

A G E N D A

MEETING OF THE COMMONWEALTH TRANSPORTATION BOARD

1401 E. Broad Street
Richmond, Virginia
September 19, 1996
10:00 a.m.

1. Public Comment
2. Action on Minutes of Meetings of June 20 and July 18, 1996
3. Action on Additions, Abandonments or Other Changes in the Secondary System from August 1, 1996 through August 31, 1996
4. Action on Discontinuances in the Secondary System: Prince William County
5. Action on City Street Mileage
6. Action on Payments to Cities and Certain Towns for Maintenance Payments To Roads and Streets
7. Action on Payments to Arlington and Henrico Counties for Maintenance of Certain Roads and Streets
8. Conveyances: Route 15 - Prince William County
Route 42 - Augusta County
Route 380 - Henrico County
Route 637 - Fairfax County
Route 654 - Chesterfield County
9. Action on Bids Received August 27, 1996
10. Consultant Agreement: Two-year Regional Survey Contract
(A) Salem and Staunton Districts
Provide all types of surveying on an as-needed basis
Anderson & Associates

Consultant Agreement: Construction Inspection Services
(B) Salem District
Provide construction inspection services in the Salem District for a three-year period
McDonough Bolyard Peck

Consultant Agreement: Construction Inspection Services
(C) Staunton District
Provide construction inspection services
in the Staunton District for a three-year
period
Rummel Klepper & Kahl

Consultant Agreement: Southwest Suffolk Bypass - City of Suffolk
(D) Proj. R000-061-F01, PE101
Provide engineering services for the design
of a four-lane, limited access roadway on
new location including two interchanges
and bridges for lake and railroad
crossings
Rust Environmental & Infrastructure

Consultant Agreement: Route 168 - City of Chesapeake
(E) Proj. 0168-131-102, PE102
0168-131-102, PE103
0168-131-109, PE101
Supplemental Agreement # 4 for revision
in scope of services
Parsons Brinckerhoff Quade & Douglas, Inc.

Consultant Agreement: Hampton Boulevard (Route 337) - City of
(F) Norfolk
Proj. 0337-122-F14, PE101, RW201, C501, B606
Provide survey, geotechnical investigation
and complete right of way, railroad
track, structure and bridge, pumping
station and roadway construction plans
as well as construction consultation
Ralph Whitehead Associates, Inc.

Consultant Agreement: Route 610 - Prince William County
(G) Proj. 0610-076-182, C502
Supplemental Agreement # 1 for revision
in scope of services
Patton, Harris, Rust & Associates, P.C.

Consultant Agreement: Routes 11 and 117 - Cities of Roanoke and
(H) Salem
Proj. 0011-128-F02, C501
0011-129-F05, C501
0117-128-101, C502
Provide construction inspection services
Rust Environment & Infrastructure, Inc.

11. Design: Route 58 - Lee County
 Proj. 6058-052-E26, PE101, RW201, C501
 Fr: 0.02 Mi. East of Route 9554
 To: 0.224 Mi. West of East Intersection of Route 643
- Design: Route 58 - Lee County
 Proj. 6058-052-E27, PE101, RW201, C501, B624 through B631
 Fr: 0.25 Mi. West of Route 829
 To: 0.37 Mi. East of Route 752 (East of Dryden)
12. Location Route 1 - Town of Dumfries
 & Design: Proj. 0001-212-V02, PE101, RW201, C501
 Fr: 0.04 Mi. South of Mine Road
 To: Int. Old Stage Coach Road (except bridge over Cannonball Run)
- Location Tidewater Drive (Route 168) - City of Norfolk
 & Design: Proj. 0168-122-104, PE101, RW201, C501
 Fr: North of the Norfolk and Western Railway
 To: 0.058 Mi. South of Biltmore Road
- Location Route 617 - Hanover County
 & Design: Proj. 0617-042-P65, M501
 Fr: Intersection of Route 610 (Taylor's Creek Road)
 To: Intersection of Route 33 (Mountain Road)
- Location Route 631 - Albemarle County
 & Design: Proj. 0631-002-185, C501
 Fr: 0.093 Mi. South of Hydraulic Road (Route 743)
 To: 0.321 Mi. North of Route 29
- Location Route 652 (Shawnee Drive) - Frederick County
 & Design: Proj. 0652-034-224, M501
 Fr: 0.024 Mi. East of Route 11
 To: 0.346 Mi. East of Route 11
- Location Route 658 - Halifax County
 & Design: Proj. 0658-041-287, C501
 Fr: 0.16 Mi. East of Intersection with Route 691
 To: 0.09 Mi. West of Intersection with Route 662
13. Break in Limited Access: Route 460 - Dinwiddie County
 Proj. 0085-026-101, PE105, RW205, C505
14. Designation of Virginia Byways: Routes 688, 55, F185, 712, 710, 713, 709, 702, 628, 691, 647, 635, 738, 678, 667, 670, 806, 602, 616, 687, 651, 660, 661, and 651 - Fauquier County

15. Industrial Access: City of Newport News
Proj. 9999-121-105,M501
Truswood Properties, LLC
- Industrial Access: City of Salem
Proj. 9999-129-106,M501
Designed Telecommunications, Inc. and
Spartan Industrial Center
- Industrial Access: City of Staunton
Proj. 9999-132-323,M503
Green Hills Industry and Technology
Center, Phase III
- Industrial Access: Franklin County
Proj. 0662-033-273,M501
Jacks Mountain Quarry
16. Rail Industrial Access: Caroline County
Stone Container Corporation
17. Rail Development Program: Augusta & Rockingham Counties
and the City of Staunton
Shenandoah Valley Railroad Company
18. Dulles Corridor Express Bus Program
19. Action on Issuance and Sale of Commonwealth of Virginia
Transportation Revenue Bonds, Series 1996A and 1996B
(Northern Virginia Transportation District Program and
U.S. Route 58 Corridor Development Program)
20. Action on the State Infrastructure Bank Cooperative Agreement
between the Commonwealth Transportation Board, the Federal
Highway Administration and the Federal Transit Administration
21. New Business
22. Adjourn

MINUTES
OF
MEETING OF THE COMMONWEALTH TRANSPORTATION BOARD

1401 E. Broad Street
Richmond, Virginia
September 19, 1996
10:00 a.m.

The monthly meeting of the Commonwealth Transportation Board was held in the Board Room of the Department of Transportation in Richmond, Virginia, on September 19, 1996, at 10:00 a.m. The Chairman, Dr. Robert E. Martinez, presided.

Present: Messrs. Gehr, Byrd, Cogbill, Grubb, Lee, Martin, Myers, Neale, Newcomb, Porter, Prettyman, Rich, Roudabush and White and Mrs. Lionberger.

Item 2:

On motion of Mr. Byrd, seconded by Mr. White, the minutes of the meetings of June 20 and July 18, 1996, were approved.

Item 3:

Moved by Mr. Porter, seconded by Mr. Roudabush, that the Board approve Additions, Abandonments or Other Changes in the Secondary System from August 1, 1996, through August 31, 1996, inclusive.

Motion carried.

9/19/96

Item 4:

Moved by Mr. Roudabush, seconded by Mr. White,
that

WHEREAS, by proper resolution, the Board of Supervisors of Prince William County has requested that certain roads which no longer serve as public necessities be discontinued as part of the Secondary System of State Highways.

NOW, THEREFORE, BE IT RESOLVED that pursuant to Section 33.1-150 of the Code of Virginia, as amended, the Commonwealth Transportation Board finds the following segments of roads are not required for public convenience and are hereby discontinued as part of the Secondary System of State Highways, effective this date.

Northern Virginia District

Prince William County
Route 610, Project 0642-076-171, C501, C503
Segment 37 of old location
0.12 Mile

Prince William County
Route 663, Project: Prince William County Parkway,
County Bond Project
Segment 15 of old location
0.16 Mile

Prince William County
Route 1612, Project: Prince William County Parkway,
County Bond Project
Segment 32 of old location
0.01 Mile

Total Mileage - 0.29 Mile

Motion carried.

9/19/96

Item 5:

Moved by Mr. Roudabush, seconded by Mr. Neale, that

WHEREAS, the Commonwealth Transportation Board is authorized under Section 33.1-41.1 of the Code of Virginia, as amended to approve payments to cities and certain towns for street maintenance purposes; and

WHEREAS, certain Principal-Minor Arterial Roads, Collector Roads and Local Streets within the corporate limits of the City of Alexandria are eligible for such payment; and

WHEREAS, under the authority of Section 33.1-41.1, request is made by the City of Alexandria for maintenance payments on Local Streets meeting the required criteria.

NOW, THEREFORE, BE IT RESOLVED that the street mileage eligible for quarterly payments to the City of Alexandria for Local Streets be increased by 0.61 centerline mile. This increase is a result of additions of Local Streets as described on tabulation sheets numbered 1 through 3 for the City of Alexandria as functionally classified by the Transportation Planning Division dated July 30, 1996.

The tabulation sheets are on file in the Department's Urban Division.

The Local Street additions totaling 0.61 mile increases the total mileage to 142.84 centerline miles of approved streets subject to maintenance payments effective for payment beginning July 1, 1996.

Motion carried.

Moved by Mr. Roudabush, seconded by Mr. Neale, that

WHEREAS, the Commonwealth Transportation Board is authorized under Section 33.1-41.1 of the Code of Virginia, as amended to approve payments to cities and certain towns for street maintenance purposes; and

WHEREAS, certain Principal-Minor Arterial Roads, Collector Roads and Local Streets within the corporate limits of the City of Buena Vista are eligible for such payment; and

9/19/96

WHEREAS, under the authority of Section 33.1-41.1, request is made by the City of Buena Vista for maintenance payments on Principal/Minor Arterial Roads meeting the required criteria.

NOW, THEREFORE, BE IT RESOLVED that the road mileage eligible for quarterly payments to the City of Buena Vista for Principal-Minor Arterial Roads be increased by 0.61 centerline mile. This increase is a result of additions of Principal-Minor Arterial Roads as described on tabulation sheet numbered 1 through 1 for the City of Buena Vista as functionally classified by the Transportation Planning Division dated August 15, 1996.

The tabulation sheet is on file in the Department's Urban Division.

The Principal Arterial Road additions totaling 0.10 mile increases the total mileage to 5.35 centerline miles of approved roads subject to maintenance payments effective for payment beginning July 1, 1996.

The Minor Arterial Road additions totaling 0.51 mile increases the total mileage to 2.00 centerline miles of approved roads subject to maintenance payments effective for payment beginning July 1, 1996.

Motion carried.

