



CENTRAL TEXAS REGIONAL
MOBILITY AUTHORITY

October 28, 2020
AGENDA ITEM #8

Discuss and consider modifying the annual toll
rate escalation becoming effective on
January 1, 2021

Strategic Plan Relevance: Deliver on commitments to our customers/investors
Department: Finance
Contact: Bill Chapman, Chief Financial Officer
Associated Costs: N/A
Funding Source: Toll Revenues
Action Requested: Consider and take such action as necessary

Background - Section 301.002(a) of the Policy Code states that “the authority shall establish toll rates for each tolled facility operated by the authority. Each toll established by this section is subject to an adjustment on January 1 of each year under the procedure set forth in Section 301.003 (Annual Toll Rate Escalation). The executive director is authorized and directed to edit a toll established by this section to update and certify any change to a toll made pursuant to Section 301.003.”

Non-variable toll rates - Section 301.003 of the Policy Code provides that, each October, Mobility Authority staff must calculate a percentage increase in toll rates charged on non-variable rate Mobility Authority toll facilities using the formula established by that section. The formula is based on changes to the most recently published non-revised index of Consumer Prices for All Urban Consumers (CPI-U) before seasonal adjustment, as published by the Bureau of Labor Statistics of the U.S. Department of Labor. Each year, this Toll Rate Escalation Percentage is reported to the Board.

Previous Actions - The non-variable toll rates for the CTRMA Turnpike System have increased annually. The increases for each of the last six years are shown below.

Year	2015	2016	2017	2018	2019	2020
CPI-U	1.51%	-0.04%	1.46%	2.23%	2.27%	1.71%
Increase/gantry	\$0.01- \$0.03	\$0.01- \$0.04*	\$0.01- \$0.02	\$0.01- \$0.03	\$0.01- \$0.03	\$0.01- \$0.03

*The board adopted a modified 2% increase effective January 2016

2021 Increase for non-variable toll rates - The Toll Rate Escalation Percentage calculated based on the September 2020 CPI-U is 1.37%. This percentage increase in toll rates will automatically become effective on January 1, 2021 unless the Board affirmatively votes to modify the percentage. If the percentage is not modified from CPI-U, this increase will result in an additional \$0.01 to \$0.02 toll charged at each gantry for a customer in a two-axle vehicle who uses a TxTAG or other transponder account.

The Traffic and Revenue (T&R) engineering consultant, Stantec, forecasted a 2.3% increase for the 2021 toll rates in their most recent report for 183A Phase III financing. That rate adds an extra \$0.01 to five gantries (183A: Crystal Falls Main Lane, 290E: Giles Main Lane, 71 East, 45SW, 183S: MLK Main Lanes) and an additional \$0.02 to one gantry (183A: Park Street Main Lane) over the CPI-U increase. Both potential rate increases (CPI-U and Stantec) are shown in the backup.

2021 Increase for MoPac Express Lanes - Section 301.002 of the Policy Code provides that, the minimum toll rate per segment for the MoPac Express Lanes will be adjusted annually by \$0.05 per segment until the minimum toll rate is \$0.50. This increase in toll rate, bringing the minimum toll rate per segment to \$0.40, will automatically become effective on January 1, 2021 unless the Board affirmatively votes to modify the increase.

Staff Recommendation - Staff recommends adopting the Stantec calculated rate increase of 2.30% for non-variable tolls to match the published Preliminary Official Statement (POS) used for 183A Phase III financing.

Backup Provided: Draft Resolution
2021 CPI-U Toll Rate Calculation
2021 Stantec T&R Toll Rate Calculation
Traffic Consultant Certification

