COMMITTEE ON TRANSPORTATION

REPORT ON ITS STUDY OF

"The Feasibility of the Maine Turnpike Authority Issuing Commuter-type Tickets at a Reduced Cost to Regular Users of Non-commercial Vehicles, Residing in the Area, Who for Reasons of Necessity Frequently Use the Maine Turnpike"

Senate

Edwin H. Greeley, Chairman
Elden H. Shute, Jr.
Alton E. Cianchette

House

Myron E. Wood, Chairman
Cecil H. McNally
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Dorothy McCormick
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STATE OF MAINE

Joint Committee on Transportation

State House

Augusta, Maine 04330

March 27, 1974

To the Members of the 106th Legislature:

By joint order of the 106th Legislature, the Transportation Committee of the Maine Legislature was directed to study the feasibility of the Maine Turnpike Authority issuing commuter-type tickets at a reduced cost to non-commercial vehicles using the Maine Turnpike. The committee hereby submits its report on its findings pursuant to the study.

Respectfully submitted,

Edwin H. Greeley, Chairman
Transportation Committee

Background

On July 11, 1973 the Legislative Council adopted a motion by Representative John A. Martin that the subject matter of S.P. 649 be referred to the Transportation Committee for study. S.P. 649 directed the Legislative Research Committee to determine "the feasibility of the Maine Turnpike Authority issuing commuter-type tickets at a reduced cost to regular users of non-commercial vehicles, residing in the area, who for reasons of necessity frequently use the Maine Turnpike". The Maine Turnpike Authority was "directed to assist the committee in carrying out the purpose of the Order to the maximum extent possible." A copy of the Order is attached.

On August 30, 1973, Senator Edwin Greeley, Senator Alton E. Cianchette and Representative Myron E. Wood, comprising a subcommittee of the Transportation Committee of the Maine Legislature met with the following representatives of the Maine Turnpike Authority: Mr. Charles W. Diggery, chairman of the Authority, Mr. Frank Howe, Executive Director, Mr. David Stevens, Secretary-Treasurer and Mr. Clyde Bartlett, member. At this meeting, Mr. Stevens outlined the law under which the Authority operates. In particular

he pointed out chapter 69, Sec. 1 of the Private and Special Laws of Maine of 1941 which created the Turnpike Authority and empowered it to construct and maintain a turnpike from Kittery to Fort Kent and to issue bonds, payable solely from tolls, to pay the cost of such construction; Chapter 69, section 11 of the Private and Special Laws of Maine, 1941 which defines the extent and use of tolls collected; Chapter 76 of the Private and Special Laws of Maine, 1963, amending section 16 of Chapter 69, Private and Special Laws of 1941, which provides the conditions which would result in dissolution of the Authority; and Chapter 76 of the Private and Special Laws of 1963, amending section 6 of chapter 69; Private and Special Laws of 1941, which terminates the power of the Authority to issue bonds effective September 21, 1963. The combined effect of these laws will cause the turnpike to become a toll free road when sufficient tolls have been collected, in excess of current expenses, to comprise a fund of an amount equal to that necessary for the payment of all bonds and the interest to maturity thereon.

The estimated retirement of bond debt with provisions for replacement

of mile 24 service area and turnpike reconstruction between York and Scarborough, assuming the I-295 Portland Loop and I-95 Brunswick to Gardiner would be open to traffic by November, 1974, is projected to be 1983. This estimate is subject to change particularly since the current gasoline shortage and uncertainty about future gasoline supplies has reduced turnpike traffic as much as 20 percent during the first months of 1974.

On September 6, 1973 the Authority met with its consulting engineers Howard, Needles, Tammen and Bergendoff who were authorized to employ the services of a consulting engineer. The firm Coverdale and Colpitts, Inc., specializing in toll schedules and revenue estimates as a result of tolls based on traffic projections, were employed to make a review of the Maine Turnpike tolls. They were requested to make specific recommendations as to the desirability of commutation rates. The report of Coverdale and Colpitts, Inc. was submitted to the Authority through Howard, Needles, Tammen and Bergendoff. That portion of the report dealing with commutation rates was submitted to Senator Greeley, Chairman of the Transportation Committee on January 7, 1974 and was distributed by him to the members of the committee.

The Secretary-Treasurer of the Authority, Mr. David Stevens, met with the members of the Transportation Committee on January 21, 1974. At this meeting he stated the obligations of the Authority concerning the Trust Indenture and the restrictions included in it, particularly sections 501 and 502. Mr. Stevens stated that, in order for such change in the toll rates to take place (commutation tickets for a particular class of vehicles on a frequency basis), the change must be approved by the Authority and its consulting engineers. Mr. Stevens stated that if such a change is promulgated, without such approval for example, it would be subject to suit by the First National Bank of Boston as Trustee, as being contrary to the provisions of the Trust Indenture.