Moved by Mr. Roudabush, seconded by Mr. Neale, that

WHEREAS, the Commonwealth Transportation Board is authorized under Section 33.1-41.1 of the Code of Virginia, as amended to approve payments to cities and certain towns for street maintenance purposes; and

WHEREAS, certain Principal-Minor Arterial Roads, Collector Roads and Local Streets within the corporate limits of the City of Danville are eligible for such payment; and

WHEREAS, under the authority of Section 33.1-41.1, request is made by the City of Danville for maintenance payments on Principal/Minor Arterial Roads and Local Streets meeting the required criteria.

9/19/96

NOW, THEREFORE, BE IT RESOLVED that the road/street mileage eligible for quarterly payments to the City of Danville for Principal-Minor Arterial Roads and Local Streets be increased by 1.46 centerline miles. This increase is a net result of additions and deletions of Principal-Minor Arterial Roads and Local Streets as described on tabulation sheets numbered 1 through 2 for the City of Danville as functionally classified by the Transportation Planning Division dated May 1, 1996.

The tabulation sheets are on file in the Department's Urban Division.

The Principal Arterial Road deletions totaling 0.61 mile decreases the total mileage to 32.38 centerline miles of approved roads subject to maintenance payments effective for payment beginning July 1, 1996.

The Minor Arterial Road additions totaling 0.61 mile increases the total mileage to 32.34 centerline miles of approved roads subject to maintenance payments effective for payment beginning July 1, 1996.

The Local Street additions totaling 1.46 miles increases the total mileage to 179.47 centerline miles of approved streets subject to maintenance payments effective for payment beginning July 1, 1996.

Motion carried.

Moved by Mr. Roudabush, seconded by Mr. Neale, that

WHEREAS, the Commonwealth Transportation Board is authorized under Section 33.1-41.1 of the Code of Virginia, as amended to approve payments to cities and certain towns for street maintenance purposes; and

WHEREAS, certain Principal-Minor Arterial Roads, Collector Roads and Local Streets within the corporate limits of the Town of Warrenton are eligible for such payment; and

WHEREAS, under the authority of Section 33.1-41.1, request is made by the Town of Warrenton for maintenance payments on Local Streets meeting the required criteria.

9/19/96

NOW, THEREFORE, BE IT RESOLVED that the street mileage eligible for quarterly payments to the Town of Warrenton for Local Streets be increased by 0.44 centerline mile. This increase is a result of additions of Local Streets as described on tabulation sheets numbered 1 through 1 for the Town of Warrenton as functionally classified by the Transportation Planning Division dated August 27, 1996.

The tabulation sheet is on file in the Department's Urban Division.

The Local Street additions totaling 0.44 mile increases the total mileage to 19.22 centerline miles of approved streets subject to maintenance payments effective for payment beginning July 1, 1996.

Motion carried.

Item 6:

Moved by Mr. White, seconded by Mr. Byrd, that

WHEREAS, Section 33.1-41.1 of the Code of Virginia, as amended, provides for the purpose of calculating urban maintenance allocations and approving maintenance payments, that the Department of Transportation shall divide affected roads and streets into two categories: (1) Principal and Minor Arterial Roads, and (2) Collector and Local Streets; and

WHEREAS, the Department established a State Functional Classification System and an Urban Maintenance Inventory depicting those roads and streets eligible to receive subject maintenance payments; and

WHEREAS, such maintenance payments shall be based on the number of moving-lane miles of such roads and streets available to peak-hour traffic in each category in each locality; and

WHEREAS, funds allocated by the Board for such maintenance payments shall be paid in equal sums in each quarter of the fiscal year; and

9/19/96

WHEREAS, no payment shall be made without the approval of the Board.

NOW, THEREFORE, BE IT RESOLVED that the mileage for the yearly and quarterly payments for FY 96-97 for each locality are hereby approved as indicated on the attached tabulation.

Motion carried.

Item 7:

Moved by Mr. Grubb, seconded by Mr. White, that

WHEREAS, Section 33.1-23.5:1 of the Code of Virginia, as amended, provides for calculating annual maintenance payments to counties which have withdrawn from the secondary system of state highways and the method by which payment of these allocations are to be made; and

WHEREAS, Arlington and Henrico Counties have withdrawn from the secondary system of state highways; and

WHEREAS, one of the factors on which maintenance payments shall be based is the number of lane miles of such roads or streets accepted for maintenance by the local governing body; and

WHEREAS, the rate of payment for these lane-miles is set forth in Section 33.1-23.5:1 of the Code of Virginia; and

WHEREAS, no payment shall be made without approval of the Commonwealth Transportation Board.

NOW, THEREFORE, BE IT RESOLVED that total payment and quarterly payments for Fiscal Year 1996-97 to Arlington and Henrico Counties are revised as stated on the attached tabulations.

BE IT FURTHER RESOLVED that the quarterly amounts for each locality are hereby approved for payment as indicated on the attached tabulations.

Motion carried.

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VDOT

URBAN DIVISION

URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON
STATE FUNCTIONAL CLASSIFICATION
FY 96-97

SEPTEMBER 5, 1996

DISTRICT Municipality	CENTERLINE MILEAGE	LANE MILEAGE	RATE PER L/M	QUARTERLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
HERKULE DISTRICT					
Abingdon					
Principal Arterials	2.24	7.70	\$11,081	\$21,220.83	\$84,822.70
Minor Arterials	5.07	13.10	\$11,081	\$26,290.28	\$101,161.10
Collectors	4.97	10.58	\$6,506	\$17,371.03	\$65,484.08
Locals	29.75	74.99	\$6,506	\$128,314.59	\$493,258.34
Totals:	52.03	110.37		\$203,206.81	\$813,227.22
Comb PA/MA	7.31	20.80	\$11,081	\$57,821.28	\$230,486.98
Comb COL/LOC	44.72	89.57	\$6,506	\$145,885.61	\$582,742.43
Totals:	52.03	110.37		\$203,206.81	\$813,227.22
Big Stone Gap					
Principal Arterials	0.00	0.00	\$11,081	\$0.00	\$0.00
Minor Arterials	5.98	11.96	\$11,081	\$33,132.19	\$122,628.76
Collectors	1.28	2.52	\$6,506	\$4,098.78	\$16,395.12
Locals	21.13	42.00	\$6,506	\$48,213.00	\$173,252.00
Totals:	28.39	56.48		\$105,543.97	\$422,175.88
Comb PA/MA	5.98	11.96	\$11,081	\$33,132.19	\$122,628.76
Comb COL/LOC	22.41	44.52	\$6,506	\$72,411.78	\$289,647.12
Totals:	28.39	56.48		\$105,543.97	\$422,175.88
Bluefield					
Principal Arterials	0.00	0.00	\$11,081	\$0.00	\$0.00
Minor Arterials	5.02	11.22	\$11,081	\$28,806.18	\$107,220.72
Collectors	6.67	13.34	\$6,506	\$21,897.51	\$86,750.04
Locals	12.99	25.79	\$6,506	\$41,947.44	\$167,789.74
Totals:	24.68	50.35		\$94,650.13	\$377,800.50
Comb PA/MA	5.02	11.22	\$11,081	\$28,806.18	\$107,220.72
Comb COL/LOC	19.66	39.13	\$6,506	\$62,644.95	\$254,879.74
Totals:	24.68	50.35		\$94,650.13	\$377,800.50

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VDOT
URBAN DIVISION
URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON
STATE FUNCTIONAL CLASSIFICATION
FY 96-97

SEPTEMBER 5, 1996

DISTRICT Municipality	CENTERLINE MILEAGE	LANE MILEAGE	RATE PER L/M	QUARTERLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
Brinsford					
Principal Arterials	6.41	19.95	\$11,001	\$92,772.26	\$211,093.05
Minor Arterials	13.39	26.18	\$11,001	\$72,628.16	\$290,100.58
Collectors	12.34	25.84	\$6,506	\$42,028.74	\$168,115.09
Locals	83.99	167.41	\$6,506	\$272,392.37	\$1,089,169.48
Totals:	116.13	234.48		\$429,819.53	\$1,758,478.13
Comb RA/MA	19.80	45.23	\$11,001	\$125,298.43	\$501,193.03
Comb COL/LOC	96.33	193.25	\$6,506	\$314,321.13	\$1,257,284.50
Totals:	116.13	238.48		\$439,619.53	\$1,758,478.13
Lebanon					
Principal Arterials	0.00	0.00	\$11,001	\$0.00	\$0.00
Minor Arterials	7.34	16.95	\$11,001	\$46,955.74	\$187,822.96
Collectors	0.00	0.00	\$6,506	\$0.00	\$0.00
Locals	19.72	39.52	\$6,506	\$42,652.78	\$250,631.12
Totals:	27.06	56.47		\$109,608.52	\$438,454.07
Comb RA/MA	7.34	16.95	\$11,001	\$46,955.74	\$187,822.96
Comb COL/LOC	19.72	39.52	\$6,506	\$42,652.78	\$250,631.12
Totals:	27.06	56.47		\$109,608.52	\$438,454.07
Mendon					
Principal Arterials	0.15	0.40	\$11,001	\$1,329.72	\$5,318.05
Minor Arterials	5.41	16.64	\$11,001	\$46,152.87	\$184,609.46
Collectors	4.59	9.38	\$6,506	\$34,931.27	\$39,725.08
Locals	30.14	60.28	\$6,506	\$39,845.43	\$392,181.88
Totals:	40.29	86.60		\$160,659.78	\$661,834.10
Comb RA/MA	5.56	17.14	\$11,001	\$47,682.08	\$198,928.24
Comb COL/LOC	34.73	69.46	\$6,506	\$112,976.69	\$451,906.78
Totals:	40.29	86.60		\$160,659.78	\$661,834.10

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URBAN DIVISION
 URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON
 STATE FUNCTIONAL CLASSIFICATION
 FY 96-97

