Conference on Surface Transportation Financing: Innovation, Experimentation, and Exploration

July 9–11, 2014

Arnold and Mabel Beckman Conference Center
Irvine, California

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Transportation Research Board

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The Reason Foundation
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American Association of State Highway and Transportation Officials
International Bridge, Tunnel, and Turnpike Association
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Professional Engineers in California Government
Parsons Brinckerhoff
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www.TRB.org/Conferences/Finance2014.aspx
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Stephen Beatty, KPMG
Lowell Clary, Clary Consulting LLC
Rick Geddes, Cornell University
Karin DeMoors, High Street Consulting Group, LLC
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Nathan Macek, Parsons Brinckerhoff
Patrick Jones, International Bridge, Tunnel, and Turnpike Association
Joung Lee, American Association of State Highway and Transportation Officials

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Jennifer Mayer, Ernst and Young
Chelsea Merrill, Professional Engineers in California Government
Martin Wachs, University of California, Los Angeles
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Robena Reid, Federal Transit Administration
Suzanne Sale, Federal Highway Administration
Mark Sullivan, Federal Highway Administration
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TRB Staff
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Transportation Research Board is one of six major divisions of the National Research Council, which serves as an independent adviser to the federal government and others on scientific and technical questions of national importance. The National Research Council is jointly administered by the National Academy of Sciences, the National Academy of Engineering, and the Institute of Medicine. The mission of the Transportation Research Board is to provide leadership in transportation innovation and progress through research and information exchange, conducted within a setting that is objective, interdisciplinary, and multimodal. The Board’s varied activities annually engage about 7,000 engineers, scientists, and other transportation researchers and practitioners from the public and private sectors and academia, all of whom contribute their expertise in the public interest. The program is supported by state transportation departments, federal agencies including the component administrations of the U.S. Department of Transportation, and other organizations and individuals interested in the development of transportation.

www.TRB.org
Before transportation policy decision and transportation projects comes funding. Without the resources, there are no transportation services, new projects, or policy decisions to make. So transportation funding and finance is intertwined with all other aspects of transportation.

This international conference brings us together every five years to explore new developments in transportation funding—this time with the theme of innovation, experimentation, and exploration. It comes at a time when transportation funding in the United States is at a crossroads. Will the main directions of transportation funding in the coming years be shaped at the federal level in this reauthorization cycle, or will state and local initiatives continue to dominate?

Preconference workshops will explore innovations in funding as well as public–private partnership financing and the development of mileage-based user fee systems to pay for roads. Sessions explore a wide range of relevant issues from federal reauthorization to tying funding and environmental mitigation, and everything in between. I want to thank all of you for coming and thank the many volunteers on the planning committee who helped make this conference happen. I hope you all have a great and informative time.

—Adrian Moore
The Reason Foundation
Conference Chair

Thank You to Our Conference Supporters!

- Association of American Highway and Transportation Officials
- Federal Highway Administration
- HDR, Inc.
- International Bridge, Tunnel, and Turnpike Association
- Mineta Transportation Institute
- Nossaman LLP
- Parsons Brinckerhoff
- Professional Engineers in California Government
- The Reason Foundation
- University of California Transportation Center, Berkeley
- American Public Transportation Association (APTA)
- APTA Business Member Board of Governors
### Conference At A Glance

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Preconference Activities at the Marriott Newport Beach Hotel

8:00 a.m.–4:15 p.m.

Registration

8:00 a.m.–9:30 a.m.

TRB Committee and Subcommittee Meetings

- Finance Conference Planning Group, Salon B
  Breakfast meeting (members only)
- Congestion Pricing, Outreach, Salon A

9:30 a.m.–11:30 a.m.

TRB Committee Meetings

- Revenue and Finance, Salon B
- Congestion Pricing, Salon A

11:30 a.m.–12:30 p.m.

Lunch (on your own)

12:30 p.m.–2:00 p.m.

