

**INFORMATIONAL BULLETIN**  
**Proposed Toll Rates**  
**for the**  
**INTERNATIONAL BRIDGE**  
**November, 2006**

**Purpose**

The purpose of this bulletin is to provide information and relevant facts regarding the purpose and the need for proposed toll increases at the International Bridge. Thank you for taking the time to read this bulletin and carefully considering the facts relevant to this proposal.

**Proposed Toll Rate Schedule**

The Joint International Bridge Authority is proposing the following revised toll rate schedule to be put into effect on April 1, 2007. Toll rates listed are based on an exchange rate of \$1 USD = \$1.13 CAD.

Bridge Toll Class	US Currency Toll		Canadian Currency Toll	
	<i>current</i>	<i>proposed</i>	<i>current</i>	<i>proposed*</i>
Class #1: Passenger car or truck, van, motorcycle	\$1.50	\$2.00	\$1.70	\$2.25
Class #2: Class 1 vehicle with 1 axle trailer	\$2.50	\$3.00	\$2.80	\$3.40
Class #3: Class 1 vehicle with 2 axle trailer	\$3.50	\$4.00	\$3.95	\$4.50
Class #29: Frequent User Card - Class 1 vehicle only (see note 1 and note 2)	\$16.00	\$16.80	\$18.20	\$19.20
Class #12: Recreational vehicle (\$2.00/axle proposed) (see note 3)	\$1.50	\$4.00	\$1.70	\$4.50
Class #11: Buses (\$3.00/axle proposed)	\$5.00	\$6.00	\$5.65	\$6.80
Non Passenger Vehicles:				
Class #5: Vehicle with 2 axles	\$5.00	\$6.00	\$5.65	\$6.80
Class #7: Vehicle with 3 axles	\$6.50	\$9.00	\$7.35	\$10.15
Class #8: Vehicle with 4 axles	\$9.00	\$12.00	\$10.15	\$13.55
Class #9: Vehicle with 5 axles	\$12.50	\$15.00	\$14.10	\$16.90
Class #16: Vehicle with 6 axles	\$16.00	\$18.00	\$18.05	\$20.30
Class #17: Vehicle with 7 axles	\$19.50	\$21.00	\$22.00	\$23.70
Class #18: Vehicle with 8 axles	\$23.00	\$24.00	\$25.95	\$27.10
Class #19: Vehicle with 9 axles	\$23.00	\$27.00	\$25.95	\$30.50
Class #20: Vehicle with 10 axles	\$23.00	\$30.00	\$25.95	\$33.85
Class #21: Vehicle with 11 or more axles (\$3/per axle)	\$23.00	\$33.00	\$25.95	\$37.25

\*The proposed Canadian currency toll rate is based on a currency equity factor of 1.1282, currently in place, which is based on the six month average currency exchange rate for March - August, 2006 period. The Canadian currency toll rate to be implemented on April 1, 2007 may differ from that listed if the six month average currency exchange rate for the September, 2006 through February, 2007 period differs appreciably from that of March – August, 2006 exchange rate.

Note 1: Current rate is per 20 trip increment of purchase. Proposed rate is per 12 trip increment of purchase. Class 1 passenger vehicles utilized for taxi, complimentary shuttle and equivalent services, do not qualify for bridge IQ card usage, but do continue to qualify for a commercial debit account.

Note 2: All passenger type vehicles that have a legal occupancy and equipped capacity of greater than eight (8) people will be classified as a bus.

Note 3: New classification of a recreational vehicle (RV will be added to the toll rate schedule)

Passenger vehicles are \$1.00 **per axle** or \$2.00 per crossing (U.S.) including cars or trucks, sport utility vehicles, vans, and motorcycles. Passenger vehicles pulling trailers will be \$1.00 (U.S.) per each additional axle. Class 1 passenger vehicles utilized for taxi, complimentary shuttle service and equivalent services, do not qualify for bridge IQ card usage.