SEPTEMBER 5, 1996

DISTRICT Municipality	CENTERLINE MILEAGE	LANE MILEAGE	RATE PER L/M	QUARTERLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
Morton					
Principal Arterials	0.11	0.22	\$11,081	\$609.46	\$2,437.82
Minor Arterials	9.02	19.47	\$11,081	\$93,838.77	\$215,747.07
Collectors	0.00	0.00	\$6,506	\$0.00	\$0.00
Locals	19.49	39.93	\$6,506	\$63,319.65	\$253,278.58
Totals:	28.62	58.62		\$117,665.87	\$471,463.47
Comb PA/MA	9.13	19.69	\$11,081	\$94,546.22	\$218,184.69
Comb COL/LOC	19.49	39.93	\$6,506	\$63,319.65	\$253,278.58
Totals:	28.62	58.62		\$117,665.87	\$471,463.47
Richlands					
Principal Arterials	0.00	0.00	\$11,081	\$0.00	\$0.00
Minor Arterials	4.79	10.16	\$11,081	\$28,145.74	\$112,582.96
Collectors	0.00	0.00	\$6,506	\$0.00	\$0.00
Locals	16.29	32.13	\$6,506	\$52,259.45	\$209,037.78
Totals:	21.08	42.29		\$80,405.19	\$321,620.74
Comb PA/MA	4.79	10.16	\$11,081	\$28,145.74	\$112,582.96
Comb COL/LOC	16.29	32.13	\$6,506	\$52,259.45	\$209,037.78
Totals:	21.08	42.29		\$80,405.19	\$321,620.74
Saltville					
Principal Arterials	0.00	0.00	\$11,081	\$0.00	\$0.00
Minor Arterials	3.33	6.66	\$11,081	\$18,449.87	\$73,799.46
Collectors	0.00	0.00	\$6,506	\$0.00	\$0.00
Locals	13.07	26.46	\$6,506	\$19,786.19	\$158,136.78
Totals:	16.40	31.12		\$38,234.06	\$232,936.24
Comb PA/MA	3.33	6.66	\$11,081	\$18,449.87	\$73,799.46
Comb COL/LOC	13.07	26.46	\$6,506	\$19,786.19	\$158,136.78
Totals:	16.40	31.12		\$38,234.06	\$232,936.24

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VDOT
URBAN DIVISION
URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON
STATE FUNCTIONAL CLASSIFICATION
FY 96-97

SEPTEMBER 5, 1996

DISTRICT Municipality	CENTRALINE MILEAGE	LANE MILEAGE	RATE PER L/M	QUARTERLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
Tazewell					
Principal Arterials	0.00	0.00	\$11,081	\$0.00	\$0.00
Minor Arterials	10.06	21.59	\$11,081	\$59,781.99	\$239,127.96
Collectors	0.00	0.00	\$6,506	\$0.00	\$0.00
Locals	12.81	23.63	\$6,506	\$36,434.20	\$153,736.78
Totals:	22.86	45.21		\$96,216.19	\$392,864.76
Comb PA/MA	10.06	21.59	\$11,081	\$59,781.99	\$239,127.96
Comb COL/LOC	12.81	23.63	\$6,506	\$36,434.20	\$153,736.78
Totals:	22.86	45.21		\$96,216.19	\$392,864.76
Wise					
Principal Arterials	0.00	0.00	\$11,081	\$0.00	\$0.00
Minor Arterials	6.55	14.93	\$11,081	\$41,359.83	\$165,439.33
Collectors	0.00	0.00	\$6,506	\$0.00	\$0.00
Locals	9.62	18.17	\$6,506	\$29,893.61	\$118,214.02
Totals:	16.17	33.10		\$70,913.34	\$283,653.35
Comb PA/MA	6.55	14.93	\$11,081	\$41,359.83	\$165,439.33
Comb COL/LOC	9.62	18.17	\$6,506	\$29,893.61	\$118,214.02
Totals:	16.17	33.10		\$70,913.34	\$283,653.35
Wycheville					
Principal Arterials	3.61	10.98	\$11,081	\$30,417.35	\$121,669.38
Minor Arterials	7.61	23.79	\$11,081	\$65,904.25	\$263,618.99
Collectors	11.68	24.34	\$6,506	\$39,589.01	\$158,356.04
Locals	59.23	117.95	\$6,506	\$191,046.60	\$767,382.70
Totals:	82.05	177.06		\$327,956.20	\$1,311,025.11
Comb PA/MA	11.14	34.77	\$11,081	\$96,321.59	\$385,286.37
Comb COL/LOC	70.91	142.29	\$6,506	\$231,634.61	\$925,738.74
Totals:	82.05	177.06		\$327,956.20	\$1,311,025.11

SFCSY_97		VDOT URBAN DIVISION				SEPTEMBER 5, 1986	
URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON STATE FUNCTIONAL CLASSIFICATION FY 86-87							
DISTRICT Municipality	CENTERLINE MILEAGE	LANE MILEAGE	RATE PER L/M	QUARTERLY PAYMENT	ANNUAL PAYMENT		
1	2	3	4	5	6		
MISCELL DISTRICT TOTALS							
Principal Arterials	12.44	34.43	\$11,001	\$106,460.71	\$423,842.83		
Minor Arterials	82.66	192.56	\$11,001	\$333,439.34	\$2,133,757.28		
Collectors	41.53	85.90	\$6,506	\$139,716.35	\$558,865.40		
Locals	337.93	668.16	\$6,506	\$1,085,762.24	\$4,347,048.96		
Totals:	475.46	985.05		\$1,855,378.64	\$7,465,514.55		
Comb SA/MA	96.00	230.89	\$11,001	\$639,900.05	\$2,559,600.19		
Comb COL/LOC	279.46	754.06	\$6,506	\$1,226,479.59	\$4,905,914.38		
Totals:	475.46	985.05		\$1,855,378.64	\$7,465,514.55		

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UDOT

URBAN DIVISION

URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON
STATE FUNCTIONAL CLASSIFICATION
FY 96-97

SEPTEMBER 5, 1996

DISTRICT Municipality	OVERLAP MILEAGE	LANE MILEAGE	RATE PER L/M	QUARTERLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
SALAM DISTRICT					
Bedford					
Principal Arterials	8.02	20.33	\$11,081	\$86,119.18	\$226,275.71
Minor Arterials	1.91	3.02	\$11,081	\$8,366.16	\$22,464.62
Collectors	7.31	14.62	\$6,506	\$23,779.43	\$96,117.72
Locals	28.06	49.03	\$6,506	\$81,048.50	\$324,133.86
Totals:	45.30	87.00		\$169,513.26	\$678,992.91
Comb PA/MA	9.93	23.35	\$11,081	\$64,485.34	\$259,741.35
Comb COL/LOC	35.37	63.65	\$6,506	\$104,827.92	\$419,391.56
Totals:	45.30	87.00		\$169,513.26	\$678,992.91
Blacksburg					
Principal Arterials	6.37	21.01	\$11,081	\$96,202.95	\$332,811.81
Minor Arterials	0.95	26.18	\$11,081	\$72,469.74	\$289,878.98
Collectors	5.11	10.62	\$6,506	\$17,273.43	\$69,093.72
Locals	77.78	156.35	\$6,506	\$264,140.52	\$1,016,562.56
Totals:	90.21	214.04		\$452,086.75	\$1,698,346.99
Comb PA/MA	15.32	47.17	\$11,081	\$130,672.69	\$522,698.77
Comb COL/LOC	74.89	166.87	\$6,506	\$271,414.06	\$1,085,648.22
Totals:	90.21	214.04		\$452,086.75	\$1,698,346.99
Christiansburg					
Principal Arterials	7.46	21.95	\$11,081	\$60,806.59	\$243,227.16
Minor Arterials	6.25	15.13	\$11,081	\$41,913.88	\$167,655.83
Collectors	4.54	9.76	\$6,506	\$18,474.44	\$73,498.56
Locals	79.19	157.93	\$6,506	\$256,473.18	\$1,027,492.88
Totals:	97.44	204.77		\$376,668.09	\$1,511,874.43
Comb PA/MA	13.71	37.08	\$11,081	\$102,720.47	\$410,883.49
Comb COL/LOC	83.73	167.69	\$6,506	\$273,947.62	\$1,100,990.94
Totals:	97.44	204.77		\$376,668.09	\$1,511,874.43

SFCNY_97

VDOT
URBAN DIVISION
URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON
STATE FUNCTIONAL CLASSIFICATION
FY 96-97

SEPTEMBER 5, 1998

DISTRICT Municipality	CENTERLINE MILEAGE	LANE MILEAGE	RATE PER L/M	QUARTERLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
Galax					
Principal Arterials	8.00	16.00	\$11,081	\$72,248.12	\$288,932.48
Minor Arterials	4.74	9.48	\$11,081	\$26,261.97	\$105,047.88
Collectors	8.07	16.14	\$6,506	\$26,251.71	\$105,006.84
Locals	18.14	36.28	\$6,506	\$123,288.70	\$493,154.80
Totals:	58.95	127.50		\$248,050.50	\$982,202.00
Comb PA/MA	12.74	25.48	\$11,081	\$98,510.09	\$394,040.36
Comb COL/LOC	46.21	92.02	\$6,506	\$149,540.41	\$598,161.64
Totals:	58.95	127.50		\$248,050.50	\$992,202.00
Martinsville					
Principal Arterials	7.51	15.02	\$11,081	\$69,422.47	\$277,689.88
Minor Arterials	15.34	30.68	\$11,081	\$113,247.82	\$452,991.28
Collectors	10.31	20.62	\$6,506	\$63,229.46	\$252,917.58
Locals	66.80	133.60	\$6,506	\$215,133.20	\$860,533.20
Totals:	99.76	219.52		\$460,832.95	\$1,723,131.94
Comb PA/MA	22.85	45.70	\$11,081	\$182,670.29	\$730,681.14
Comb COL/LOC	76.91	153.82	\$6,506	\$278,162.66	\$1,112,450.80
Totals:	99.76	219.52		\$460,832.95	\$1,723,131.94
Marross					
Principal Arterials	0.00	0.00	\$11,081	\$0.00	\$0.00
Minor Arterials	0.10	0.20	\$11,081	\$554.06	\$2,216.20
Collectors	0.00	0.00	\$6,506	\$0.00	\$0.00
Locals	15.38	30.76	\$6,506	\$49,485.97	\$197,943.88
Totals:	15.48	30.96		\$49,040.02	\$196,160.08
Comb PA/MA	0.10	0.20	\$11,081	\$554.06	\$2,216.20
Comb COL/LOC	15.38	30.76	\$6,506	\$48,929.97	\$193,727.68
Totals:	15.48	30.96		\$49,040.02	\$196,160.08

SPCFY 97

VOTV
 URBAN DIVISION
 URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON
 STATE FUNCTIONAL CLASSIFICATION
 FY 96-97

