



Congestion Pricing Committee

2009 TRB Summer Conference

Tuesday, July 21, 2009

Summary Minutes

In attendance: Zabe Bent, Ken Buckeye, Mark Burris, Patrick DeCorla-Souza, Laura Feast, David Forte, Eric Gabler, David Grant Hill, Allen Greenberg, Martine Micozzi, Paul Minett, Susan Moe, Lee Munnich, Mark Muriello, Thomas Noyes, Jack Opiola, Tyler Patterson, Ben Perez, Charles Prestrud, Ed Regan, Patty Rubstello, Tony Rufolo, Don Samdahl, Eric Schreffler, Matt Schmit, Chris Swenson, Myron Swisher, Darren Timothy, David Ungemah, Johanna Zmud, Max Donath, Arti Gupta, Rob Fellows, Thera Black, Brian Howells, Andy Lemer, Shuming Yan, Casey Emoto, Regina McElroy, Jack Wells, Adrian Moore, Carlos Contreras, JayEtta Hecker

By phone: Jeff Buxbaum, Mike Lawrence, John Doan, Toi Lawphongpanich, Martin Richards, Jim Whitty

Patrick called the meeting to order. He made a motion to approve the January meeting minutes, the motion was seconded by David Ungemah, and the committee approved the motion unanimously.

Seeking committee sponsorship for a future conference, Toi Lawphongpanich briefed the committee on plans for a congestion pricing conference scheduled to take place at the University of Florida in May 2010. Lee noted that the outreach subcommittee discussed the merits of the conference. A motion to recommend committee sponsorship was made by Lee Munnich and seconded by David Ungemah; the motion carried unanimously. Patrick noted that the TRB executive committee would have to consent to the sponsorship as well. Chris Swenson, John Doan, David Ungemah volunteered to assist in conference planning. It was noted that TRB could not grant financial assistance for the conference.

Mark Muriello noted that there is also a transportation finance conference scheduled for May 13 – 14, 2010, in New Orleans; he proceeded to make a motion providing committee sponsorship for the conference; the motion was seconded by Ed Regan and it passed unanimously.

Mark reported that work was complete on updating the committee strategic plan. He thanked all who participated in the process, noting that it was dedicated to the late Dr. Ed Sullivan. Elements of the strategic plan included a mission statement, reference to four standing subcommittees, and provision for the TR News task force. Committee goals included the following: to promote research and best practices; to address stakeholder and user issues; to improve committee effectiveness in promoting research of congestion pricing and in reaching across modes of transportation.

Ed Regan noted the growing commonality of purpose between pricing as a tool for both demand management and revenue generation. He added that a jointly-staffed task force will aim to integrate both aspects of congestion pricing. The task force would lay out a road map on how to move toward a VMT system that will reshape transportation. Rather than providing recommendations, the task force



will establish a research agenda to guide future research efforts with a focus on implementation. Mark noted that the task force will focus on issues related to finance, business, and ideas on multi-state, cross-institutional progress. Patrick confirmed that the task force cannot form recommendations, but that it can identify research needs. Lee suggested that Jim Whitty's paper and an anticipated NCHRP report could lay the ground for a body of research that the task force should consider. Noting that he was nominated to serve on the task force, Ed added that the task force consisted of a small group to work on research topics, specifically those related to the intersection of VMT and congestion pricing. Mark noted that the taxation and finance committee discussed the idea and supported it. Ben Perez asked if it may be wise to narrow the focus of the task force. Ed did not think it was necessary to narrow the focus of the task force given that the group was given a particularly broad charge. Patrick asked if the committee was interested in moving ahead with the creation of the task force. Ed proceeded to propose a motion to create the task force, and Ken Buckeye seconded the motion; the motion passed unanimously. Those expressing interest in taking part in the task force included: Ken Buckeye, Jeff Buxbaum, Patrick DeCorla-Souza, John Doan, Lee Munnich, Tyler Patterson, Ben Perez, Tony Rufolo, Chris Swenson, Myron Swisher, and Jim Whitty. Lee reiterated his suggestion that Jim Whitty's paper should be required reading for the group.

