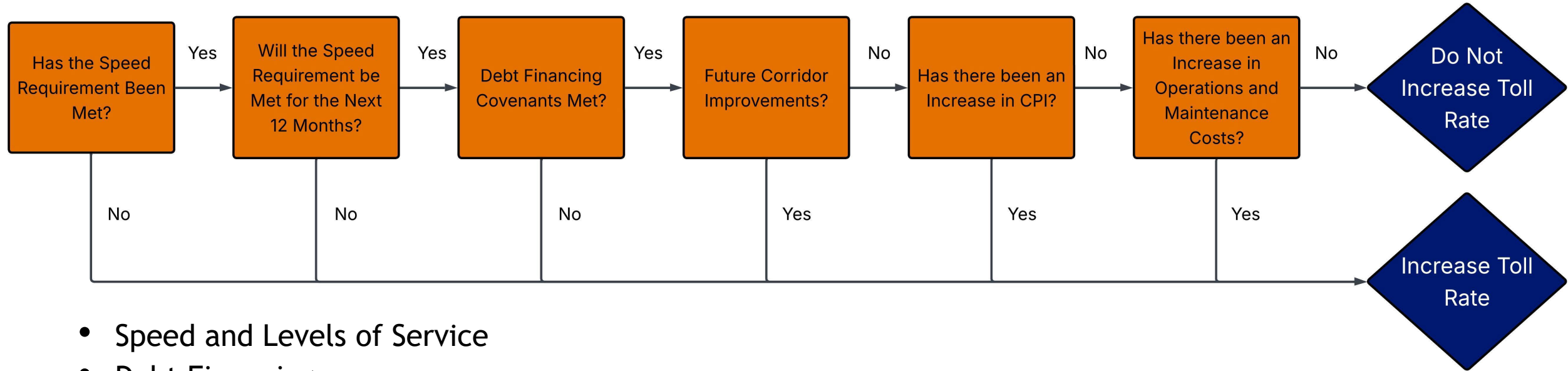
CTIO Tolling Policy - Key Elements

- Toll rate setting and adjustment frequency
 - Initial rates are informed by traffic analysis, with annual evaluations to ensure financial and operational goals are met.
- Transactions surcharges
 - Applied to License Plate Tolling to recover back-office costs and offset revenue leakage.
- Express Lanes toll rate setting objectives
 - Balancing traffic throughput and reliable travel times with debt coverage and maintenance requirements.
- Tolling equity considerations
 - Considers tolling equity and its impacts across all income groups; while carefully balancing any potential discount programs against its obligations to cover operational expenses.
- Dynamic pricing algorithm criterion
 - Dynamic pricing operates within strict parameters that mandate minimum and maximum toll rates.

The Board's Role in the Tolling Policy

- The Tolling Policy defines a framework of the role that the CTIO Board of Directors has in relation to tolling and toll rates. These roles include:
 - Approving initial toll rates and dynamic pricing criteria.
 - Approving annual adjustment to toll rates and dynamic pricing criteria.
 - Direct CTIO Staff to consider toll rate adjustments based on Board policies and priorities.
 - Authorizing project-specific policy deviations.

Toll Rate Adjustment Methodology



- Speed and Levels of Service
- Debt Financing
- Future Corridor Improvements
- Consumer Price Index
- Operations and Maintenance Costs

FY27 Recommended Toll Rate Adjustments

FY27 Toll Rate Adjustment Schedule

FY 2026-27 Toll Rate Adjustment Schedule:

- Toll rate analysis: April - May
- Recommended toll rates for I-25 Segment 2 and 3, I-25 South Gap, I-70 Central, and I-70 EB MEXL will be introduced to the Board: May 20th
- Approval of the recommended toll rates by the Board: June 17th
- If approved in June, recommended toll rates go into effect on July 1st, 2026
- Recommended toll rates for C-470, I-70 MEXL, and I-25 Segments 6, 7, and 8 will be introduced to the board later in the Fiscal Year for approval

Key Findings

- Speed was determined to meet Federal code 23 U.S.C. 166(d)(2) for all corridors, however, I-70 Central Westbound and I-25 Segment 2 Southbound had speeds below 45 mph during peak periods for significant amounts of time
- Future Levels of Service were modeled to ensure the corridors are meeting their goals
- Debt financing will continue to be met on all corridors that have debt obligations
- The Consumer Price Index for the Denver-Aurora-Lakewood area from March 2025 to March 2026 was estimated to be 4.5%
- Operations and Maintenance costs over the past Fiscal Year increased by 3.6%
- No adjustment is needed in relation to the 4+ axle surcharge

Summary of Recommendations

- CTIO recommends a 4.5% increase to offset inflation and operations and maintenance costs.
- Staff recommends further increases on two corridors to mitigate speed degradation:
 - I-70 Central: Decreased speeds in the Westbound direction from 4:00 PM to 6:00 PM. Staff recommends increasing the maximum toll cap from \$6.00 to \$7.00 in both directions.
 - I-25 Segment 2 Southbound: Decreased speeds from 5:00 AM to 7:15 AM. Staff recommends increasing the toll rates to match the 7:15 AM to 8:15 AM rates in the Southbound direction.

Next Steps

- The CTIO Board is encouraged to provide feedback on the recommended updates to the toll rates and dynamic pricing algorithm criteria for all corridors.
- CTIO staff will integrate any requested changes and return at the next board meeting with a resolution for CTIO Board approval of the updated toll rates and dynamic pricing algorithm criterion.
- CTIO staff will return to present toll rate adjustments for C-470, I-70 MEXL, and I-25 Segments 6, 7, and 8 for separate approval at a future CTIO Board of Directors meeting

Questions?