At present, the Turnpike Authority does provide for a scale of discounts for certain credit accounts if the balance is paid within 30 days. At the same meeting it was pointed out by Mr. Stevens that section 502 of the Trust Indenture required that any reduction in tolls must apply to an entire class of vehicles, i.e. passenger cars,and that a reduced

rate of toll could only be remitted through the "use of commutation or other tickets or privileges based on frequency or volume."

> SECTION 502. The Authority covenants that tolls will be classified in a reasonable way to cover all traffic, so that the tolls may be uniform in application to all traffic falling within any reasonable class regardless of the status or character of any person, firm or corporation participating in the traffic, that no reduced rate of toll will be allowed within any such class except through the use of commutation or other tickets or priveleges based upon frequency or volume, and that no free vehicular passage will be permitted over the Turnpike except to members, officers and employees of the Authority and of the highway department and the state police of the State of Maine while in the discharge of their official duties; provided, however, that the Turnpike may be used at any and all times by the armed forces of the United States, the State of Maine and any of their allies for defense purposes or preparations therefor free of all tolls and charges, but any structural damage to the Turnpike created by such free use, ordinary deterioation or depreciation excepted, shall be compensated for at cost of repair or replacement.

In addition to these problems raised by Mr. Stevens, Coverdale and Colpitts summarized their findings and pointed out problems inherent in a commuter ticket program.

Their conclusions were based on a certain postulated system providing a thirty five percent reduction to vehicles making forty one way trips per month or thirty day period.

Field Survey Data as to trip frequencies was obtained for all trips at all Turnpike toll plazas by Authority personnel on a Sunday and Monday in October. The postulated commuter rate scheme was based upon the following three elements:

1. Commuter toll rates to be 35 percent less than the full-rate passenger car tolls.

2. Commuter privileges to be evidenced by a book of 40 tickets valid for 30 days; that is sufficient tickets for 20 roundtrips or 20 work days for a bona fide commuter.

3. Distinct commuter books to be valid only for one particular interchange-to-interchange trip between a specified pair of interchanges.

The estimated usage which would be made of the postulated reduced rate commuter tolls are summarized for the 13 largest estimated commuter trips

in Exhibit XVII. Similar estimates for the 14 largest present passenger car interchange-to-interchange movements, none of which are included in Exhibit XVII are shown in Exhibit XVIII. It was necessary to make such estimates inasmuch as "No closed-system toll road in the United States has any commuter toll rates."

The only "closed system" toll road which offers a reduced rate to eligible motor vehicles is the New York Thruway. However, this reduction is not based on "a frequency of use" criteria necessitated by the Trust Indenture but is based on an annual pass, sold for $40, which permits free travel for trips under 20 miles and one-half the normal toll rate for longer trips. They concluded for the following reasons that such commuter discount should not be instituted on the Maine Turnpike.

Administrative Problems

Coverdale and Colpitts studied the means whereby a commuter ticket system could be initiated. They concluded that such a system would necessitate that distinctive, punched, class one toll tickets for every interchange be stocked at every entering lane for issuance to holders of commuter books. In addition, the Authority would have to provide, sell and inventory

30-day commuter books. The sale of books and the expiration date of each would have to be recorded and audited. Additional clerical workers would be required to handle the foregoing. Toll collectors would require additional time to identify valid commuter tickets. A reduction of traffic capacity would result. Estimated loss of toll revenue of $90,000 per year would result from the rate reduction. Additional estimated administrative costs could result in total loss of $1,500,000 over a ten year period.

A monthly commuter ticket for full length trips on the Maine Turnpike would be $56 based on 35% reduction. Other long trips would vary from $24 up to $44. Experience on other types of toll crossings (tunnels and bridges) shows decreasing numbers of commuters are willing to make a lump sum payment of $10 or $15 or higher.

There are relatively few longer-distance turnpike commuters. This combined with the high cost ($24 to $56) of commuter books would result in a low estimated utilization of commuter rate reductions for all of the longer interchange-to-interchange trips on the Maine Turnpike. Coverdale and Colpitts' estimate of the revenue loss resulting from reduced cost books

would be $200,000 per year rather than the $90,000 estimate on the postulated commuter rate scheme.

They state that in their experience the high cost of longer commuter trip books would result in pressure to reduce the size of the number of tickets included in a book from 40 to 20 or less. An across the board reduction would be required so that short distance books would sell for $2, $3 and $4. The result expected by such reduction would be greatly increased use, intensified peak hour congestion and increased revenue loss. The combinations of interchange trips would require the printing and maintaining inventories of 90 different books.

In order to comply with the requirements of the Trust Indenture the commuter ticket book or other evidence of the commuter rate privilege must be identified with or "tied to" an individual passenger car. The Turnpike Authority could not offer a reduced rate commuter book which could be used indiscriminately by different automobiles, since this would be a general rate reduction and not a reduced rate based frequency of use by a given commuter.