David Ungemah provided an update on his efforts as communication coordinator for the committee. He noted his interest in advancing communication among all committees and throughout all TRB activity, such as webinars. He added that the committee already does upwards of 80 percent of the communications efforts now requested. He concluded that he is seeking volunteers to assist with development of a formal communications plan to be presented to the full committee in January. Patrick DeCorla-Souza, John Doan, Laura Feast, and Lee Munnich volunteered to help in this capacity.

Lee Munnich offered a report from the outreach subcommittee, noting that it received approval for two half-day workshops for the Annual Meeting in January. One workshop would focus on "Livability, sustainability and congestion pricing" and the other on "VMT fees and the future of congestion pricing." He added that possible sessions during the Annual Meeting may include stated preference surveys (e.g. related work conducted in LA), data-based decision-making, performance-based planning, etc. Ed suggested that potential behavior responses /elasticities associated with pricing needs to be analyzed. He added that an analysis of real behavioral responses rather than a simple attitudinal survey of pricing must be sought.

Reporting on progress from the multimodal pricing implementation subcommittee, David Ungemah noted that the "possibilities for partnerships" poster session would focus on multimodal aspects of the various UPA projects. The subcommittee is currently developing a flexible outline for poster design. In addition, he noted the joint session scheduled for the Annual Meeting in January and the fact that subcommittee minutes would soon appear on the congestion pricing website.

Eric Gabler offered a report from the joint subcommittee on economics, noting that most of its recent meeting was dedicated to identifying future meeting content, specifically on analyzing the effect of congestion pricing on eliminating unexpected delay and discussing equity aspects of congestion pricing.



Reporting on progress from the joint subcommittee on parking management, Eric Schreffler noted that Caroline Rodea and Tom Rye will serve as subcommittee co-chairs. In addition, he reported that planning for a workshop on parking standards was underway. Workshop content would likely include discussion on parking maximums and minimums, parking pricing generally, and parking “cash-out.” He concluded by noting that the full committee would likely be asked to assist with some elements of the workshop planning.

Regarding progress with TR News, Jeff Buxbaum reported that the editing of nine articles was going well and that he would like to have an issue out by the end of August.

Mark Muriello noted that Jose Holguin-Veras may be interested in chairing a subcommittee devoted to freight pricing. He added that a series of conference calls would be scheduled between now and January to establish a meeting agenda for the January meeting. Laura Feast, Susan Moe, Karen White, Johanna Zmud volunteered to assist Mark in these planning efforts.

Reporting on progress with the research needs statement and related database, Mark noted that although there is currently a small handful of good research needs statements in place, the group could use many more. He encouraged the submission of brief, one-paragraph research needs statements. Patrick added that each needs statement could consist of a paragraph devoted to a description of the problem and another paragraph devoted to a specific research objective. At most, one or two pages submitted by the September 15 deadline would be enough to get the process started. He added that the NCHRP 20-83 series offered an analysis of long-range strategic issues over the next 30- to 50-year time horizon, and that needs don’t have to be submitted through state DOTs or the USDOT. Rather, anyone can submit an idea. Ken Buckeye asked if there were guidelines for submitting under 20-83, to which Mark noted that such guidelines should be available online.

Darren Timothy provided a report from USDOT, noting progress on primers, case studies, state-of-practice reports, foundational research on key policy issues, and several specific projects, including: the use of experimental economics to evaluate pricing activities through driving simulators; the evaluation of UPA projects and Congestion Reduction Demonstration (CRD) programs (by collecting good baseline data for before- and after comparison); more detailed survey data (from one or more cities) on behavioral response issues; and study of a pricing and land use priority area for USDOT. In response to this last point, Patrick noted that research by FHWA indicates that a 10-14 percent reduction in traffic leads to an 80 percent reduction in traffic delay. Allen Greenberg added that updates on pricing projects is released on a regular basis through the quarterly progress report website. Patrick referenced the “lessons learned” report based on the value pricing pilot projects as a useful, albeit now-outdated source. Although he noted that the Miami project may offer some new insights into the implementation of congestion pricing. Lee opined that provision for the value pricing pilot program needs to be included in the reauthorization bill, that studying lessons learned from pilot projects is important, and that since congestion pricing is probably not ready for mainstream implementation a renewed investment in a pilot approach is warranted.



