



# COMMONWEALTH of VIRGINIA

## *Commonwealth Transportation Board*

Aubrey L. Layne, Jr.  
Chairman

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*Agenda item # 6*

**RESOLUTION  
OF THE  
COMMONWEALTH TRANSPORTATION BOARD**

**March 15, 2017**

**MOTION**

**Made By: Mr. Malbon, Seconded By: Mr. Williams**

**Action: Motion Carried, Unanimously**

**Title: Interstate 64 Express Lanes Tolling System and Services Contract Award and TFRA Funding Authorization**

**WHEREAS**, on October 19, 2016, pursuant to §§ 33.2-502 and 33.2-309 of the *Code of Virginia* and 23 USC §166 (a)(4), the Commonwealth Transportation Board (“CTB”) designated the existing Interstate 64 HOV-2 reversible lanes from Interstate 564 to Interstate 264 as HOT-2 and authorized dynamic tolling of vehicles utilizing the HOV reversible lanes on Interstate 64 from Interstate 564 to Interstate 264, during the Westbound AM peak period of 5:00 a.m. to 9:00 a.m. on weekdays and during the Eastbound PM peak period of 2:00 p.m. to 6:00 p.m. on weekdays for vehicles carrying less than two occupants (collectively, HOT Lanes-2 designation), to be implemented at such time that the infrastructure and improvements necessary to commence tolling on said portion of I-64 are determined by the Commissioner of Highways to be completed and ready for operation; and

**WHEREAS**, on October 19, 2016, pursuant to §33.2-1529 of the *Code of Virginia*, the CTB authorized an amount up to \$5,000,000 to be advanced from the Toll Facilities Revolving Account (TFRA) and allocated to pay the costs associated with work necessary to prepare for and administer the procurement of the needed tolling infrastructure and related services associated with conversion of these lanes from HOV-2 to HOT-2 (the October 19, 2016 TFRA Allocation), and directed that requests for additional funding from the TFRA or other sources be

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presented to the CTB prior to or at such time that the contract for the tolling infrastructure and related services is presented to the CTB for its approval; and

**WHEREAS**, the Virginia Department of Transportation (“VDOT”) issued a request for proposals (RFP) on November 23, 2016 seeking proposals from qualified firms for the purpose of establishing a contract (hereinafter “Contract”) to provide for design, integration, implementation, on-going maintenance and operation of the tolling system for the dynamic tolling of the HOT lanes on Interstate 64 that meets VDOT’s business and system requirements (I-64 Tolling System); and

**WHEREAS**, in response to the RFP relating to the I-64 Tolling System, VDOT received one proposal; and

**WHEREAS**, after evaluating the proposal and subsequent negotiations, VDOT has determined TransCore, LP, a Tennessee Corporation, (hereinafter “TransCore”) is fully qualified, on the basis of the evaluation factors included in the RFP, to deliver the I-64 Tolling System and that their proposal provides good value; and

**WHEREAS**, VDOT issued a Notice of Intent to Award this Contract to TransCore, on March 6, 2017; and

**WHEREAS**, VDOT recommends award of the Contract for the I-64 Tolling System to TransCore and requests that the CTB award the \$19,946,538 Contract pursuant to § 33.2-209 of the *Code of Virginia*; and

**WHEREAS**, VDOT has determined that of the \$5,000,000 allocated pursuant to the October 19, 2016 TFRA Allocation, \$2,000,000 was not expended and remains available to partially fund the work necessary to design, construct, install, implement, operate and/or maintain the I-64 Tolling System and additional funding from the TFRA will be needed to fully fund this project.

**NOW, THEREFORE BE IT RESOLVED**, that the CTB hereby concurs with VDOT’s recommendation and hereby awards the Contract for the I-64 Tolling System 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.

**BE IT FURTHER RESOLVED** by the CTB, pursuant to §33.2-1529, that (i) the unexpended portion of the \$5,000,000 allocated pursuant to the October 19, 2016 TFRA Allocation, \$2,000,000, is authorized and allocated to pay the costs of work necessary for design,

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construction, installation, implementation, operation and/or maintenance of the I-64 Tolling System and (ii) an additional amount of \$14,000,000 be advanced from the Toll Facilities Revolving Account and also allocated for said purposes.

**BE IT FURTHER RESOLVED** by the Commonwealth Transportation Board that the toll revenues collected from this facility will be used in accord with section 33.2-309, including the reimbursement of funding advanced from the Toll Facilities Revolving Account authorized herein in accord with section 33.2-1529 of the Code of Virginia.

