



THE US-36 EXPRESS LANES PROJECT

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This issue brief reviews the US-36 Express Lane Project, which involves the widening and reconstruction of US-36 between Federal Boulevard in Denver and Table Mesa Drive in Boulder. In the 1950s, this section of the highway opened as a four-lane toll road as an alternative to driving through Longmont or Golden to get between Denver and Boulder. At that time, it cost 25 cents for cars and 50 cents for trucks to travel the length of the road. The tolls were discontinued in 1968 after bonds were paid off. Today, this section of US-36 carries approximately 80,000 to 100,000 cars daily.¹

Background

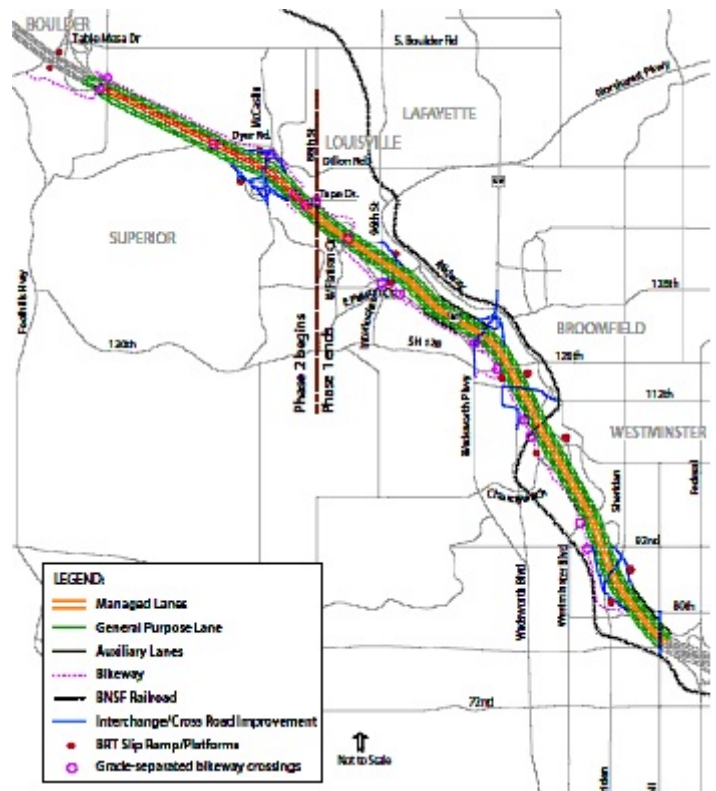
In 2003, the Colorado Department of Transportation (CDOT) and the Regional Transportation District (RTD), in conjunction with federal highway and transit authorities, began studying highway, transit, and bike improvements to accommodate increased traffic from significant population growth along the corridor. As part of these studies, the Denver Regional Council of Governments (DRCOG) estimated that the population in the US-36 project area would grow from 505,900 in 2005 to 649,000 in 2035, a 28 percent increase.² Through an extensive process that took several years, CDOT concluded that the long-term needs of the corridor would be best addressed through the addition of an express lane in each direction along the entire length of the corridor. These lanes would be tolled, with exceptions for certain users, while the regular lanes would remain toll-free.

¹Colorado Department of Transportation.

²URS Corporation, *US 36 Corridor Final Environmental Impact Statement — Final Section 4(f) Evaluation*, 2009.

Project Overview

As illustrated below, the project is divided into two phases of construction. The first phase, from Federal Boulevard in Denver to 88th Street in Louisville, will cost an estimated \$317.9 million, including the replacement of five bridges. The second phase extends from 88th Street to Table Mesa Drive in Boulder and will cost approximately \$190 million, including replacing one bridge and updating the interchange at McCaslin Boulevard. Both phases will build an express lane in each direction, add 12-foot wide shoulders, construct sound barriers, and add electronic display signage at bus stops and over the highway.



Source: Colorado Department of Transportation

The project also includes the construction of a bikeway that will run adjacent to US-36 between 80th Avenue and Table Mesa Drive and connect to existing trail systems. In areas where the bikeway is within 30 feet of the highway, a concrete barrier will be constructed. There will be 16 grade-separated crossings and 3 at-grade crossings.

According to CDOT, the entire project will use approximately 22.5 miles of pipe and 80 million gallons of concrete. All of the materials excavated from the old roadway, including all steel and asphalt, were reused on the project or recycled. The wood sound barriers being replaced will be made into wood decor such as planter boxes.

Project Funding

Phase 1. The first phase is publicly financed with monies from CDOT, RTD, DRCOG, the City and County of Broomfield, and the City of Westminster. In addition, the project was awarded a loan of \$54 million through the federal Transportation Infrastructure Finance and Innovation Act (TIFIA) and a Transportation Investment Generating Economic Recovery (TIGER) grant of \$15 million. This phase is expected to be completed in the spring of 2015.

Phase 2. The second phase of construction is financed through a public-private partnership (P3), which is defined by the Federal Highway Administration as a contractual agreement formed between a public agency and a private sector entity that allows for greater private sector participation in the delivery and financing of transportation projects. Current law directs CDOT's High-Performance Transportation Enterprise (HPTE) to seek out and enter into P3 agreements.³ After a competitive procurement process, HPTE announced on April 5, 2013, that it had selected Plenary Roads Denver (PRD) as the preferred bidder to design, build, and finance Phase 2 of the project. A contract between HPTE and PRD went into effect on February 26, 2014. According to HPTE's project value analysis, selecting PRD as the concessionaire for the project met HPTE's goals

of minimizing up-front subsidies from CDOT and other public entities and limiting CDOT's financial, operational, and maintenance risks while continuing to provide corridor improvements.⁴ Phase 2 of the project is expected to be completed in early 2016.

Contract with Plenary Roads Denver

In addition to the construction of Phase 2, the contract with PRD discusses the ongoing management of the express lanes and maintenance responsibilities for a period of 50 years. During this time, the state will retain ownership of the US-36 corridor, and PRD will receive the tolls collected from the express lanes.

Maintenance. PRD will be responsible for the operation, maintenance, and snow and ice removal for the entire US-36 corridor and the high-occupancy vehicle (HOV) lanes on I-25. In addition, the state will pay PRD for maintenance on the general purpose lanes. CDOT may impose financial penalties on PRD if maintenance is not performed to standard or transit in the HOV lanes is delayed.

Express lanes. Currently, vehicles with two or more passengers (HOV-2) may travel in the express lanes on I-25 without incurring a toll. According to the contract, PRD will manage the express lanes on I-25 and US-36. When the traffic speed in the express lanes begins to consistently drop below 50 miles per hour or when public transit is repeatedly delayed, the lanes will change to HOV-3, requiring vehicles to have three or more passengers in order to use the express lanes toll-free. Certain vehicles will not be charged, including RTD buses, motorcycles, alternate fueled vehicles with a permit decal, support vehicles, public safety vehicles, and emergency vehicles. PRD will also be responsible for collecting tolls on the HOV lanes. Initially, the tolls will range from \$0.60 and \$4.45.⁵ Beginning July 1, 2017, the maximum toll will be capped at \$13.91, with annual adjustments for inflation.

⁴Colorado HPTE, *US 36 Managed Lanes Toll Concession Project, Project Value Analysis*. January 2014.

³Section 43-4-806 (2)(c), C.R.S.