TRB Subcommittee Meetings

- Public–Private Partnerships (P3s), Salon B
- Research (Congestion Pricing and Managed Lanes), Salon A

2:15 p.m.–4:00 p.m., Salon C

Workshop #1: Communicating the What, Why, and How—Increasing Transportation Revenues, Part 1
Joung Lee, American Association of State Highway and Transportation Officials (AASHTO), presiding

Christopher Clement, New Hampshire Department of Transportation (DOT)
Alternative Financing Approaches for Passenger and Freight Rail Projects
Lou Thompson, CPCS
Political Incentives for Using Cofinancing and Revenues from Congestion Pricing
Dirk van Amelsfort, Viktoria Swedish ICT

Preregistration required, separate fee applies.

2:15 p.m.–6:00 p.m., Salon B

Workshop #3: Mileage-Based Pricing
Lee Munich, Humphrey School of Public Affairs; Richard T. Baker, Texas A&M Transportation Institute (TTI), presiding

The objective of this interactive workshop is to develop a potential implementation scenario for a mileage-based fee system. Participants will engage in a facilitated discussion on potential operational and institutional parameters and will vote on the acceptance of these parameters. The participants will work together to develop various mileage-based user fee system institutional and operational components. This is not a typical workshop and its success will depend on the active participation and discussion of those in attendance.
The workshop will feature a live polling component, so participants are asked to bring a laptop, tablet, or smartphone that will allow them to access the online polls that will be developed; however, resources will be available for those without these items. Before the workshop, participants will receive informational material related to ongoing mileage-based user fee research and implementation activities.

*Preregistration required, separate fee applies.*

4:15 p.m.–6:00 p.m., *Salon C*

**Workshop #2: Public–Private Partnerships in Context: Integrating P3s into Transportation Programs, Part 2**

Jennifer Mayer, Ernst and Young, *presiding*

- **Integrating P3 Projects with the National Environmental Policy Act and the Metropolitan Planning Organization Process**
  Benjamin Perez, Parsons Brinckerhoff

- **Developing a P3 Program**
  Kathleen Sanchez, Los Angeles County Metropolitan Transportation Authority (LACMTA); Tesse Rasmussen, HDR, Inc.

- **Latest Developments in FHWA and U.S. DOT P3 Initiatives and Related Programs**
  Patrick DeCorla-Souza, FHWA

- **Ohio DOT: Innovative Approaches to Managing Infrastructure Assets**
  Julie Brogan, Ohio DOT

*Preregistration required, separate fee applies.*

6:00 p.m.–7:30 p.m., *Atrium and Pool Patio*

**Poster Session and Welcome Reception**

Asha Agrawal Weinstein, Mineta Transportation Institute, *presiding*

1. Mobility Investment Fund: Might This Offer True Mobility and Financial Results?
   Matthew MacGregor, CDM Smith

2. Analysis of Objectives, Concerns, and Barriers Underpinning Private Financing of Highway Projects within the United States
   Kia Mostaan and Baabak Ashuri, Georgia Institute of Technology

3. Making the Case for a Transportation Sales Tax Initiative: Lessons Learned from the State of Georgia
   Amanda Wall Vandegrift and Michael Meyer, Parsons Brinckerhoff

4. How Can We Improve Contract Design in P3s?
   Qingbin Cui, University of Maryland

5. Using Benefit–Cost Analysis to Evaluate P3s
   Patrick DeCorla-Souza, FHWA

6. U.S. DOT Lending Programs
   Robena Reid, Federal Transit Administration (FTA)

7. Evaluating the Business Case for Road User Charging in Washington State
   Jeff Buxbaum and Paul Sorenson, Cambridge Systematics

8. Comparative Analysis of Traffic and Revenue Risks Associated with Priced Facilities
   Phani Jammalamadaka and Yagnesh Jarmarwala, CDM Smith

9. Ensuring that FHWA and FTA Funding and Innovative Finance Programs Fully Recognize Bus Rapid Transit’s Technical and Economic Benefits in Meeting Today’s Transportation Demands
   Sasha Page, Infrastructure Management Group

10. Revisiting Vehicle Registration as a Funding Strategy
    Greg Newmark and Randy Deshazo, Center for Neighborhood Technology

11. An Approach to Integrate Qualitative and Quantitative Assessment During Value for Money Analysis
    Deepak Sharma, University of Baltimore; Qingbin Cui, University of Maryland

12. Building an Integrated Multimodal Local Transportation System on Layaway
    Marcella Rensi, Santa Clara Valley Transportation Authority
Thursday, July 10

Round-trip, complimentary shuttle bus service provided between the Marriott Hotel and the Beckman Center courtesy of the Orange County Transportation Authority. Staggered departures from the Marriott Hotel lobby from 6:45 a.m. until 8:00 a.m.