SEPTEMBER 5, 1996

DISTRICT Municipality	CENTERLINE MILEAGE	LANE MILEAGE	RATE PER L/M	QUARTERLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
Pearisburg					
Principal Arterials	0.00	0.00	\$11,081	\$0.00	\$0.00
Minor Arterials	1.22	2.64	\$11,081	\$7,313.46	\$29,253.84
Collectors	0.00	0.00	\$6,506	\$0.00	\$0.00
Locals	12.72	25.24	\$6,506	\$41,052.88	\$164,211.44
Totals:	14.04	27.88		\$48,366.32	\$193,465.28
Comb PA/MA	1.32	2.64	\$11,081	\$7,313.46	\$29,253.84
Comb COL/LOC	12.72	25.24	\$6,506	\$41,052.88	\$164,211.44
Totals:	14.04	27.88		\$48,366.32	\$193,465.28
Polaski					
Principal Arterials	5.42	17.04	\$11,081	\$47,306.88	\$188,820.24
Minor Arterials	11.41	25.78	\$11,081	\$71,417.85	\$285,469.18
Collectors	4.13	4.38	\$6,506	\$11,630.07	\$54,520.28
Locals	45.75	90.95	\$6,506	\$147,930.18	\$591,720.70
Totals:	66.71	142.15		\$288,184.98	\$1,120,729.40
Comb PA/MA	16.84	42.82	\$11,081	\$118,622.11	\$474,488.42
Comb COL/LOC	49.87	99.33	\$6,506	\$169,562.87	\$646,240.98
Totals:	66.71	142.15		\$288,184.98	\$1,120,729.40
Rafford					
Principal Arterials	5.91	17.21	\$11,081	\$47,676.00	\$190,704.00
Minor Arterials	11.73	26.86	\$11,081	\$74,408.92	\$297,435.88
Collectors	3.75	7.66	\$6,506	\$11,483.09	\$45,332.36
Locals	48.46	99.31	\$6,506	\$161,527.79	\$646,110.88
Totals:	70.85	150.44		\$295,095.72	\$1,180,182.89
Comb PA/MA	17.64	44.07	\$11,081	\$122,084.92	\$488,139.67
Comb COL/LOC	53.21	106.37	\$6,506	\$173,010.80	\$692,043.22
Totals:	70.85	150.44		\$295,095.72	\$1,180,182.89

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VDOT
URBAN DIVISION
URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON
STATE FUNCTIONAL CLASSIFICATION
FY 96-97

SEPTEMBER 3, 1996

DISTRICT Municipality	CENTERLINE MILEAGE	LANE MILEAGE	RATE PER L/M	QUARTERLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
Roanoke					
Principal Arterials	28.10	55.13	\$11,081	\$364,837.93	\$1,038,351.73
Minor Arterials	48.50	116.83	\$11,081	\$323,648.31	\$1,294,593.21
Collectors	35.64	55.99	\$6,506	\$92,002.88	\$364,010.70
Locals	349.09	705.99	\$6,506	\$1,148,292.74	\$4,593,170.94
Totals:	447.43	974.10		\$1,827,831.86	\$7,308,126.60
Comb SA/MA	72.70	212.16	\$11,081	\$387,736.24	\$2,350,944.95
Comb COL/LOC	374.73	761.94	\$6,506	\$1,239,399.41	\$4,957,181.64
Totals:	447.43	974.10		\$1,827,831.86	\$7,308,126.60
Rocky Mount					
Principal Arterials	0.00	0.00	\$11,081	\$0.00	\$0.00
Minor Arterials	7.85	19.18	\$11,081	\$53,133.40	\$212,533.66
Collectors	1.28	4.50	\$6,506	\$7,319.28	\$29,277.00
Locals	17.66	34.83	\$6,506	\$56,850.59	\$326,803.95
Totals:	27.56	58.51		\$117,103.64	\$468,414.66
Comb SA/MA	7.85	19.18	\$11,081	\$53,133.40	\$212,533.66
Comb COL/LOC	19.71	39.33	\$6,506	\$93,970.24	\$355,860.88
Totals:	27.56	58.51		\$117,103.64	\$468,414.66
Salem					
Principal Arterials	11.60	37.95	\$11,081	\$108,130.98	\$420,523.85
Minor Arterials	9.25	26.06	\$11,081	\$72,182.72	\$288,770.85
Collectors	10.78	21.86	\$6,506	\$35,855.39	\$142,221.15
Locals	101.45	200.97	\$6,506	\$326,877.71	\$1,307,810.83
Totals:	133.08	286.84		\$543,046.79	\$2,159,026.78
Comb SA/MA	20.85	64.01	\$11,081	\$177,123.70	\$709,284.81
Comb COL/LOC	112.23	222.83	\$6,506	\$362,432.00	\$1,449,731.98
Totals:	133.08	286.84		\$543,046.79	\$2,159,026.78

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VDOT

URBAN DIVISION

URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON
STATE FUNCTIONAL CLASSIFICATION
FY 96-97

SEPTEMBER 5, 1996

DISTRICT Municipality	CENTERLINE MILEAGE	LANE MILEAGE	RATE PER L/M	QUARTERLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
Vinton					
Principal Arterials	0.00	0.00	611.001	60.00	60.00
Minor Arterials	3.57	13.10	611.001	916,290.20	\$145,161.10
Collectors	1.77	3.40	96,506	95,620.10	\$22,120.40
Locals	31.05	63.40	96,506	\$103,120.10	\$412,480.40
Totals:	37.19	79.90		\$144,940.40	\$579,761.90
Comb PA/MA	3.57	13.10	611.001	\$36,290.20	\$145,161.10
Comb COL/LOC	33.62	66.80	96,506	\$108,650.20	\$434,600.60
Totals:	37.19	79.90		\$144,940.40	\$579,761.90
SALEM DISTRICT TOTALS					
Principal Arterials	85.40	281.96	611.001	\$781,099.60	\$3,124,398.76
Minor Arterials	129.64	325.32	611.001	\$301,217.71	\$3,604,870.92
Collectors	83.72	172.72	96,506	\$280,329.08	\$1,121,716.32
Locals	908.93	1822.91	96,506	\$2,964,312.52	\$11,857,250.06
Totals:	1207.69	2682.91		\$4,927,559.02	\$19,710,236.06
Comb PA/MA	215.04	607.28	611.001	\$1,682,317.42	\$6,729,369.60
Comb COL/LOC	992.65	1,995.23	96,506	\$3,245,241.60	\$12,980,866.30
Totals:	1207.69	2682.51		\$4,927,559.02	\$19,710,236.06

SFCFY_97 VDOT
 URBAN DIVISION
 URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON STATE FUNCTIONAL CLASSIFICATION
 SEPTEMBER 8, 1996
 FY 96-97

DISTRICT Municipality	CENTERLINE MILEAGE	LANE MILEAGE	RATE PER L/M	QUARTERLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
LYNCHBURG DISTRICT					
Altavista					
Principal Arterials	0.00	0.00	\$11,081	\$0.00	\$0.00
Minor Arterials	2.41	4.82	\$11,081	\$13,382.61	\$53,410.42
Collectors	0.00	0.00	\$6,506	\$0.00	\$0.00
Locals	12.13	43.79	\$6,506	\$71,224.44	\$284,897.74
Totals:	24.54	48.61		\$84,607.04	\$338,308.16
Comb SA/MA	2.41	4.82	\$11,081	\$13,382.61	\$53,410.42
Comb COL/LOC	22.13	43.79	\$6,506	\$71,224.44	\$284,897.74
Totals:	24.54	48.61		\$84,607.04	\$338,308.16
Danville					
Principal Arterials	32.38	122.23	\$11,081	\$238,607.66	\$1,354,420.62
Minor Arterials	22.24	89.80	\$11,081	\$248,788.45	\$995,073.80
Collectors	45.08	91.34	\$6,506	\$148,889.81	\$595,559.24
Locals	179.47	359.94	\$6,506	\$685,442.41	\$2,741,769.64
Totals:	289.17	663.31		\$1,321,708.33	\$5,286,833.31
Comb SA/MA	84.72	212.03	\$11,081	\$687,376.11	\$2,749,504.43
Comb COL/LOC	204.45	451.28	\$6,506	\$734,332.22	\$2,937,328.88
Totals:	289.17	663.31		\$1,321,708.33	\$5,286,833.31
Farmville					
Principal Arterials	3.74	11.02	\$11,081	\$20,629.16	\$122,112.62
Minor Arterials	8.82	28.99	\$11,081	\$58,147.55	\$232,590.19
Collectors	7.83	15.47	\$6,506	\$25,161.96	\$100,647.82
Locals	25.85	50.96	\$6,506	\$82,885.44	\$331,545.76
Totals:	46.24	96.44		\$196,724.10	\$786,896.39
Comb SA/MA	10.56	32.01	\$11,081	\$88,776.70	\$354,702.81
Comb COL/LOC	35.68	64.43	\$6,506	\$108,048.40	\$432,193.58
Totals:	46.24	96.44		\$196,724.10	\$786,896.39

SPCFY_97

VDOT
URBAN DIVISION
URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON
STATE FUNCTIONAL CLASSIFICATION
FY 96-97

SEPTEMBER 5, 1996

DISTRICT Municipality	CENTERLINE MILEAGE	LANE MILEAGE	RATE PER L/M	QUARTERLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
Lynchburg					
Principal Arterials	41.36	104.00	\$11,081	\$289,196.00	\$1,152,424.00
Minor Arterials	46.04	111.61	\$11,081	\$314,724.10	\$1,258,912.41
Collectors	28.45	34.96	\$6,506	\$92,648.44	\$370,683.74
Locals	235.55	465.16	\$6,506	\$756,382.74	\$3,025,330.96
Totals:	351.40	719.73		\$1,453,052.28	\$5,808,249.11
Comb PA/MA	87.40	217.61	\$11,081	\$801,834.10	\$3,211,336.41
Comb COL/LOC	264.00	522.12	\$6,506	\$849,228.18	\$3,396,912.72
Totals:	351.40	719.73		\$1,453,052.28	\$5,808,249.11
South Boston					
Principal Arterials	3.14	7.60	\$11,081	\$21,807.98	\$86,431.80
Minor Arterials	9.03	19.27	\$11,081	\$63,383.72	\$253,330.87
Collectors	2.14	4.66	\$6,506	\$7,612.02	\$30,448.08
Locals	26.15	72.05	\$6,506	\$117,189.22	\$468,737.20
Totals:	40.46	103.60		\$199,792.01	\$799,168.85
Comb PA/MA	11.17	27.07	\$11,081	\$74,590.67	\$299,562.67
Comb COL/LOC	30.49	76.73	\$6,506	\$124,801.35	\$499,105.38
Totals:	40.46	103.60		\$199,792.01	\$799,168.85
LYNCHBURG DISTRICT TOTALS					
Principal Arterials	80.62	245.05	\$11,081	\$679,849.76	\$2,715,399.05
Minor Arterials	95.44	248.49	\$11,081	\$688,379.42	\$2,753,517.49
Collectors	83.70	168.65	\$6,506	\$274,109.22	\$1,097,236.90
Locals	499.15	991.90	\$6,506	\$1,613,325.25	\$6,453,301.40
Totals:	759.11	1654.09		\$3,254,862.76	\$13,019,455.84
Comb PA/MA	126.26	493.54	\$11,081	\$1,367,329.19	\$5,468,916.74
Comb COL/LOC	582.85	1160.55	\$6,506	\$1,887,534.58	\$7,530,536.30
Totals:	759.11	1654.09		\$3,254,862.76	\$13,019,455.84