Peak Traffic Congestion

Commuter toll rate reductions increase congestion at conventional peak hours which is the reverse of traditional economic rational for reduced rates. For example, Public Utilities generally offer reduced rates at periods of lowest demand in an attempt to even out demand over a twenty four hour period.

"Presently, Section I of the Turnpike, Kittery to York, operated close to or above its practical capacity during peak travel periods. The Turnpike provides direct access to the coastal resort areas and beaches and its ability to accommodate peak traffic flows in a safe and efficient manner during holidays and summer weekends is sorely taxed." The opening of the alternate routes of I-295 and I-95 might well reduce the congestion during peak travel periods making additional commuter use of the turnpike feasible. However, these additional arteries will also produce high-traffic volume feeding into the Turnpike System at Scarborough as has the New Hampshire Turnpike widening and the opening of the Piscataqua River Bridge at Kittery. This increased flow contributed to the decision by Howard, Needles

Tammin and Bergendoff, Inc. to recommend that the southern portion of the Turnpike be widened to six lanes.

Conclusion

Because of reduced tolls, administrative costs, increased peak hour congestion, combined with the current uncertainty of toll revenues in the future and present loss of revenue due to gasoline shortages, Mr. Stevens, speaking for the Authority recommended to the committee that commuter tickets for the turnpike not be initiated at this time. The committee unanimously adopted the recommendation of Mr. Stevens as based on the study by Coverdale and Colpitts, Inc. The committee agreed that the current rates on the turnpike are not excessive. There has been no increase in toll rates since 1958. And that the turnpike provides a fast alternative route for those who wish to use it. The committee recommends no further action be taken at this time.

Exhibit XVII

MAINE TURNPIKE

Postulated Commuter Tolls

Estimated Largest Volume Interchange To Interchange Movements, Commuters To Use Commuter Tolls	Present Passenger Car Toll	Postulated Commuter Tolls(A)		Total Class 1 Trips Actual 1972	Estimated			
		Per Trip	Per Book(B)		Commuter Frequency Class 1 Trips Pro Forma 1972(C)	Commuters As Percent Of Total Traffic	Commuters To Use Commuter Tolls	Commuters To Use Commuter Tolls As Percent Of Total Commuters
Int. 7 (South Portland) - Int. 8 (Portland-Westbrook)	$0.15	$0.10	$ 4.00	362,686	170,100	46.9%	100,972	59.4%
Int. 8 (Portland-Westbrook) - Int. 9 (Falmouth-Rt. 1)	0.25	0.15	6.00	405,119	160,833	39.7	87,242	54.2
Int.12 (Auburn) - Int.13 (Lewiston)	0.15	0.10	4.00	202,537	119,680	59.1	70,903	59.2
Int. 7 (South Portland) - Int.10 (Portland-North)	0.25	0.15	6.00	127,061	66,195	52.1	36,307	54.8
Int. 4 (Biddeford) - Int. 7 (South Portland)	0.40	0.25	10.00	211,688	79,383	37.5	32,705	41.2
Int. 5 (Saco) - Int. 7 (South Portland)	0.25	0.15	6.00	117,693	61,318	52.1	32,665	53.3
Int. 7 (South Portland) - Int. 9 (Falmouth-Rt. 1)	0.30	0.20	8.00	239,624	62,781	26.2	30,839	49.1
Int.14 (Gardiner) - Int.15 (Augusta)	0.20	0.125	5.00	191,358	49,944	26.1	28,489	57.0
Int. 8 (Portland-Westbrook) - Int.10 (Portland-North)	0.15	0.10	4.00	78,479	43,163	55.0	25,726	59.6
Int. 1 (York) - Int. 4 (Biddeford)	0.50	0.325	13.00	289,104	77,759	26.9	23,136	29.8
Int. 1 (York) - Int. 2 (Wells-Sanford)	0.30	0.20	8.00	337,460	49,269	14.6	23,014	46.7
Int. 8 (Portland-Westbrook) - Int.11 (Gray)	0.30	0.20	8.00	107,791	45,280	42.1	22,849	49.0
Int. 5 (Saco) - Int. 8 (Portland-Westbrook)	0.35	0.225	9.00	106,684	49,167	46.0	21,948	44.4

Estimated 1972 toll revenue decrease by reason of commuter tolls = $90,000, for all interchange to interchange movements.

Notes:
(A) Postulated commuter tolls are 0.65 times existing passenger car tolls.
(B) Books of 40 tickets valid for 30 days.
(C) Based on special survey of October 14 and 15, 1973.