7:00 a.m.–3:30 p.m.

Registration

Sign up for the Dining Excursion at the TRB Conference Registration Desk by noon on Thursday, July 10, to dine in the evening at your choice of several restaurants located within walking distance of the hotel.

7:00 a.m.–8:00 a.m., Dining Room

**Breakfast**

8:00 a.m.–8:15 a.m., Auditorium

**Opening Session: Welcome and Introductions**

Adrian Moore, The Reason Foundation, *presiding *

Overview of conference agenda and acknowledgment of working group members and cosponsors.

8:15 a.m.–9:45 a.m., Auditorium

**Innovation, Experimentation, and Exploration: The Landscape of Transportation Funding and Finance in the United States**

Pat Jones, International Bridge, Tunnel, and Turnpike Association, *presiding*

- National Perspective
  - Gregory G. Nadeau, FHWA
- Private-Sector Perspective
  - Dale Bonner, Plenary Group

**State and Regional Perspectives**

- Steve Heminger, Metropolitan Transportation Commission, Oakland, California; Malcolm Dougherty, California Transportation Agency

9:45 a.m.–10:15 a.m., Atrium

**Morning Break**
10:15 a.m.–Noon

**Breakout Sessions: State and Local Initiatives to Generate Revenues**

**Breakout 1: Real Estate and Value Capture Funding Options, Newport Room**

Nancy Smith, Nossaman LLP, *presiding*

- **Value Capture Practices from Across the United States: Highway Mode**
  Sharada Vadali, TTI
- **Value Capture: The Good, the Bad, and the Ugly**
  Rick Rybeck, Just Economics, LLC
- **Financing Innovations: Metro Vancouver**
  Cathy McClay, TransLink
- **Denver Union Station: A Public–Private Partnership**
  Marla Lien, Regional Transportation District

**Breakout 2: Tolling and Managed Lanes, Auditorium**

Ginger Goodin, TTI, *presiding*

- **Crafting an Interstate Tolling Plan that Customers Will Embrace**
  Robert Poole, The Reason Foundation
- **All’s Fair in Love and Traffic: Putting Equity Debates over Managed Lanes in Southern California in Context**
  Brian Taylor, University of California, Los Angeles (UCLA)
- **Are Express Lanes Fair to the Poor?**
  Nancy Pfeffer, Network Public Affairs, LLC
- **U.S. Managed Lanes: Empirical Data Steers Credit Analysis**
  Saavan Gatfield, Fitch Ratings

**Breakout 3: Evaluating Options for New Revenue or Cost Reductions, Huntington Room**

James Bass, Texas DOT, *presiding*

- **New York City: Urban Leader or Cautionary Tale?**
  Jonathan Peters, City University of New York
- **Breaking the Policy Gridlock: Funding Transportation in Toronto**
  Michael Sutherland, Metrolinx
- **Funding Advanced Mitigation for the Environmental Impacts of Transportation Projects**
  Jaimee Lederman, UCLA
- **Virginia’s Debate: Sales Taxes Versus Gas Taxes for Funding Transportation**
  John Lawson, Virginia DOT

Noon–1:00 p.m., *Dining Room*

**Lunch**

1:15 p.m.–2:15 p.m., *Auditorium*

**The Impacts of Technology on Transportation Revenue**

Sarah Puro, Congressional Budget Office, *presiding*

Panel discussion on the implications of technology on the future of transportation finance.