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VDOT
URBAN DIVISION
URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON
STATE FUNCTIONAL CLASSIFICATION
FY 96-97

SEPTEMBER 5, 1996

DISTRICT Municipality	CENTERLINE MILEAGE	LANE MILEAGE	RATE PER L/M	QUARTERLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
RICHMOND DISTRICT					
Ashland					
Principal Arterials	3.00	0.00	\$11,081	\$0.00	\$0.00
Minor Arterials	10.91	33.28	\$11,081	\$92,153.92	\$368,775.68
Collectors	2.95	6.59	\$6,506	\$10,718.54	\$42,874.54
Locals	23.80	60.80	\$6,506	\$98,851.20	\$395,564.80
Totals:	44.66	100.67		\$201,803.76	\$807,215.02
Comb PA/MA	10.91	33.28	\$11,081	\$92,153.92	\$368,775.68
Comb COL/LOC	33.65	67.39	\$6,506	\$199,699.92	\$798,628.34
Totals:	44.56	100.67		\$201,803.96	\$807,215.02
Blacksburg					
Principal Arterials	0.00	0.00	\$11,081	\$0.00	\$0.00
Minor Arterials	7.96	17.00	\$11,081	\$47,094.25	\$188,377.00
Collectors	3.58	7.16	\$6,506	\$11,685.74	\$46,582.96
Locals	21.92	43.18	\$6,506	\$70,232.27	\$280,929.08
Totals:	22.46	67.34		\$128,972.26	\$515,889.04
Comb PA/MA	7.96	17.00	\$11,081	\$47,094.25	\$188,377.00
Comb COL/LOC	25.50	50.34	\$6,506	\$91,878.01	\$367,512.04
Totals:	33.46	67.34		\$128,972.26	\$515,889.04
Chase City					
Principal Arterials	0.00	0.00	\$11,081	\$0.00	\$0.00
Minor Arterials	0.87	1.74	\$11,081	\$4,820.34	\$19,280.94
Collectors	2.83	5.68	\$6,506	\$9,203.59	\$36,823.96
Locals	12.48	26.82	\$6,506	\$42,638.99	\$174,556.94
Totals:	17.18	34.23		\$57,665.22	\$230,660.88
Comb PA/MA	0.87	1.74	\$11,081	\$4,820.34	\$19,280.94
Comb COL/LOC	16.31	32.49	\$6,506	\$52,844.90	\$211,379.94
Totals:	17.18	34.23		\$57,665.22	\$230,660.88

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VDOT
URBAN DIVISION
URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON
STATE FUNCTIONAL CLASSIFICATION
FY 96-97

SEPTEMBER 5, 1996

DISTRICT Municipality	CENTERLINE MILEAGE	LANE MILEAGE	RATE PER L/M	QUARTERLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
Colonial Heights					
Principal Arterials	5.09	19.75	\$11,081	354,712.44	\$218,849.75
Minor Arterials	3.02	8.67	\$11,081	224,519.07	\$396,072.27
Collectors	7.77	19.01	\$6,506	830,919.77	6123,679.06
Locals	63.86	132.76	\$6,506	5215,934.14	6863,738.54
Totals:	81.74	180.19		\$325,584.41	\$1,302,337.64
Comb PA/MA	8.11	28.42	\$11,081	678,730.51	5314,922.02
Comb COL/LOC	73.63	151.77	\$6,506	\$246,853.91	\$927,415.62
Totals:	81.74	180.19		\$325,584.41	\$1,302,337.64
Hopewell					
Principal Arterials	8.84	38.63	\$11,081	615,906.06	\$383,624.23
Minor Arterials	14.06	32.48	\$11,081	\$49,977.72	\$359,916.88
Collectors	3.64	7.80	\$6,506	812,686.70	590,748.80
Locals	91.48	182.48	\$6,506	8296,803.72	51,157,214.88
Totals:	117.98	257.39		\$495,374.19	\$1,911,496.78
Comb PA/MA	22.90	67.10	\$11,081	\$115,883.78	8743,535.10
Comb COL/LOC	95.08	190.19	\$6,506	\$309,490.42	\$1,237,961.68
Totals:	117.98	257.39		\$495,374.20	\$1,911,496.78
Petersburg					
Principal Arterials	17.57	58.28	\$11,081	8161,480.17	6645,880.68
Minor Arterials	21.48	48.48	\$11,081	8134,301.72	6537,206.48
Collectors	20.86	41.59	\$6,506	817,792.52	8271,170.08
Locals	130.73	239.10	\$6,506	8319,896.15	61,555,584.60
Totals:	180.64	387.54		9752,460.56	93,009,762.24
Comb PA/MA	39.05	106.76	\$11,081	\$235,751.89	\$1,142,807.54
Comb COL/LOC	141.59	280.78	\$6,506	\$456,488.67	\$1,826,754.66
Totals:	180.64	387.54		9752,440.56	93,009,762.24

SPCFY_97

VDOT
URBAN DIVISION
URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON
STATE FUNCTIONAL CLASSIFICATION
FY 96-97

SEPTEMBER 5, 1996

DISTRICT Municipality	CENTERLINE MILEAGE	LANE MILEAGE	RATE PER L/M	QUARTERLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
Richmond					
Principal Arterials	54.89	242.04	\$11,081	\$670,622.12	\$2,682,488.48
Minor Arterials	95.16	264.57	\$11,081	\$746,330.04	\$2,985,320.17
Collectors	76.34	145.49	\$8,506	\$349,169.48	\$1,076,477.94
Locals	599.50	1146.75	\$6,508	\$1,845,205.14	\$7,440,820.86
Totals:	819.53	1818.90		\$3,593,326.79	\$14,273,207.15
Comb PA/MA	152.05	816.65	\$11,081	\$1,458,952.18	\$5,835,808.85
Comb COL/LOC	667.48	1112.25	\$6,508	\$2,134,374.61	\$8,537,496.50
Totals:	819.53	1818.90		\$3,593,326.79	\$14,373,307.15
South Hill					
Principal Arterials	3.69	8.00	\$11,081	\$22,162.80	\$88,648.00
Minor Arterials	7.43	17.04	\$11,081	\$47,306.88	\$189,420.74
Collectors	2.40	5.20	\$8,506	\$8,457.80	\$33,431.20
Locals	23.18	46.34	\$6,506	\$79,372.02	\$301,488.04
Totals:	37.12	76.58		\$153,196.87	\$612,787.48
Comb PA/MA	11.34	26.04	\$11,081	\$58,367.08	\$277,488.28
Comb COL/LOC	25.78	51.54	\$6,506	\$43,029.01	\$335,319.24
Totals:	37.12	76.58		\$153,196.87	\$612,787.48
RICHMOND DISTRICT TOTALS					
Principal Arterials	92.00	252.73	\$11,081	\$1,004,853.76	\$4,019,411.13
Minor Arterials	161.11	443.26	\$11,081	\$1,227,361.02	\$4,911,768.86
Collectors	122.15	250.59	\$8,506	\$420,596.64	\$1,682,386.54
Locals	956.87	1878.25	\$6,506	\$3,064,973.82	\$12,219,494.80
Totals:	1332.21	2942.83		\$5,798,164.04	\$22,832,459.23
Comb PA/MA	253.19	805.59	\$11,081	\$2,221,789.80	\$8,911,175.19
Comb COL/LOC	1079.02	2138.44	\$6,506	\$3,475,974.24	\$13,903,281.04
Totals:	1332.21	2942.83		\$5,798,164.04	\$22,832,459.23

SFCFY_97

VDOT

URBAN DIVISION

URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON
STATE FUNCTIONAL CLASSIFICATION
FY 96-97

SEPTEMBER 5, 1996

DISTRICT Municipality	CENTERLINE MILEAGE	LANE MILEAGE	RATE PER L/W	QUARTERLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
SUPPOLL DISTRICT					
Chesapeake					
Principal Arterials	88.52	153.33	\$11,081	\$424,762.43	\$1,699,049.73
Minor Arterials	85.05	238.75	\$11,081	\$661,397.15	\$2,645,588.75
Collectors	108.73	230.36	\$6,506	\$174,680.56	\$1,498,722.16
Locals	640.69	1393.17	\$6,506	\$2,100,088.01	\$8,400,352.02
Totals:	867.99	1915.61		\$3,560,928.15	\$14,243,712.66
Comb PA/MA	138.57	392.08	\$11,081	\$1,086,159.62	\$4,344,638.48
Comb COL/LOC	749.42	1521.53	\$6,506	\$2,474,768.55	\$9,899,674.18
Totals:	867.99	1915.61		\$3,560,928.17	\$14,243,712.66
Chincoteague					
Principal Arterials	0.00	0.00	\$11,081	\$0.00	\$0.00
Minor Arterials	3.53	7.06	\$11,081	\$19,557.97	\$78,331.86
Collectors	7.94	15.88	\$6,506	\$25,828.82	\$103,315.28
Locals	11.18	22.36	\$6,506	\$36,270.98	\$145,083.80
Totals:	22.62	45.24		\$81,657.74	\$326,630.94
Comb PA/MA	3.53	7.06	\$11,081	\$19,557.97	\$78,231.86
Comb COL/LOC	19.09	38.18	\$6,506	\$62,088.77	\$248,399.08
Totals:	22.62	45.24		\$81,657.74	\$326,630.94
Emporia					
Principal Arterials	0.00	0.00	\$11,081	\$0.00	\$0.00
Minor Arterials	7.25	14.52	\$11,081	\$52,136.11	\$208,544.42
Collectors	6.71	13.42	\$6,506	\$21,827.63	\$87,310.52
Locals	21.71	43.42	\$6,506	\$70,264.80	\$281,059.20
Totals:	35.67	71.44		\$144,228.54	\$576,914.14
Comb PA/MA	7.25	14.52	\$11,081	\$52,136.11	\$208,544.42
Comb COL/LOC	28.42	56.82	\$6,506	\$92,092.43	\$368,369.72
Totals:	35.67	71.44		\$144,228.54	\$576,914.14