January 2021 CPI-U Toll rate Calculation 183A , 290E, 71E, 45SW, 183S, MoPac

			CPI ^{t-12}	CPI ^t	(CPI ^t -CPI ^{t-12})/CPI ^{t-12}			2015	2020	
			Current	CPI base	CPI current	CPI	CPIu	New Toll	Original 183A	Original 183A
			Rate	Rate	Rate	Adjustment	Increase	rates	Toll	Toll
				Sep 2019	Sep 2020	1/1/2021		1/1/2021	Schedule	Schedule
183A	Crystal Falls ramps	ETC	\$ 0.44	256.759	260.28	1.37132%	\$ 0.01	\$ 0.45		
	Crystal Falls Main Lane	ETC	\$ 1.11	256.759	260.28	1.37132%	\$ 0.02	\$ 1.13		
	Scottsdale Ramp	ETC	\$ 0.62	256.759	260.28	1.37132%	\$ 0.01	\$ 0.63		
	Park Street mainlane	ETC	\$ 1.57	256.759	260.28	1.37132%	\$ 0.02	\$ 1.59	\$ 2.00	\$ 2.25
	Brushy Creek Ramps	ETC	\$ 0.62	256.759	260.28	1.37132%	\$ 0.01	\$ 0.63	\$ 0.75	\$ 1.00
	Lakeline Main Lane	ETC	\$ 0.58	256.759	260.28	1.37132%	\$ 0.01	\$ 0.59	\$ 0.70	\$ 0.90
Manor	183 Direct Connectors	ETC	\$ 0.59	256.759	260.28	1.37132%	\$ 0.01	\$ 0.60		
	Springdale ramps	ETC	\$ 0.59	256.759	260.28	1.37132%	\$ 0.01	\$ 0.60		
	Giles ramps	ETC	\$ 0.59	256.759	260.28	1.37132%	\$ 0.01	\$ 0.60		
	Giles Main Lanes	ETC	\$ 1.20	256.759	260.28	1.37132%	\$ 0.02	\$ 1.22		
	Harris Branch Parkway ramps	ETC	\$ 0.59	256.759	260.28	1.37132%	\$ 0.01	\$ 0.60		
	Parmer Main Lanes	ETC	\$ 0.59	256.759	260.28	1.37132%	\$ 0.01	\$ 0.60		
	130/290 Direct connectors	ETC	\$ 0.61	256.759	260.28	1.37132%	\$ 0.01	\$ 0.62		
71E	ETC	\$ 0.93	256.759	260.28	1.37132%	\$ 0.01	\$ 0.94			
45SW	Main Lanes	ETC	\$ 1.00	256.759	260.28	1.37132%	\$ 0.01	\$ 1.01		
183S	Loyola Lane ramps	ETC	\$ 0.65	256.759	260.28	1.37132%	\$ 0.01	\$ 0.66		
	MLK Main Lanes	ETC	\$ 1.21	256.759	260.28	1.37132%	\$ 0.02	\$ 1.23		
	Techni Center Ramp	ETC	\$ 0.89		Opening Toll Rate			\$ 0.89		
	Bolm Road Ramps	ETC			Opening Toll Rate			\$ 0.59		
	Montopolis Drive Main Lane Plaza	ETC			Opening Toll Rate			\$ 1.07		
	Direct Connectors to/from SH 71	ETC			Opening Toll Rate			\$ 0.59		
MoPAC ML	Per Gantry		2020					2021		
		\$ 0.35						\$ 0.40		

**GENERAL MEETING OF THE BOARD OF DIRECTORS
OF THE
CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY**

RESOLUTION NO. 20-0XX

**APPROVING A MODIFIED TOLL RATE ESCALATION PERCENTAGE
EFFECTIVE JANUARY 1, 2021.**

WHEREAS, Section 301.003 of the Mobility Authority Policy Code provides that toll rates charged on toll roads in the Mobility Authority's Turnpike System may automatically increase effective January 1 of each year by a Toll Rate Escalation Percentage calculated based on annual changes to the index of Consumer Prices for All Urban Consumers, or by a modified Toll Rate Escalation Percentage adopted by the Board; and

WHEREAS, the automatic Toll Rate Escalation Percentage determined under Section 301.003 for this year is 1.37%; and

WHEREAS, the Executive Director, Chief Financial Officer, and financial advisors for the Mobility Authority recommend that the Board vote to adopt a modified Toll Rate Escalation Percentage of 2.3% effective January 1, 2021, resulting in the increased toll charges shown on the proposed "January 2021 Stantec Toll rate Calculation 183A, 290E, 71E, 45SW, 183S, MoPac" attached hereto as Exhibit A.

NOW THEREFORE, BE IT RESOLVED, that the Board hereby adopts a modified Toll Rate Escalation Percentage of 2.3% effective January 1, 2021, to establish the new toll charges shown in Exhibit A; and

BE IT FURTHER RESOLVED that pursuant to Section 301.002(b) of the Policy Code, the charge for each tolled facility operated by the Mobility Authority shall be published on the Mobility Authority website to update and certify the toll rate changes adopted herein.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 28th day of October 2020.