On the topic of current research efforts, Ed reported that Wilbur Smith is currently working with SCAG on a Los Angeles pricing report using SCAG modeling for route diversion and trip distribution, as well as mode and time-of-day shifts. Tony Ruffalo noted that an upcoming NCHRP report will review Dutch proposals for a kilometer pricing scheme. Laura offered that she is working with USDOT on a corridor management study focused on full implementation analysis rather than just modeling, and how to move toward implementation and “operationalizing” models. Chris Swenson reported that a study in Florida’s Lee County is underway that looks at fuel use and CO2 reduction. Mark Burris noted that he is working on an IDIQ project through FHWA seeking insight into HOT lane travel behavior. Furthermore, he noted an interest in modifying stated preference surveys to account for people who use managed lanes infrequently. Ben Perez offered that studies on county-wide pricing in Los Angeles and on the bay area network approach serve as examples of taking modeling to the next step. Ken reported that the parking pricing demonstration, fast-miles HOT credit lane focus group process, UPA telework initiative, and MnPASS customer satisfaction survey in Minnesota are all relevant to the discussion. Myron noted that the Colorado Governor’s office is interested in a mileage-based user fee scheme. Lee recalled that the Humphrey Institute’s John Bryson and Melissa Stone have been studying political and institutional issues related to the UPA process. Mike Lars noted that research on the effects of climate change includes a look at pricing and land use planning as possible recommendations.

Martine then provided an update from TRB staff, noting the following items: First, she would like to have papers for the TRB annual meeting reviewed by September 15. Second, TRB has launched a new webinar series for people interested in reviewing papers; the webinar will be offered on August 10, 12, and 14. Third, the Washington Hilton will be undergoing major reconstruction during the January 2010 Annual Meeting. As a result, committees will be limited to 1 hour, 45 minutes each and meetings may take place during evening hours, off site, or on the Thursday of the Annual Meeting proceedings. Fourth, there is an August 1 deadline for all paper submissions for the 2010 Annual Meeting; only pdf-formatted files will be accepted. Fifth, during the 2010 Annual Meeting, the taxation and finance workshop is scheduled to take place at the same time as the morning congestion pricing workshop. As a result, the congestion pricing workshop could retain its time slot on Sunday, but be scheduled at the Shoreham hotel (UPDATE: IT HAS BEEN SCHEDULED AT THE HILTON); otherwise, the congestion pricing workshop could be held at the Hilton, but on Thursday rather than Sunday. Following some deliberation, the outreach committee had agreed that a pair of Sunday workshops would be preferable to extending congestion pricing functions into the Thursday of the Annual Meeting proceedings. In order to maximize efficiency, Mark requested that, to the extent possible, congestion pricing subcommittee meetings be scheduled back-to-back around the full committee meeting. Martine pledged to do her best to accommodate Mark’s request; she also noted that the 2010 TRB Summer Conference would take place in Minneapolis, MN.

David Forte suggested that an upcoming NCHRP report on administrative costs may be available before January and, if so, it might serve as a good session topic. Lee noted that an international congestion pricing scanning tour will take place in December and that a report on the tour would serve as a good session topic for the January 2010 Annual Meeting. Martine replied that a report on the tour could be



part of another session or as part of a committee agenda. Lee thought it also may be useful to engage in a discussion freight-pricing discussion. Mark agreed, noting that it may be best to follow up on the topic during a workshop planning conference call.

Patty Rubstello proceeded to provide a report on the Seattle UPA project. Eric Schreffler noted that Seattle is the first place in the country where active traffic management and tolling have come together. Myron asked if variable speed limits were responsive to traffic, to which Patty replied that to date safety has been emphasized over speed harmonization.