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**CTB Decision Brief**  
**Interstate 64 Express Lanes Tolling System and Services Contract Award and TFRA**  
**Funding Authorization**

**Issue:** Pursuant to the Commonwealth Transportation Board's (CTB) designation of the reversible HOV-2 lanes on I-64 from I-564 to I-264 as HOT-2 on October 19, 2016, the Virginia Department of Transportation (VDOT) seeks to develop and implement a dynamic tolling system along said portion of Interstate 64 in Norfolk, Virginia. Approval of the Commonwealth Transportation Board (CTB) is required pursuant to §33.2-209 of the *Code of Virginia* for award of a contract to a private entity for development and implementation of the tolling system (the "Contract"). In addition, VDOT seeks advancement and allocation of Toll Facilities Revolving Account funds to pay the costs of developing and implementing the tolling system.

**Facts:**

- On October 19, 2016, the CTB, pursuant to §§ 33.2-502 and 33.2-309 of the *Code of Virginia* and 23 USC §166 (a)(4), authorized dynamic tolling of vehicles utilizing the HOV reversible lanes on Interstate 64 from Interstate 564 to Interstate 264, during the Westbound AM peak period of 5:00 a.m. to 9:00 a.m. on weekdays and during the Eastbound PM peak period of 2:00 p.m. to 6:00 p.m. on weekdays for vehicles carrying less than two occupants (collectively, HOT Lanes-2 designation), to be implemented at such time that the infrastructure and improvements necessary to commence tolling on said portion of I-64 are determined by the Commissioner of Highways to be completed and ready for operation.
- On October 19, 2016, the CTB, pursuant to §33.2-1529 of the *Code of Virginia*, authorized an amount up to \$5,000,000 to be advanced from the Toll Facilities Revolving Account (TFRA) and allocated to pay the costs associated with work necessary to prepare for and administer the procurement of the needed tolling infrastructure and related services associated with conversion of these lanes from HOV-2 to HOT-2 (the October 19, 2016 TFRA Allocation), and directed that requests for additional funding from the Toll Facilities Revolving Account or other sources must be presented to the CTB prior to or at such time that the contract for the tolling infrastructure and related services is presented to the CTB for its approval.
- VDOT issued a request for proposals (RFP) on November 23, 2016 seeking proposals from qualified firms for the purpose of establishing a contract to provide for design, integration, implementation, on-going maintenance and operation of a system for the dynamic tolling of the HOT lanes on Interstate 64 that meets VDOT's business and system requirements (I-64 Tolling System).
- In response to the RFP, VDOT received one proposal and after evaluating the proposal and subsequent negotiations, VDOT has determined that TransCore, LP, a Tennessee Corporation, (hereinafter "TransCore") is fully qualified, on the basis of the evaluation factors included in the RFP, to deliver the I-64 Tolling System and that their proposal provides good value. The Contract is for an initial five-year period

with two optional successive five year renewals. The initial contract amount for the I-64 Tolling System will be \$19,946,538. There is also reserved on behalf of VDOT/the CTB an option for delivery of dynamic tolling for two additional segments of I-64.

- VDOT issued a Notice of Intent to Award this Contract to TransCore, on March 6, 2017.
- VDOT has determined that, of the \$5,000,000 allocated pursuant to the October 19, 2016 TFRA Allocation, \$2,000,000, was not expended and remains available to partially fund this work and that additional funds will be needed for work necessary to design, construct, install, implement, operate and/or maintain the I-64 Tolling System. Accordingly, VDOT will be requesting that funds remaining from the October 19, 2016 TFRA Allocation be authorized to pay a portion of the costs of work necessary for designing, constructing, installing, implementing, operating and/or maintaining the I-64 Tolling System and that up to \$14,000,000 in additional funding be advanced from the Toll Facilities Revolving Account and allocated for said purposes.

**Recommendations:** VDOT recommends award of the Contract for the I-64 Tolling System to TransCore and that the Commissioner of Highways, or his designee, be granted the authority to execute the Contract and all other documents necessary to effectuate the award of the Contract to TransCore. VDOT also recommends that, pursuant to §33.2-1529, \$14,000,000 in funds from the Toll Facilities Revolving Account be advanced and allocated for purposes of design, construction, installation, implementation, operation and/or maintenance of the I-64 Tolling System in addition to remaining funding authorized by the October 19, 2016 TFRA Allocation that has not been expended.

**Action Required by CTB:** The CTB will be presented with a resolution for a formal vote to award the Contract for the I-64 Tolling System to TransCore, to authorize the Commissioner of Highways, or his designee, to execute the Contract and all other documents necessary to effectuate the award of the Contract to TransCore, to advance and allocate \$14,000,000 in TFRA funding for work necessary to design, construct, install, implement, operate and/or maintain the I-64 Tolling System and to authorize unexpended funds from the October 19, 2016 TFRA Allocation to also be used for said purposes.

**Results, if Approved:** TransCore will be awarded the Contract and VDOT will begin work related to design, construction, installation, implementation, operation and/or maintenance of the I-64 Tolling System necessary for the conversion of the I-64 reversible HOV-2 lanes to dynamically tolled HOT-2 lanes.

**Options:** Approve, Deny, or Defer.

**Public Comments/Reaction:**