As State and Transportation Agency budgets become strained, there is always a temptation to target non-capital improvement projects and initiatives, and operational activities for cuts. Over the past several years, transportation agencies have developed congestion management systems capable of measuring levels of service and of maximizing the value of capacity expansions and optimizing throughput in congested locations. Service patrols are an integral part of these systems. As we all know, incident management programs significantly improve a system’s performance by reducing the time to clear non-recurring congestion. Therefore, it is important to consider alternatives to eliminating an agency’s service patrol program.

In several areas of the country, service patrol programs are jointly funded by the State Transportation Agency and localized metropolitan planning organizations. In other areas, State Patrol agencies have assumed the dispatching and administrative costs associated with the program. These cost-sharing arrangements divide the costs among other agencies who also benefit from the program.

Another way to prevent cutbacks or elimination of the program is to develop a public/private partnership between the transportation agency and an appropriate private sector partner. Several statewide agencies, which have authority granted under State statute to enter into contract or license agreements for the sale of business opportunities to provide additional revenue to the agency, are using this authority to supplement the costs of operating a service patrol program. These agreements allow the business entity to place advertisements on service patrols and in other locations for a fee. By carefully choosing sponsors with a strong commitment to highway safety and customer service, the transportation agencies are able to maintain the highest level of integrity. One example is the agreement between the Pennsylvania Turnpike and the State Farm Safety Patrol program. (A News Release announcing the agreement appears as an attachment to this memorandum).

An informal survey of agencies with such an agreement revealed that these sponsored service patrols have been well received by the public. The partnerships have allowed the transportation agencies to maintain and even increase the services provided and hours-of-
service of the patrols. The transportation agencies have maintained ownership and maintenance responsibilities for the patrol vehicles and continue to have agency employees operate the vehicles. By continuing to prominently display the transportation agency logo on the service vehicle, they have eliminated any confusion that may exist on the part of a disabled motorist. The Florida Turnpike initiative was recognized as having ‘significantly and measurably increased productivity by promoting innovation to improve the delivery of State services and save money for Florida taxpayers and businesses.’

The Federal Highway Administration strongly urges other States to examine the benefits of this type of public/private partnership. As transportation professionals and operators of the highway system, we have a responsibility to provide a high level of customer service and we see such agreements as a means to accomplish this goal.

Attachment
News Release

State Farm, Pennsylvania Turnpike Announce Safety Patrol Partnership

PITTSBURGH, PA. (March 2, 2007) — State Farm® and the Pennsylvania Turnpike Commission today unveiled a 3-year partnership to enhance highway safety with the State Farm Safety Patrol program. This program employs a fleet of dedicated vehicles to provide first responder services to Pennsylvania Turnpike motorists.

Representatives of the two organizations made a joint announcement this morning at the Turnpike’s Mon-Fayette Expressway Project Office in Duquesne, Pa. After brief remarks, officials unveiled the bold, red-and-white safety patrol vehicles now on active duty across the toll road.

“By entering into this unique partnership with State Farm, the Pennsylvania Turnpike further enhances safety and peace-of-mind for the more than 186 million motorists who annually drive our toll road,” said Turnpike CEO Joe Brimmeier. “This affiliation is further proof that we are dedicated to our edict, ‘you’re never alone on the Pennsylvania Turnpike.’ We’re proud to team up with State Farm — a firm known for its commitment to highway safety — as our partner in this innovative joint venture.”

The State Farm Safety Patrol includes 28 branded, Turnpike-owned and operated vehicles staffed by Turnpike employees who provide roadside assistance for Turnpike motorists. The State Farm Safety Patrol responds to accidents/incidents, provides traffic control for scene stabilization, delivers an initial maintenance response (debris clean up, spill control, etc.), communicates with the Turnpike Operations Center and other responders regarding the incident’s nature and severity, supplies critical incident-scene reconnaissance to determine the emergency resources needed to respond, patrols the roadway, acting as an extra set of eyes and ears to identify and report problems, and renders customer assistance.

Other benefits of the program include reduced accidents, quicker removal of road debris, a boosted sense of security for travelers and fewer calls for assistance from the highway patrol.

“Part of State Farm’s mission is to help individuals recover from the unexpected,” said State Farm’s Vice President-Agency Joe Spicer. “As the No. 1 automobile insurer in the Commonwealth of Pennsylvania, a partnership like this supports State Farm’s commitment to automobile and driver initiatives that assist motorists traveling our roadways. The goal of the State Farm Safety Patrol is safety.”
In addition to the vehicle fleet and patrols, 22 reflective signs are being installed along the highway to inform motorists of this program and instruct them to dial *-11 on their mobile phones for assistance or to report an accident or incident they witness or are involved in.

The State Farm sponsorship is the first of several initiatives being undertaken by the Turnpike as part of a request for proposals issued June 7, 2006. Collectively referred to as the Mileposts program, the Turnpike Commission is offering marketing-rights packages for toll plazas and other assets through a separate agreement with Philadelphia-based Branding Rights LLC, a firm which specializes in identifying and brokering such public-private sponsorship deals.

Brimmeier noted that the State Farm patrol embodies the superior customer safety and convenience motorists have come to expect on America’s First Superhighway. “We’re consistently ranked among the safest interstates in the Nation, and our customers expect more when they travel on the Pennsylvania Turnpike,” he said. “For safety’s sake, the Turnpike leverages the best technology to collect information on highway conditions and incidents and communicate that information in real time to customers.”

Brimmeier said the Turnpike’s hi-tech centerpiece is its Web site, http://www.paturnpike.com/. Online, motorists can join the Turnpike’s Preferred Traveler program and be automatically notified via e-mail or text message about accidents, traffic backups, bad weather or other conditions that might affect their travels. Motorists can even choose their regularly traveled stretch of Turnpike to receive only applicable alerts.

The Pennsylvania Turnpike is the third U.S. highway to feature the State Farm Safety Patrol; similar programs exist in Florida and Colorado. The Pennsylvania Turnpike stretches 359 miles from Ohio to New Jersey, passing north of the Pittsburgh and Philadelphia metropolitan areas; it includes the Northeastern Extension (I-476) running 110 miles from Philadelphia to Scranton, as well as the western spurs, or Turnpike offshoots, running 68 miles in and around the greater Pittsburgh area.

About State Farm
State Farm® insures more cars than any insurer in North America. Its 17,000 agents and 68,000 employees serve nearly 75 million auto, fire, life and health policies in the United States and Canada, and more than 1.6 million bank accounts. State Farm Mutual Automobile Insurance Co. is the parent of the State Farm family of companies and is ranked No. 22 on the Fortune 500 list of largest companies. For more information, visit http://www.statefarm.com/.

About Pennsylvania Turnpike Commission
The Pennsylvania Turnpike Commission operates and maintains 537 miles of toll roads in the State. It oversees 60 fare-collection facilities,
20 service plazas and 26 maintenance facilities. With 2,300 employees, it generates $589 million in annual toll revenue from 186 million vehicles a year. Known as “America’s First Superhighway,” it opened Oct. 1, 1940. To learn more, visit http://www.paturnpike.com/.

About Branding Rights
Branding Rights LLC develops and markets rights programs packaged around publicly and privately owned properties in emerging sponsorship categories. It identifies assets for clients that can generate recurring revenue streams or otherwise be monetized and creates the corresponding marketing platform for rights offerings. More information is available at http://www.brandingrights.com/.