VDOT
 URBAN DIVISION
 URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON
 STATE FUNCTIONAL CLASSIFICATION
 FY 86-87

SEPTEMBER 5, 1986

DISTRICT Municipality	CENTERLINE MILEAGE	LANE MILEAGE	RATE PER L/M	QUARTERLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
Franklin					
Principal Arterials	3.05	10.82	\$11,081	\$30,001.81	\$120,007.23
Minor Arterials	11.75	27.40	\$11,081	\$78,904.89	\$303,619.40
Collectors	5.09	10.12	\$6,506	\$16,480.18	\$65,840.72
Locals	26.67	61.16	\$6,506	\$83,244.37	\$332,977.08
Totals:	45.56	99.52		\$208,631.11	\$822,444.43
Comb PA/MA	14.80	38.23	\$11,081	\$105,906.66	\$423,626.63
Comb COL/LOC	30.76	61.30	\$6,506	\$99,704.45	\$398,817.80
Totals:	45.56	99.53		\$205,611.11	\$822,444.43
Hampton					
Principal Arterials	10.85	47.82	\$11,081	\$132,472.36	\$529,892.42
Minor Arterials	83.84	232.19	\$11,081	\$663,224.35	\$2,572,897.39
Collectors	32.82	82.33	\$6,506	\$133,909.76	\$535,638.88
Locals	314.11	639.51	\$6,506	\$1,940,162.02	\$4,160,652.06
Totals:	421.62	1001.85		\$1,949,770.48	\$7,799,081.85
Comb PA/MA	74.69	280.01	\$11,081	\$778,697.70	\$3,102,790.81
Comb COL/LOC	346.93	721.84	\$6,506	\$1,174,072.78	\$4,696,291.04
Totals:	421.62	1001.85		\$1,949,770.48	\$7,799,081.85
Newport News					
Principal Arterials	23.62	118.40	\$11,081	\$320,240.90	\$1,280,963.60
Minor Arterials	41.52	181.27	\$11,081	\$419,058.72	\$1,676,222.87
Collectors	51.46	120.15	\$6,506	\$195,423.80	\$781,695.90
Locals	367.90	748.40	\$6,506	\$1,217,372.68	\$4,869,090.40
Totals:	484.50	1135.42		\$2,151,993.10	\$8,407,972.77
Comb PA/MA	65.14	266.87	\$11,081	\$739,296.62	\$2,957,186.47
Comb COL/LOC	419.36	868.55	\$6,506	\$1,412,696.48	\$5,650,786.30
Totals:	484.50	1135.42		\$2,151,993.10	\$8,407,972.77

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VDOT

URBAN DIVISION

URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON
STATE FUNCTIONAL CLASSIFICATION
FY 96-97

SEPTEMBER 5, 1996

DISTRICT Municipality	CENTERLINE MILEAGE	LANE MILEAGE	RATE PER L/M	QUARTERLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
Norfolk					
Principal Arterials	53.18	239.18	\$11.081	\$651,451.99	\$2,606,407.96
Minor Arterials	66.67	200.35	\$11.081	\$565,019.19	\$2,220,078.35
Collectors	60.16	129.69	\$6,506	\$210,940.79	\$843,763.14
Locals	499.73	986.65	\$6,506	\$1,604,786.22	\$6,419,144.90
Totals:	679.74	1655.87		\$3,022,198.59	\$12,089,794.35
Comb PA/MA	139.85	435.51	\$11.081	\$2,204,471.58	\$8,825,886.31
Comb COL/LOC	539.89	1116.24	\$6,506	\$1,817,727.01	\$7,271,008.04
Totals:	679.74	1551.75		\$3,022,198.59	\$12,089,794.35
Roanoke					
Principal Arterials	0.00	0.00	\$11.081	\$0.00	\$0.00
Minor Arterials	4.70	9.40	\$11.081	\$26,049.35	\$104,161.40
Collectors	10.41	20.82	\$6,506	\$33,967.73	\$135,454.92
Locals	39.20	69.37	\$6,506	\$123,642.84	\$454,574.22
Totals:	54.31	100.09		\$173,547.64	\$654,190.54
Comb PA/MA	4.70	9.40	\$11.081	\$26,049.35	\$104,161.40
Comb COL/LOC	49.61	90.69	\$6,506	\$147,507.29	\$590,029.14
Totals:	54.31	100.09		\$173,547.64	\$654,190.54
Portsmouth					
Principal Arterials	11.72	51.88	\$11.081	\$142,844.90	\$571,779.60
Minor Arterials	42.45	140.85	\$11.081	\$390,189.71	\$1,560,758.86
Collectors	35.22	74.45	\$6,506	\$121,743.53	\$486,774.10
Locals	308.30	604.70	\$6,506	\$1,993,544.25	\$7,934,178.20
Totals:	394.69	872.00		\$1,638,422.69	\$6,553,690.76
Comb PA/MA	54.17	192.48	\$11.081	\$533,134.61	\$2,132,538.45
Comb COL/LOC	340.52	679.52	\$6,506	\$1,105,288.08	\$4,421,152.20
Totals:	394.69	872.00		\$1,638,422.69	\$6,553,690.76

SFCFY_97

VDOT

URBAN DIVISION

URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON
STATE FUNCTIONAL CLASSIFICATION
FY 96-97

SEPTEMBER 5, 1996

DISTRICT Municipality	CENTRELINE MILEAGE	LANE MILEAGE	RATE PER L/M	QUARTERLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
Smithfield					
Principal Arterials	0.00	0.00	\$11,081	\$0.00	\$0.00
Minor Arterials	0.00	0.00	\$11,081	\$0.00	\$0.00
Collectors	1.43	2.78	\$8,506	\$8,521.67	\$18,086.68
Locals	22.05	45.61	\$6,506	\$74,104.67	\$296,738.66
Totals:	24.47	48.39		\$78,706.33	\$314,825.34
Comb PA/MA	0.00	0.00	\$11,081	\$0.00	\$0.00
Comb COL/LOC	24.47	48.39	\$6,506	\$78,706.33	\$314,825.34
Totals:	24.47	48.39		\$78,706.33	\$314,825.34
Suffolk					
Principal Arterials	1.74	6.30	\$11,081	\$17,452.68	\$69,810.20
Minor Arterials	5.26	12.59	\$11,081	\$38,877.45	\$159,509.79
Collectors	5.24	10.77	\$8,506	\$17,617.61	\$70,069.62
Locals	24.23	47.99	\$6,506	\$78,055.74	\$313,222.94
Totals:	36.57	77.65		\$147,903.16	\$592,612.65
Comb PA/MA	7.10	18.89	\$11,081	\$82,330.02	\$329,320.09
Comb COL/LOC	29.47	58.76	\$6,506	\$85,573.14	\$342,292.56
Totals:	36.57	77.65		\$147,903.16	\$592,612.65
Virginia Beach					
Principal Arterials	39.46	201.12	\$11,081	\$563,693.16	\$2,250,772.72
Minor Arterials	150.68	495.69	\$11,081	\$1,372,908.20	\$5,491,432.79
Collectors	150.09	332.85	\$6,506	\$581,386.63	\$2,165,522.10
Locals	1014.96	2033.63	\$6,506	\$3,307,699.28	\$13,230,798.78
Totals:	1355.19	3063.29		\$5,784,861.10	\$23,138,724.39
Comb PA/MA	150.11	496.71	\$11,081	\$1,335,601.36	\$5,742,405.51
Comb COL/LOC	1215.08	2566.48	\$6,506	\$3,149,079.72	\$12,396,318.88
Totals:	1355.19	3063.29		\$5,784,681.10	\$23,138,724.39

SPCPK_87 VDOT URBAN DIVISION URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON STATE FUNCTIONAL CLASSIFICATION FY 96-97 SEPTEMBER 5, 1996					
DISTRICT Municipality	CENTERS/LINE MILEAGE	LANE MILEAGE	RATE PER L/M	MONTHLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
Millersburg					
Principal Arterials	2.76	13.96	\$11,081	\$38,903.44	\$463,609.76
Minor Arterials	9.76	26.79	\$11,081	\$74,218.00	\$894,859.99
Collectors	4.78	10.46	\$6,506	\$17,013.19	\$68,052.76
Locals	25.61	50.46	\$6,506	\$82,873.18	\$328,332.76
Totals:	42.91	100.67		\$209,203.82	\$836,815.27
Comb PA/MA	13.52	39.75	\$11,081	\$110,117.44	\$440,469.76
Comb COL/LOC	30.29	60.92	\$6,506	\$89,086.38	\$356,345.52
Totals:	43.81	100.67		\$209,203.82	\$836,815.27
SUFFOLK DISTRICT TOTALS					
Principal Arterials	200.90	836.72	\$11,081	\$2,317,923.58	\$27,271,694.32
Minor Arterials	492.33	1881.06	\$11,081	\$4,328,828.47	\$17,298,108.88
Collectors	480.07	1054.48	\$6,506	\$1,715,111.72	\$8,880,446.88
Locals	3308.21	6634.67	\$6,506	\$10,991,290.76	\$43,165,163.02
Totals:	4482.71	10086.93		\$19,148,852.52	\$76,595,410.88
Comb PA/MA	693.23	2297.78	\$11,081	\$6,642,450.05	\$26,569,300.18
Comb COL/LOC	3789.28	7689.15	\$6,506	\$12,506,402.48	\$50,025,609.90
Totals:	4482.71	10086.93		\$19,148,852.52	\$76,595,410.88

SRCP_97

VDOT
URBAN DIVISION
URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON
STATE FUNCTIONAL CLASSIFICATION
FY 96-97

SEPTEMBER 5, 1996

DISTRICT Municipality	CENTERLINE MILEAGE	LANE MILEAGE	RATE PER L/M	QUARTERLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
FREDERICKSBURG DISTRICT					
Fredericksburg					
Principal Arterials	7.20	26.72	\$11,001	\$74,021.08	\$296,084.32
Minor Arterials	8.15	18.50	\$11,001	\$91,249.63	\$204,998.50
Collectors	10.91	21.13	\$6,506	\$34,367.95	\$137,471.70
Locals	45.73	88.43	\$6,506	\$142,821.40	\$575,225.88
Totals:	71.99	154.78		\$303,470.05	\$1,213,860.10
Comb PA/MA	15.35	45.22	\$11,001	\$125,270.71	\$501,082.82
Comb COL/LOC	56.64	109.56	\$6,506	\$178,199.34	\$712,797.36
Totals:	71.99	154.78		\$303,470.05	\$1,213,860.10
FREDERICKSBURG DISTRICT TOTALS					
Principal Arterials	7.20	26.72	\$11,001	\$74,021.08	\$296,084.32
Minor Arterials	8.15	18.50	\$11,001	\$91,249.63	\$204,998.50
Collectors	10.91	21.13	\$6,506	\$34,367.95	\$137,471.70
Locals	45.73	88.43	\$6,506	\$142,821.40	\$575,225.88
Totals:	71.99	154.78		\$303,470.05	\$1,213,860.10
Comb PA/MA	15.35	45.22	\$11,001	\$125,270.71	\$501,082.82
Comb COL/LOC	56.64	109.56	\$6,506	\$178,199.34	\$712,797.36
Totals:	71.99	154.78		\$303,470.05	\$1,213,860.10