Regina McElroy provided an update on the status of the USDOT pricing program. She encouraged everyone to keep an eye on the reauthorization process, noting that Lee is rightfully concerned about the future of the congestion pricing pilot program. Lee replied that a lot of good comes out of the pilot program, and that it is important to incentivize collaboration. Mark noted that the FHWA report to Congress on the topic would be important, to which Lee observed that Chairman Oberstar wants to streamline programs under the new bill. Darren inquired as to why we need a categorical funding source for this when there are other opportunities for funding. Lee replied that the pilot program serves as an added incentive for pricing, and that an alternative funding source may be too open-ended. Myron noted that a more open-ended funding program may make it more difficult to include pricing components in projects. Lee asked Regina to elaborate on the focus on sustainability and livability, and how they are viewed as related to pricing in the department's view. Regina replied that the prior administration was focused singularly on market-based solutions and wanted to get an area to try pricing. That approach opened the door to pricing generally. Essentially, the UPA program put pricing on the map in the U.S. Given the early success stories, less political cover is needed to advance a pricing scheme now. More emphasis is now on the outcome of pricing schemes and their effects on livability and sustainability. In sum, the new office is focused on the policy piece of congestion pricing generally.

Adrian Moore proceeded with his presentation on VMT-based revenue models. David Forte asked if a VMT-based scheme could suffer from volatility much as does the gas tax. Adrian noted that while oil prices would affect both systems, fuel efficiency would not lead to the levels of fluctuation seen in the current gas tax approach. Ken Buckeye asked how the commission intends to tie tax rate with vehicle type. He noted that recent focus group sessions revealed that Minnesotans viewed "fairness" in terms of how pricing under a VMT scheme would mirror individual tax obligations under the current gas tax approach. He added that a flat fee probably wouldn't go over too well with the public, either. Jack Opiola observed that a VMT-based tax is probably more visible to drivers than gas tax is currently.

JayEtta Hecker shared findings from the report on transportation finance issued by the Bipartisan Policy Center. She noted that the report first establishes a set of principles, addresses the question of what is the proper federal role in transportation finance. She added that any resulting finance structure must be performance based, that ample focus should be placed on programs and outcomes that achieve certain goals, and that a key missing link in the finance discussion has been the use of metrics. She reported that a key finding centered on the need to get the signals (prices) right – a finding that was also noted in the Eddington Report. She identified the potential transition to user-based pricing as a means



of generating revenue at the earliest possible date, adding that it's important not to call it VMT because that wrongly-emphasizes miles rather than other factors. She would like to get date-certain planning underway as soon as possible. Lee asked to what extent planning for outreach had accompanied the release of the report. To this, JayEtta replied that two years' funding remained for conducting outreach and education, and that she intended to travel throughout the country to hold meetings, testify, establish amendments, etc. She concluded by stating that she was driven by two primary goals: (1) to work on developing proper metrics; and (2) to prepare for an eventual transition in financing schemes. Ed noted an apparent disconnect between people who view congestion pricing as a demand management tool versus those who view it as a revenue-generating tool. To his great joy, the report merges both approaches.

With time running short, Lee provided a quick presentation highlighting the recent recommendation to move forward with open-system mileage-based taxation approach that allows for differing levels of technology in VMT-fee implementation. Mark asked if the recommendation envisions federal action for funding state and local pilot projects, to which Lee replied that yes it does. Ed admitted that he was a little troubled by the objective of the research – namely, the focus on projects that could be implemented within five years. He added that he is concerned about doing a project that does not present a good example of a VMT-based scheme or that will lead to a project that prematurely implements a VMT-based scheme on a broad basis. In essence, doing it right is more important than simply getting something out there. JayEtta noted that when she testified before Senator Boxer's committee it was clear that the Senator wanted something done soon. JayEtta is not as concerned about the risk of doing something quickly as she is with the risk of doing something poorly. Myron shared his sense that states are holding off on investing in a pilot project with an expectation that the federal government will invest funds at a later date. Lee noted that Minnesota appears prepared to take a leadership role, as do other states. He added that he expects to see state activity regardless of the extent of federal incentives. Mark concluded that it is important to consider the inter-state aspect of pursuing a VMT-based approach. With time having run out, the committee adjourned.