Submitted and reviewed by:

Approved:

Geoffrey Petrov, General Counsel

Robert W. Jenkins, Jr.
Chairman, Board of Directors

Exhibit A

January 2021 Stantec Toll rate Calculation 183A , 290E, 71E, 45SW, 183S, MoPac

			Current Rate	Stantec Adjustment 1/1/2021	Stantec Increase	Stantec New Toll rates 1/1/2021	CPIu New Toll rates 1/1/2021	Stantec Increase over CPI-U
183A	Crystal Falls ramps	ETC	\$ 0.44	2.30000%	\$ 0.01	\$ 0.45	\$ 0.45	\$ -
	Crystal Falls Main Lane	ETC	\$ 1.11	2.30000%	\$ 0.03	\$ 1.14	\$ 1.13	\$ 0.01
	Scottsdale Ramp	ETC	\$ 0.62	2.30000%	\$ 0.01	\$ 0.63	\$ 0.63	\$ 0
	Park Street mainlane	ETC	\$ 1.57	2.30000%	\$ 0.04	\$ 1.61	\$ 1.59	\$ 0.02
	Brushy Creek Ramps	ETC	\$ 0.62	2.30000%	\$ 0.01	\$ 0.63	\$ 0.63	\$ -
	Lakeline Main Lane	ETC	\$ 0.58	2.30000%	\$ 0.01	\$ 0.59	\$ 0.59	\$ -

290E Manor	183 Direct Connectors	ETC	\$ 0.59	2.30000%	\$ 0.01	\$ 0.60	\$ 0.60	\$ -
	Springdale ramps	ETC	\$ 0.59	2.30000%	\$ 0.01	\$ 0.60	\$ 0.60	\$ -
	Giles ramps	ETC	\$ 0.59	2.30000%	\$ 0.01	\$ 0.60	\$ 0.60	\$ -
	Giles Main Lanes	ETC	\$ 1.20	2.30000%	\$ 0.03	\$ 1.23	\$ 1.22	\$ 0.01
	Harris Branch Parkway ramps	ETC	\$ 0.59	2.30000%	\$ 0.01	\$ 0.60	\$ 0.60	\$ -
	Parmer Main Lanes	ETC	\$ 0.59	2.30000%	\$ 0.01	\$ 0.60	\$ 0.60	\$ -
	130/290 Direct connectors	ETC	\$ 0.61	2.30000%	\$ 0.01	\$ 0.62	\$ 0.62	\$ -

71E	ETC	\$ 0.93	2.30000%	\$ 0.02	\$ 0.95	\$ 0.94	\$ 0.01
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45SW	Main Lanes	ETC	\$ 1.00	2.30000%	\$ 0.02	\$ 1.02	\$ 1.01	\$ 0.01
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183S	Loyola Lane ramps	ETC	\$ 0.65	2.30000%	\$ 0.01	\$ 0.66	\$ 0.66	\$ -
	MLK Main Lanes	ETC	\$ 1.21	2.30000%	\$ 0.03	\$ 1.24	\$ 1.23	\$ 0.01
	Techni Center Ramp	ETC	\$ 0.89	Opening Toll Rate		\$ 0.89	\$ 0.89	\$ -
	Bolm Road Ramps	ETC		Opening Toll Rate		\$ 0.59	\$ 0.59	\$ -
	Montopolis Drive Main Lane Plaza	ETC		Opening Toll Rate		\$ 1.07	\$ 1.07	\$ -
	Direct Connectors to/from SH 71	ETC		Opening Toll Rate		\$ 0.59	\$ 0.59	\$ -

Per Policy Code

MoPAC ML	Per Gantry	2020	\$ 0.35	2021	\$ 0.40
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TRAFFIC CONSULTANT CERTIFICATION
(October 2020 Toll Modification)

The undersigned is a duly authorized officer of Stantec Consulting Services Inc. serving as traffic consultant (the "Traffic Consultant") to the Central Texas Regional Mobility Authority ("Authority") pursuant to that certain Master Trust Indenture, dated as of February 1, 2005, between the Authority and Regions Bank, as successor in trust to JPMorgan Chase Bank, National Association, as Trustee (the "Master Trust Indenture"), relating to the issuance of Obligations thereunder. Any capitalized terms not otherwise defined herein have the respective meaning given to such terms in the Master Trust Indenture.

1. In accordance with Section 502 of the Master Trust Indenture, the Authority has provided us the proposed change to the Toll Rate Schedule set forth in Exhibit "A" attached hereto. In our opinion, the adoption of such proposed Toll Rate Schedule set forth in Exhibit "A" will not adversely affect the ability of the Authority to comply with its covenants in this Section 502.

2. Our certification herein is based upon our opinion as to Revenues to be derived by the Authority from the ownership and operation of the System (which Revenues include investment and other income not related to Tolls that constitute the Revenues of the System as estimated by an Authorized Representative), and a certificate of the Authorized Representative filed with the Trustee, stating the opinion of the Authority as to the amount of Operating Expenses paid or accrued during any pertinent Annual Period, assuming the proposed Toll rate schedule had been in effect during such pertinent Annual Period.

EXECUTED THIS 15th day of October, 2020.

STANTEC CONSULTING SERVICES INC.

By: William Ihlo

Name: William Ihlo

Title: Principal