BRCPY_97

VDOT
URBAN DIVISION
URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON
STATE FUNCTIONAL CLASSIFICATION
FY 86-87

SEPTEMBER 5, 1986

DISTRICT Municipality	CENTERLINE MILEAGE	LANE MILEAGE	RATE PER L/M	QUARTERLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
CULPEPER DISTRICT					
Charlottesville					
Principal Arterials	14.66	43.92	\$11.081	\$121,659.38	\$486,677.52
Minor Arterials	13.09	30.71	\$11.081	\$46,074.30	\$348,297.51
Collectors	11.42	22.90	\$6,506	\$17,246.83	\$148,987.40
Locals	95.71	187.64	\$6,506	\$308,196.48	\$1,220,786.84
Totals:	134.88	285.17		\$543,187.07	\$2,196,748.27
Comb PA/MA	27.75	74.63	\$11.081	\$206,743.76	\$826,975.03
Comb COL/LOC	107.13	210.54	\$6,506	\$342,443.31	\$1,369,773.24
Totals:	134.88	285.17		\$549,187.07	\$2,196,748.27
Culpeper					
Principal Arterials	4.64	10.21	\$11.081	\$29,284.26	\$113,137.81
Minor Arterials	6.32	15.38	\$11.081	\$42,806.43	\$170,425.78
Collectors	1.71	5.42	\$6,506	\$8,815.63	\$39,282.52
Locals	30.31	60.83	\$6,506	\$398,940.90	\$395,759.96
Totals:	42.98	91.84		\$178,846.32	\$718,606.29
Comb PA/MA	10.96	25.59	\$11.081	\$70,090.70	\$281,662.79
Comb COL/LOC	33.02	66.25	\$6,506	\$107,755.62	\$431,022.50
Totals:	43.98	91.84		\$178,846.32	\$714,685.29
Orange					
Principal Arterials	0.00	0.00	\$11.081	\$0.00	\$0.00
Minor Arterials	9.51	22.19	\$11.081	\$61,471.85	\$245,887.39
Collectors	0.00	0.00	\$6,506	\$0.00	\$0.00
Locals	15.33	30.44	\$6,506	\$49,510.66	\$198,042.64
Totals:	24.84	52.63		\$110,982.51	\$443,930.03
Comb PA/MA	9.51	22.19	\$11.081	\$61,471.85	\$245,887.39
Comb COL/LOC	15.33	30.44	\$6,506	\$49,510.66	\$198,042.64
Totals:	24.84	52.63		\$110,982.51	\$443,930.03

SPCFY_97

VDOT
 URBAN DIVISION
 URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON
 STATE FUNCTIONAL CLASSIFICATION
 FY 95-97

SEPTEMBER 5, 1996

DISTRICT Municipality	CENTRAL MILEAGE	LANE MILEAGE	RATE PER L/W	QUARTERLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
Marion					
Principal Arterials	3.88	12.44	\$11,081	\$34,481.91	\$137,887.64
Minor Arterials	8.01	19.56	\$11,081	\$54,186.09	\$216,744.36
Collectors	1.04	2.88	\$6,506	\$3,383.12	\$13,532.48
Locals	19.22	38.14	\$6,506	\$62,834.71	\$248,138.84
Totals:	32.15	72.22		\$154,665.83	\$616,263.32
Comb PA/MA	11.89	32.00	\$11,081	\$88,668.00	\$354,592.00
Comb COL/LOC	20.26	40.22	\$6,506	\$65,417.83	\$261,671.32
Totals:	32.15	72.22		\$154,085.83	\$616,263.32
COLUMBIAN DISTRICT TOTALS					
Principal Arterials	21.18	66.57	\$11,081	\$184,415.54	\$737,882.17
Minor Arterials	36.93	87.84	\$11,081	\$243,338.76	\$973,388.04
Collectors	15.27	10.40	\$6,506	\$49,445.60	\$197,782.40
Locals	160.87	317.85	\$6,506	\$515,681.83	\$2,083,727.30
Totals:	234.25	501.66		\$992,881.73	\$3,971,526.91
Comb PA/MA	60.11	156.41	\$11,081	\$427,754.30	\$1,711,017.21
Comb COL/LOC	174.14	345.25	\$6,506	\$565,127.43	\$2,260,509.70
Totals:	234.25	501.66		\$992,881.73	\$3,971,526.91

SPCR_97

VDOT
URBAN DIVISION
URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON
STATE FUNCTIONAL CLASSIFICATION
FY 96-97

SEPTEMBER 5, 1996

DISTRICT Municipality	CENTERLINE MILEAGE	LANE MILEAGE	RATE PER L/M	QUARTERLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
STANWOM DISTRICT					
Bridgewater					
Principal Arterials	0.00	0.00	\$11,081	\$0.00	\$0.00
Minor Arterials	4.51	9.00	\$11,081	\$27,370.07	\$109,480.28
Collectors	0.00	0.00	\$6,506	\$0.00	\$0.00
Locals	15.93	31.81	\$6,506	\$51,412.67	\$205,654.66
Totals:	20.44	41.81		\$78,782.74	\$315,134.94
Comb PA/MA	4.51	9.00	\$11,081	\$27,370.07	\$109,480.28
Comb COL/LOC	15.93	31.81	\$6,506	\$51,412.67	\$205,654.66
Totals:	20.44	41.81		\$78,782.74	\$315,134.94
Swan Vista					
Principal Arterials	5.35	12.12	\$11,081	\$33,575.43	\$134,301.72
Minor Arterials	2.00	4.00	\$11,081	\$11,081.00	\$44,324.00
Collectors	7.09	14.18	\$6,506	\$23,887.77	\$95,551.08
Locals	29.67	59.34	\$6,506	\$96,516.51	\$386,066.04
Totals:	44.11	89.64		\$164,226.71	\$656,946.84
Comb PA/MA	7.35	16.12	\$11,081	\$44,656.43	\$178,625.72
Comb COL/LOC	36.76	73.52	\$6,506	\$119,580.28	\$478,321.12
Totals:	44.11	89.64		\$164,226.71	\$656,946.84
Clifton Forge					
Principal Arterials	0.00	0.00	\$11,081	\$0.00	\$0.00
Minor Arterials	6.84	12.68	\$11,081	\$35,071.37	\$140,285.46
Collectors	0.00	0.00	\$6,506	\$0.00	\$0.00
Locals	14.14	27.44	\$6,506	\$44,631.16	\$178,524.64
Totals:	20.98	40.10		\$79,702.53	\$318,810.10
Comb PA/MA	6.84	12.68	\$11,081	\$35,071.37	\$140,285.46
Comb COL/LOC	14.14	27.44	\$6,506	\$44,631.16	\$178,524.64
Totals:	20.98	40.10		\$79,702.53	\$318,810.10

SFCPT_97					
VDOT					
URBAN DIVISION					
URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON					
STATE FUNCTIONAL CLASSIFICATION					
FY 96-97					
DISTRICT	CENTERLINE	LANE	RATE PER	QUARTERLY	ANNUAL
Municipality	MILEAGE	MILEAGE	L/M	PAYMENT	PAYMENT
1	2	3	4	5	6
Covington					
Principal Arterials	3.84	8.28	\$11,001	\$22,937.67	\$91,780.68
Minor Arterials	2.23	4.46	\$11,001	\$12,355.32	\$49,421.26
Collectors	3.97	7.94	\$6,506	\$12,914.41	\$51,657.64
Locals	29.63	59.26	\$6,506	\$90,985.09	\$363,940.36
Totals:	37.67	76.97		\$139,112.48	\$554,449.92
Comb PA/MA	5.27	12.74	\$11,001	\$25,292.99	\$101,171.96
Comb COL/LOC	32.40	63.83	\$6,506	\$103,819.50	\$415,277.99
Totals:	37.67	76.97		\$139,112.48	\$554,449.92
Elkton					
Principal Arterials	0.00	0.00	\$11,001	\$0.00	\$0.00
Minor Arterials	0.98	1.96	\$11,001	\$5,429.69	\$21,718.76
Collectors	0.00	0.00	\$6,506	\$0.00	\$0.00
Locals	11.87	23.55	\$6,506	\$38,320.34	\$153,281.36
Totals:	12.85	25.52		\$43,750.03	\$175,000.12
Comb PA/MA	0.98	1.96	\$11,001	\$5,429.69	\$21,718.76
Comb COL/LOC	11.87	23.54	\$6,506	\$38,320.34	\$153,281.36
Totals:	12.85	25.52		\$43,750.03	\$175,000.12
Front Royal					
Principal Arterials	4.90	18.93	\$11,001	\$44,138.04	\$176,520.33
Minor Arterials	4.50	9.00	\$11,001	\$24,932.25	\$98,729.00
Collectors	6.83	13.24	\$6,506	\$21,834.85	\$86,139.44
Locals	47.99	95.71	\$6,506	\$198,673.32	\$622,449.36
Totals:	64.01	133.88		\$248,269.51	\$885,078.03
Comb PA/MA	9.40	24.93	\$11,001	\$69,062.33	\$276,249.33
Comb COL/LOC	54.61	108.95	\$6,506	\$177,207.18	\$708,428.70
Totals:	64.01	133.88		\$248,269.51	\$885,078.03