URS/COVERDALE & COLPITTS, INC.
December 6, 1973

Exhibit XVIII

MAINE TURNPIKE

Postulated Commuter Tolls
For Largest Vehicle Class 1 Interchange To Interchange Movements

Largest Vehicle Class 1 Interchange To Interchange Movements	Existing Passenger Car Toll	Postulated Commuter Tolls(A)		Total Class 1 Trips Actual 1972	Estimated			
		Per Trip	Per Book(B)		Commuter Frequency Class 1 Trips Pro Forma 1972(C)	Commuters As Percent Of Total Traffic	Commuters To Use Commuter Tolls	Commuters To Use Commuter Tolls As Percent Of Total Commuters
Int. 1 (York) - Int.15 (Augusta)	$2.15	$1.40	$56.00	973,330	11,680	1.2%	341	2.9%
Int. 1 (York) - Int. 9 (Falmouth-Rt. 1)	1.25	0.80	32.00	799,889	34,396	4.3%	3,098	9.0
Int. 1 (York) - Int. 7 (South Portland)	0.90	0.575	23.00	690,913	67,700	9.8	9,638	14.2
Int. 1 (York) - Int. 6 (Portland-Westbrook)	1.00	0.65	26.00	565,529	48,721	8.6	5,459	11.2
Int. 6 (Portland-Westbrook) - Int. 9 (Falmouth-Rt. 1)	0.25	0.15	6.00	405,119	160,833	39.7	87,242	54.2
Int. 7 (South Portland) - Int. 6 (Portland-Westbrook)	0.15	0.10	4.00	362,686	170,100	46.9	100,972	59.4
Int. 1 (York) - Int. 2 (Wells-Sanford)	0.30	0.20	8.00	337,480	49,269	14.6	23,011	46.7
Int. 1 (York) - Int. 5 (Saco)	0.65	0.425	17.00	293,654	41,992	14.3	7,930	18.9
Int. 1 (York) - Int.12 (Auburn)	1.50	0.975	39.00	290,280	11,611	4.0	674	5.2
Int. 1 (York) - Int. 4 (Biddeford)	0.50	0.325	13.00	289,104	77,769	26.9	23,136	29.8
Int. 6 (Portland-Westbrook) - Int.15 (Augusta)	1.25	0.80	32.00	200,957	20,899	10.4	2,206	10.6
Int. 1 (York) - Int.13 (Lewiston)	1.65	1.10	44.00	144,803	8,548	5.9	467	5.5
Int. 7 (South Portland) - Int.15 (Augusta)	1.40	0.90	36.00	111,676	9,636	6.8	761	7.9
Int. 1 (York) - Int.11 (Gray)	1.30	0.85	34.00	148,710	3,718	2.5	290	7.8

Notes:
(A) Postulated commuter tolls are 0.65 times existing passenger car tolls.
(B) Books of 40 tickets valid for 30 days.
(C) Based on special survey of October 14 and 15, 1973.

URS/COVERDALE & COLPITTS, INC.
December 6, 1973

Selected Bibliography

1. Howard, Needles, Tammin and Bergendoff Reconstruction Report, October 1970.

2. Coverdale and Colpitts, Review of Existing Toll Schedule and Study of Commuter Tolls, Exhibits XVII, XVIII, December 1973.

3. Trust Indenture, Maine Turnpike Authority to the First National Bank of Boston, as trustee and National Bank of Commerce of Portland, as co-trustee, January 1, 1953.

(16)

STATE OF MAINE

In Senate June 1, 1973

WHEREAS, regular use of the Maine Turnpike is necessary for a segment of southern Maine citizens due to location and occupations; and

WHEREAS, such frequent use is a financial burden upon those citizens which does not exist in other areas of the State; and

WHEREAS, the issuance of commuter-type tickets at a reduced rate would provide a measure of needed relief for certain vehicle operators within the area; now, therefore, be it

ORDERED, the House concurring, that the Legislative Research Committee is authorized and directed to study the feasibility of the Maine Turnpike Authority issuing commuter-type tickets at a reduced cost to regular users of noncommercial vehicles residing in the area who for reasons of necessity frequently use the Maine Turnpike; and be it further

ORDERED, that the Maine Turnpike Authority be respectfully directed to assist the committee in carrying out the purpose of this Order to the maximum extent possible; and be it further

ORDERED, that the committee shall submit a written report of its findings and recommendations, together with such legislation as it deems appropriate; and subject to its discretion, submit

the same at either the next special or regular legislative session; and be it further

ORDERED, that upon passage in concurrence, a copy of this Joint Order be transmitted forthwith to said Maine Turnpike Authority as notice of this objective.

SP 649

IN SENATE CHAMBER
TABLED BY SEN. BERRY, CUMBERLAND

JUN 1 1973
Legislative Research Table
Pending Passage

HARRY N. STARBRANCH, Secretary

(Cianchette)
NAME: