



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

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Chairman

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Agenda item # 13

RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

June 14, 2016

MOTION

Made By: Mr. Garczynski, Seconded By: Mr. Dyke
Action: Motion Carried, Unanimously

Title: VDOT I-66 Inside the Beltway Toll System and Services Contract Award

WHEREAS, the Commonwealth Transportation Board (“CTB”), the Virginia Department of Transportation (“VDOT”), and the Virginia Department of Rail and Public Transportation (“DRPT”) have embarked upon a multimodal transportation program, Transform66, which includes, in part, the Transform66: Inside the Beltway Project (“Transform66: Inside the Beltway Project” or “Project”); and

WHEREAS, pursuant to section 33.2-309 of the Code of Virginia, the CTB may, in accord with federal and state statutes and requirements, impose and collect tolls from all classes of vehicles in amounts established by the Board for the use of any component of the Interstate System within the Commonwealth; and

WHEREAS, one of the Components of this Project is to convert Interstate 66 (I-66) beginning at the Capital Beltway (Interstate 495) and ending at U.S. Route 29 in the Rosslyn area of Arlington County, Virginia to a tolled facility with dynamic tolling during the peak periods in the peak direction to deliver free-flowing and more reliable travel, and support multimodal improvements that benefit the users of the I-66 corridor; and

WHEREAS, on April 15, 2015, the CTB authorized an amount up to \$5,000,000 to be advanced from the Toll Facilities Revolving Account and allocated to complete the concept development and feasibility work and prepare for the procurement of the needed tolling infrastructure and related services for the Project; and

WHEREAS, on December 9, 2015, the CTB authorized an amount up to \$60 million to be advanced from the Toll Facilities Revolving Account and allocated for purposes of constructing, implementing maintaining and operating tolling facilities on the Facility and for development and implementation of other Project Components; and

WHEREAS, on December 9, 2015 the CTB approved a Memorandum of Agreement (MOA) between the CTB, VDOT and the Northern Virginia Transportation Commission (NVTC) relating to implementation of Transform66: Inside the Beltway; and

WHEREAS, one component of that program is "...to convert the existing Facility to a tolled facility with dynamic tolling during the peak periods in peak direction to deliver free-flowing and more reliable travel, and support multimodal improvements that benefit the users of the I-66 corridor..." ; and

WHEREAS, VDOT is responsible for implementing the construction of cost-effective infrastructure, equipment, and services to minimize the cost of collecting these tolls, and processing toll violations, thereby maximizing the monies available for multimodal improvements within the corridor; and

WHEREAS, in order to implement dynamic tolling for the Project, VDOT needs toll system design, integration, documentation, testing, training, and installation services; tolling operations and tolling system maintenance work; and the hardware and software for related field equipment; and

WHEREAS, VDOT issued a Request for Proposal (RFP) on February 5, 2016 seeking proposals from qualified firms for the purpose of establishing a contract (hereinafter "Contract") to provide design, integration, implementation, on-going maintenance and operation of the tolling system that meets VDOT's business and system requirements; and

WHEREAS, VDOT encouraged offerors to bring innovative ideas and solutions that will result in cost and operational efficiencies with respect to converting the existing High Occupancy Vehicle lanes along I-66 into dynamically tolled lanes; and

WHEREAS, in response to the RFP relating to this Project, VDOT has received proposals from several entities; and

WHEREAS, after evaluating the various proposals, conducting interviews and negotiations, VDOT has determined that TransCore, LP, a Tennessee Corporation, (hereinafter "TransCore") is fully qualified and best-suited among all offerors submitting proposals, on the basis of the evaluation factors included in the RFP, to deliver this Project; and

WHEREAS, VDOT issued a Notice of Intent to Award this Contract to TransCore, on June 3, 2016; and

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WHEREAS, VDOT recommends award of the Contract for this Project to TransCore and requests CTB approval of the award pursuant to *Virginia Code* §33.2-209.

