



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

Aubrey L. Layne, Jr.
Chairman

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Agenda item # New Business 1

RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

January 15, 2014

MOTION

Made By: Mr. Miller

Seconded By: Mr. Garczynski

Action: Motion Carried, Unanimously

Title: Tolling of the Downtown/Midtown/Martin Luther King Expressway Project

WHEREAS, in December, 2011, the Department of Transportation (“VDOT”) and Elizabeth River Crossings OPCO LLC (“ERC”) entered into a Comprehensive Agreement addressing the rehabilitation and construction of a project known as the Downtown Tunnel/Midtown Tunnel/Martin Luther King Extension Project (“Project”); and,

WHEREAS, pursuant to the terms of that Comprehensive Agreement a toll rate schedule was established which provided for toll rates to be charged to various classifications of vehicles for various times of the day, including a peak hour toll rate; and,

WHEREAS, the toll rate schedule and the timeline for initiating toll collection established a beginning date prior to construction of the project being complete in order to make the project financially feasible; and,

WHEREAS, at the Commonwealth Transportation Board meeting in March, 2012, the Board passed a resolution providing additional funding to support the Commonwealth’s contribution to the Project; and,

WHEREAS, following the CTB resolution, VDOT and ERC entered into Amendment number 1 to the Comprehensive Agreement which amended the tolling provision within the Comprehensive Agreement to add a new subsection which allowed for the option to postpone the tolling of the existing project assets; and,

WHEREAS, in June, 2012, the Department gave notice to ERC of its intent to exercise its option to postpone the tolling commencement date; and,

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WHEREAS, the June 2012 letter provided that in consideration of the postponement of the tolling commencement date until January 31, 2014, the Department would pay into the Public Fund Account of the Comprehensive Agreement the amount of \$112,500,000.00 to support the design and construction of the Project; and,

WHEREAS, the Secretary of Transportation has presented a proposal to the Board, as summarized in [attachment "A" hereto](#), in which he has proposed to reduce the toll rates beginning February 1, 2014; and,

WHEREAS, the Board believes that the proposal lessens the financial impact of the tolls to the citizens and businesses in Hampton Roads, particularly in Portsmouth and Norfolk and offers appropriate mitigation to those financial impacts; and,

WHEREAS, the Board concurs with the Secretary's proposal and believes funding should be transferred as set forth by the Secretary in order to reduce the toll rate beginning February 1, 2014; and,

WHEREAS, the proposed funding which would increase the public contribution to the design and construction of the Project will be transferred from the GARVEE Balance Entry in the amount of \$25,295,962.00. The balance of \$57,246,038.00 will be funded from the Priority Trust Fund Revenue in the FY 2015-2020 Six Year Improvement Program update, for a total of \$82,542,000.00 to be added to the Downtown Tunnel/Midtown Tunnel/Martin Luther King Extension Project .

NOW, THEREFORE, BE IT RESOLVED by the Commonwealth Transportation Board that it hereby concurs with the proposal made this day by the Secretary of Transportation to increase the public contribution to support a reduced toll rate beginning on February 1, 2014; and,

BE IT FURTHER RESOLVED, that the Board directs that the funds as set forth above be transferred, and further directs the Commissioner to enter into whatever amendment to the Comprehensive Agreement is necessary in order to carry out the Secretary's proposal.

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