- Kenneth Buckeye, Minnesota DOT
- Martin Wachs, RAND Corporation
- J. J. Eden, AECOM
- Adrian Moore, The Reason Foundation
2:15 p.m.–3:15 p.m., Auditorium

**Industry Views on Future Transportation Finance: What's New and What's Next?**

Lowell Clary, Clary and Associates, LLC, **presiding**

- Janet Kavinoky, U.S. Chamber of Commerce
- Steve Finnegan, AAA
- Kenyon Gleason, American Road and Transportation Builders Association
- Pat Thomas, American Trucking Association

3:15 p.m.–3:30 p.m., Auditorium

**Afternoon Break**

3:30 p.m.–5:00 p.m., Auditorium

**Transportation P3s: Come for the Money, Stay for the Performance**

Jorianne Jernberg, FHWA, **presiding**

- **The Maryland Approach to P3s**
  - Jodie Misiak, Maryland DOT
- **A Tool for Project Acceleration and Asset Value Maximization**
  - Bryan Kendro, Pennsylvania DOT
- **Advancing Projects Through P3s**
  - Leon Corbett, Florida DOT
- **International Perspective and Experience**
  - Will Lipson, KPMG

3:30 p.m.–5:00 p.m.

**TRB Subcommittee Meetings**

- Multimodal Pricing Implementation, **Balboa Room**
- Mileage-Based User Fee, **Huntington Room**
- Managed Lanes Strategic Plan Working Group, **Newport Room**

5:15 p.m.

Shuttle buses return attendees to the Marriott Hotel.

6:30 p.m.

**Dining Excursion**

Optional, offsite, no-host evening event (**preregistration required**).

Meet in hotel lobby. A group leader from the conference planning committee will accompany your group to the restaurant located within walking distance of the hotel. This is a no-host, self-pay, optional activity.
### Friday, July 11

- Round-trip, complimentary shuttle bus service provided between the Marriott Hotel and the Beckman Center courtesy of the Orange County Transportation Authority. Staggered departures from the Marriott Hotel lobby from 6:45 a.m. until 8:00 a.m.

- **7:00 a.m.–2:15 p.m.**  
  **Registration**
  7:00 a.m.–8:00 a.m., Dining Room  
  **Breakfast**
  8:00 a.m.–9:30 a.m., Auditorium
  **Creative Ways to Consider Funding Future Transportation**  
  Sharon Greene, HDR, Inc./Sharon Greene and Associates, *presiding*
  - Developing a Cooperative Ownership Model for Surface Transportation Infrastructure  
    David Ungemah, Parsons Brinckerhoff  
  - Promises and Pitfalls of Transportation Utility Fees  
    Carole Turley, UCLA  
  - Roadway Usage Charges: A Retrospective from 2050 on How We Got There  
    Chris Swenson, Parsons Brinckerhoff

- **9:30 a.m.–11:00 a.m., Auditorium**  
  **Closing Session: Applying Lessons Learned to Move the Transportation Industry Forward**  
  Nathan Macek, Parsons Brinkerhoff, *presiding*
  - Will Kempton, Transportation California  
  - David Yale, LACMTA  
  - Darrell Johnson, Orange County Transportation Authority

- **11:15 a.m.**  
  Complimentary shuttle bus service provided to John Wayne (Santa Ana) International Airport.

- **11:00 a.m.–1:00 p.m.**  
  **TRB Committee Meeting**  
  - Managed Lanes, *Board Room*

- **11:00 a.m.–2:00 p.m.**  
  **TRB Committee Meeting**  
  - Transportation Economics, *Huntington Room*

- **1:00 p.m.–2:15 p.m.**  
  **TRB Subcommittee Meeting**  
  - Managed Lanes Conference Planning, *Board Room*

- **2:15 p.m.–3:45 p.m.**  
  **TRB Subcommittee Meetings**  
  - Pricing Economics, *Huntington Room*
  - Managed Lanes Outreach, *Board Room*

- **4:00 p.m.**  
  Complimentary shuttle bus returns attendees to the Marriott Hotel.
Save the Date

December 10–11, 2014

8th University Transportation Center Spotlight Conference on

The Role of Freight Transportation in Economic Competitiveness

Washington, D.C.

5th International Transportation Systems Performance Measurement and Data Conference

June 1–2, 2015

Denver, Colorado

Organized by
Transportation Research Board

Cosponsored by
Federal Highway Administration
Federal Transit Administration
American Association of State Highway and Transportation Officials
Performance Measures Technical Transfer Pooled Fund