NOW, THEREFORE BE IT RESOLVED, that the CTB hereby concurs with VDOT's recommendation and hereby agrees to award the Contract for this Project to TransCore, subject to the terms negotiated between VDOT and TransCore.

BE IT FURTHER RESOLVED, that the Commissioner of Highways, or his designee, is granted the authority to execute the Contract and all other documents necessary to effectuate the award of the Contract to TransCore.

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CTB Decision Brief

VDOT I-66 Inside the Beltway Toll System and Services Contract Award

Issue: VDOT seeks to implement a dynamic toll system along Interstate 66 between the Capital Beltway (Interstate 495) in Fairfax County, Virginia and U.S. Route 29 in the Rosslyn area of Arlington County, Virginia. This toll system is one component of the overall Transform 66: Inside the Beltway Project (the “Project”). Approval of the Commonwealth Transportation Board (CTB) is required pursuant to *Virginia Code* Section 33.2-209 in order for VDOT to award a contract to a private entity/firm in order to deliver the tolling services (the “Contract”).

Facts: On December 9, 2015 the CTB approved a 40-year Memorandum of Agreement (MOA) between the CTB, VDOT and the Northern Virginia Transportation Commission (NVTC) relating to implementation of multimodal improvements within the corridor pursuant to the Project. Once fully implemented, the Project will help manage congestion along I-66 inside the beltway by:

- Moving more than 40,000 additional people through the I-66 corridor each day by 2040.
- Providing reliable travel speeds of at least 45 mph during rush hours in the peak direction.
- Providing increased travel choices for single-occupant drivers and better transit service.

One component of the Project is “...to convert the existing Facility to a tolled facility with dynamic tolling during the peak periods to deliver free-flowing and more reliable travel, and support multimodal improvements that benefit the users of the I-66 corridor...”

Under the terms of the MOA, VDOT is responsible for tolling. VDOT issued a Request for Proposals (RFP) on February 5, 2016 seeking proposals from qualified firms for the purpose of establishing the Contract to provide design, integration, implementation, on-going maintenance and operation of the tolling system that meets VDOT’s business and system requirements. Through award of this Contract, VDOT is responsible for implementing the construction of cost-effective infrastructure, equipment, and services to minimize the cost of collecting these tolls, and processing toll violations, in order to maximize the net monies available for multimodal improvements within the corridor. The toll system to be implemented pursuant to the proposed contract is the first dynamic tolling system implemented by VDOT.

In response to this RFP, VDOT received proposals from several entities and, after evaluating the various proposals on the basis of the evaluation factors included in the RFP, interviewed three firms. The interviews included a demonstration of each firm’s individual solution for a dynamic toll system. Following negotiations, VDOT determined that TransCore, LP, a Tennessee Corporation, (hereinafter “TransCore”) is fully qualified and best-suited among all offerors submitting proposals to deliver this Project. The performance-based Contract is for an initial five-year period with one optional successive five year term. The initial contract amount, to include installation (\$17,560,438) and a five year Operation and Maintenance (O&M) period (\$10,086,016) will be \$27,646,454. There is also an option for an additional five year period of O&M for a total of \$11,634,857.

VDOT issued a Notice of Intent to Award this Contract to TransCore on June 3, 2016.

Recommendations: The Virginia Department of Transportation (VDOT) recommends that the CTB approve award of the Contract to TransCore and authorize the Commissioner of Highways, or his designee, to execute the Contract and all other documents necessary to effectuate the award of this Contract to TransCore.

Action Required by CTB: The CTB will be presented with a resolution for a formal vote to award the Contract for this Project to TransCore. Additionally, the resolution will authorize the Commissioner of Highways, or his designee, to execute the Contract and any other documents necessary to effectuate the award of this Contract to TransCore.

Result, if Approved: TransCore will be awarded the Contract and will be authorized to begin work related to implementation and operation of the tolling system necessary for the conversion of I-66 inside the Beltway to dynamically tolled lanes.

Options: Approve, Deny, or Defer.

Public Comments/Reactions: None