Recreational vehicles are \$2.00 **per axle** (U.S.) including motor homes or 2-axle trucks towing fifth wheel trailers. All passenger type vehicles that have a legal occupancy capacity of more than 8 (eight) people will be classified as a bus.

All other vehicles are \$3.00 **per axle** (U.S.) including semi-trucks, buses, non-passenger trucks, and any other vehicle not meeting passenger vehicle or motor home characteristics.

Frequent users pay \$1.40 per crossing (U.S.) at a saving of 30%.

### **Background on Bridge**

On September 1, 2000, the bridge construction bonds were paid off and the Michigan Department of Transportation (MDOT) and the St. Mary's River Bridge Company, the Michigan and Canadian owners of the bridge, entered into an Intergovernmental Agreement that provided for joint operation and management of the bridge.

The agreement established the Joint International Bridge Authority (JIBA), which consists of three members from Michigan and three members from Ontario.

The Joint International Bridge Authority provides policy oversight for the bridge, and has the authority to set toll rates, sell bonds, approve budgets and contracts and many other responsibilities.

The IBA is responsible for the day-to-day operation of the bridge and employs one-half Canadian residents and one-half U.S. residents. The International Bridge Administration (IBA), is an entity within MDOT, and reports to MDOT on operational issues, and the Joint International Bridge Authority on policy matters.

### **Decreasing Traffic/Increasing Costs**

The most significant challenges facing the bridge are declining traffic and increasing costs to keep the aging bridge structurally sound and in good condition.

In 2005 and 2006 traffic has stabilized after over a decade of steady decline. Current traffic is approximately one-half of the peak of nearly 3.6 million annual crossings in 1993. The IBA has implemented staff reductions, operational efficiencies and other cost saving measures in recent years in response to declining traffic. The bridge is totally financially self-sufficient and receives no federal, state, or provincial operational subsidy. Nearly 90% of bridge revenue comes from toll collections with smaller amounts from property leases and interest income.

The original construction bonds were retired September 1, 2000, so the bridge construction is paid off. However, repainting, bridge repair, and maintenance costs on the 45 year old structure are increasing.

Engineers estimate that the concrete bridge deck will need to be replaced within the next 15 years at an estimated cost of \$75,000,000 (USD). An additional \$40,000,000 will be needed to complete other capital projects on the bridge such as bridge painting, U.S. toll plaza upgrade, Canada Customs upgrade, as well as joint seal replacement and substructure concrete repair and sealing during that time period.

### **International Bridge Quick Card (IQ Card) Rate**

The proposed frequent user fare rate is \$1.40 (U.S.) or \$1.60 (CDN) per crossing, which is a 30% discount off standard fare.

Recognizing the importance of the bridge on the economic vitality of the twin cities of Sault Ste. Marie and surrounding areas, the commuter rate remains the second lowest currency equitable discounted frequent user rate offered by any of the eleven Ontario-Michigan and Ontario-New York crossing operators.

### **Commercial Rate**

Under the proposed toll structure, truck rates for the International Bridge will be based on a rate of \$3.00 (U.S.) or Canadian equivalent per axle. Also, toll rates for all axles, including but not limited to, 9, 10, and 11 axle trucks are proposed. Currently all trucks with 8 or more axles pay the same fare. A per axle charge for all axles is a standard policy for toll bridges.

### **Public Input**

November 28, 2006, 7:00 PM (Tuesday)

Thompson Suite, Holiday Inn Sault Ste. Marie Waterfront, 208 St. Mary's River Drive, Sault Ste. Marie, ON P6A 5V4.

November 29, 2006, 7:00 PM (Wednesday)

Portage/Osborn Room, Ramada Plaza Hotel-Ojibway, 240 West Portage Avenue, Sault Ste. Marie, MI 49783.

November 30, 2006, 3:00 PM (Thursday)

Conference Room, Michigan Department of Transportation Service Center, 1019 Trowbridge Road, Lansing, MI.