SFCFY_97

VDOT
URBAN DIVISION
URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON
STATE FUNCTIONAL CLASSIFICATION
FY 96-97

SEPTEMBER 5, 1996

DISTRICT Municipality	CENTRALINE MILEAGE	LANE MILEAGE	RATE PER L/M	QUARTERLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
Groton					
Principal Arterials	0.00	0.00	\$11,081	\$0.00	\$0.00
Minor Arterials	1.76	3.52	\$11,081	69,751.20	\$33,005.12
Collectors	0.25	0.50	\$6,506	\$613.25	\$1,282.00
Locals	16.38	32.76	\$6,506	652,140.77	\$209,362.00
Totals:	18.39	36.20		\$621,905.30	\$251,621.20
Comb MA/MA	1.76	3.52	\$11,081	69,751.20	\$33,005.12
Comb COL/LOC	16.63	32.68	\$6,506	\$83,194.02	\$212,618.00
Totals:	18.39	36.20		\$82,905.30	\$251,621.20
Harrisonburg					
Principal Arterials	10.10	20.20	\$11,081	\$102,114.13	\$404,486.50
Minor Arterials	15.13	30.26	\$11,081	\$113,823.37	\$459,318.29
Collectors	28.61	57.22	\$6,506	\$93,428.18	\$373,704.64
Locals	72.02	144.04	\$6,506	\$236,179.25	\$945,516.98
Totals:	125.86	250.36		\$544,749.10	\$2,178,996.42
Comb MA/MA	25.23	50.46	\$11,081	\$214,943.70	\$859,774.79
Comb COL/LOC	100.63	203.77	\$6,506	\$129,805.41	\$1,319,221.62
Totals:	125.86	250.36		\$544,749.10	\$2,178,996.42
Leesington					
Principal Arterials	4.89	9.78	\$11,081	\$23,478.48	\$117,901.84
Minor Arterials	1.04	2.08	\$11,081	\$6,782.12	\$23,048.48
Collectors	4.83	9.66	\$6,506	\$13,711.99	\$62,847.96
Locals	14.11	28.22	\$6,506	\$48,411.80	\$181,647.52
Totals:	24.87	50.30		\$90,384.40	\$385,445.80
Comb MA/MA	5.93	11.72	\$11,081	\$38,237.98	\$140,956.32
Comb COL/LOC	18.94	37.58	\$6,506	\$62,146.87	\$244,489.48
Totals:	24.87	50.30		\$96,361.45	\$385,445.80

SPCFY_97 VDOT URBAN DIVISION URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON STATE FUNCTIONAL CLASSIFICATION FY 96-97 SEPTEMBER 5, 1996					
DISTRICT Municipality	CENTERLINE MILEAGE	LANE MILEAGE	RATE PER 1/2M	QUARTERLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
Lexington					
Principal Arterials	0.35	1.40	\$11,081	\$2,878.35	\$15,813.40
Minor Arterials	8.13	19.26	\$11,081	\$50,544.77	\$202,339.08
Collectors	2.72	5.26	\$6,506	\$8,558.29	\$34,221.54
Locals	21.57	42.91	\$6,506	\$69,793.11	\$279,172.46
Totals:	32.77	67.83		\$132,411.62	\$521,346.48
Comb PA/MA	8.48	19.66	\$11,081	\$54,463.12	\$217,852.46
Comb COL/LOC	24.29	48.17	\$6,506	\$78,348.50	\$313,344.02
Totals:	32.77	67.83		\$132,811.62	\$531,196.48
Staunton					
Principal Arterials	6.09	15.77	\$11,081	\$43,586.84	\$174,747.37
Minor Arterials	18.46	47.71	\$11,081	\$122,169.62	\$488,474.61
Collectors	17.36	38.12	\$6,506	\$58,749.18	\$234,996.72
Locals	51.45	102.72	\$6,506	\$384,564.08	\$1,538,256.32
Totals:	124.16	262.32		\$649,268.73	\$2,597,074.92
Comb PA/MA	24.55	63.48	\$11,081	\$175,835.47	\$703,421.46
Comb COL/LOC	99.61	198.84	\$6,506	\$323,433.26	\$1,293,653.04
Totals:	124.16	262.32		\$499,268.73	\$1,997,074.92
Strasburg					
Principal Arterials	0.00	0.00	\$11,081	60.00	60.00
Minor Arterials	3.38	6.72	\$11,081	\$18,616.08	\$74,464.32
Collectors	1.83	3.65	\$6,506	\$8,582.99	\$34,311.96
Locals	9.97	19.75	\$6,506	\$30,486.88	\$121,987.53
Totals:	15.16	29.13		\$58,065.95	\$220,263.78
Comb PA/MA	3.38	6.72	\$11,081	\$18,616.08	\$74,464.32
Comb COL/LOC	11.80	22.41	\$6,506	\$38,449.87	\$148,793.46
Totals:	15.16	29.13		\$58,065.95	\$220,263.78

SPCFY_97

VDOT
URBAN DIVISION
URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON
STATE FUNCTIONAL CLASSIFICATION
FY 96-97

SEPTEMBER 5, 1996

DISTRICT Municipality	CENTERLINE MILEAGE	LANE MILEAGE	RATE PER L/M	QUARTERLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
Waynesboro					
Principal Arterials	10.32	22.65	\$11,081	\$90,448.66	\$361,794.66
Minor Arterials	8.18	20.80	\$11,081	\$57,821.20	\$230,484.80
Collectors	10.50	37.63	\$6,506	\$61,205.20	\$244,820.78
Locals	67.69	135.11	\$6,506	\$219,756.42	\$879,025.68
Totals:	104.69	226.19		\$429,031.47	\$1,716,125.89
Comb PA/MA	18.50	53.45	\$11,081	\$148,069.86	\$592,279.45
Comb COL/LOC	86.19	172.74	\$6,506	\$280,961.61	\$1,123,846.44
Totals:	104.69	226.19		\$429,031.47	\$1,716,125.89
Winchester					
Principal Arterials	4.76	13.07	\$11,081	\$38,207.17	\$144,828.67
Minor Arterials	10.25	25.28	\$11,081	\$70,031.92	\$280,127.68
Collectors	12.15	25.95	\$6,506	\$42,207.67	\$168,830.70
Locals	62.25	122.97	\$6,506	\$280,010.71	\$1120,042.82
Totals:	89.41	167.27		\$348,457.47	\$1,393,829.87
Comb PA/MA	15.01	38.35	\$11,081	\$108,239.09	\$424,956.35
Comb COL/LOC	73.40	148.92	\$6,506	\$240,218.38	\$968,873.52
Totals:	88.41	167.27		\$348,457.47	\$1,393,829.87
Woodstock					
Principal Arterials	0.00	0.00	\$11,081	\$0.00	\$0.00
Minor Arterials	3.20	6.56	\$11,081	\$18,172.84	\$72,691.36
Collectors	3.25	6.50	\$6,506	\$10,572.25	\$42,289.00
Locals	14.69	29.28	\$6,506	\$47,640.19	\$190,560.74
Totals:	21.22	42.35		\$76,385.28	\$305,541.10
Comb PA/MA	3.20	6.56	\$11,081	\$18,172.84	\$72,691.36
Comb COL/LOC	17.94	35.79	\$6,506	\$58,212.44	\$232,849.74
Totals:	21.22	42.35		\$76,385.28	\$305,541.10

SFPCPY_97		VDOT URBAN DIVISION URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON STATE FUNCTIONAL CLASSIFICATION FY 96-97					SEPTEMBER 5, 1996
DISTRICT Municipality	CENTERLINE MILEAGE	LANE MILEAGE	RATE PER L/M	QUARTERLY PAYMENT	ANNUAL PAYMENT		
1	2	3	4	5	6		
STAMFORD DISTRICT TOTALS							
Principal Arterials	49.80	146.36	\$11,081	\$405,859.79	\$1,623,839.16		
Minor Arterials	90.85	213.98	\$11,081	\$592,778.10	\$2,371,112.38		
Collectors	106.79	219.08	\$6,506	\$354,707.12	\$1,418,828.48		
Locals	308.58	1010.73	\$6,506	\$1,642,952.15	\$6,571,809.38		
Totals:	755.79	1589.15		\$2,996,897.15	\$11,987,569.40		
Comb RA/MA	140.45	360.34	\$11,081	\$998,231.89	\$3,992,927.56		
Comb COL/LOC	415.34	1228.81	\$6,506	\$1,998,665.47	\$7,994,637.96		
Totals:	755.79	1589.15		\$2,996,897.15	\$11,987,569.40		

SPCY_97

VDOT

URBAN DIVISION

URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON
STATE FUNCTIONAL CLASSIFICATION
FY 96-97

SEPTEMBER 5, 1998

DISTRICT Municipality	CENTERLINE MILEAGE	LANE MILEAGE	RATE PER L/M	QUARTERLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
NORTHWEST VIRGINIA DISTRICT					
Alexandria					
Principal Arterials	18.22	78.88	\$11,081	\$210,483.60	\$841,934.38
Minor Arterials	34.52	111.59	\$11,081	\$309,132.20	\$1,236,528.79
Collectors	11.70	23.45	\$6,506	\$39,792.03	\$165,168.10
Locals	142.84	289.87	\$6,506	\$471,146.28	\$1,884,593.82
Totals:	207.28	501.09		\$1,029,556.07	\$4,118,224.29
Comb PA/MA	52.74	187.57	\$11,081	\$613,615.79	\$2,476,462.17
Comb COL/LOC	154.54	313.52	\$6,506	\$509,940.28	\$2,039,781.12
Totals:	207.28	501.09		\$1,029,556.07	\$4,118,224.29
Dumfries					
Principal Arterials	8.00	0.00	\$11,081	\$0.00	\$0.00
Minor Arterials	2.20	5.28	\$11,081	\$14,409.30	\$57,621.20
Collectors	0.00	0.00	\$6,506	\$0.00	\$0.00
Locals	7.40	14.96	\$6,506	\$24,322.44	\$97,329.76
Totals:	9.60	20.16		\$24,737.74	\$154,960.96
Comb PA/MA	2.20	5.28	\$11,081	\$14,409.30	\$57,621.20
Comb COL/LOC	7.40	14.96	\$6,506	\$24,322.44	\$97,329.76
Totals:	9.60	20.16		\$24,737.74	\$154,960.96
Fairfax					
Principal Arterials	9.41	40.49	\$11,081	\$112,187.42	\$448,669.69
Minor Arterials	4.17	17.75	\$11,081	\$69,171.94	\$196,487.78
Collectors	1.44	4.89	\$6,506	\$7,953.58	\$31,814.34
Locals	82.82	165.80	\$6,506	\$172,083.70	\$688,334.80
Totals:	69.84	168.93		\$361,396.64	\$1,365,306.61
Comb PA/MA	15.58	58.24	\$11,081	\$281,359.36	\$645,157.44
Comb COL/LOC	54.26	110.69	\$6,506	\$280,037.28	\$720,149.14
Totals:	69.84	168.93		\$361,396.64	\$1,365,306.61

REC'D 97

VOOT
URBAN DIVISION
URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON
STATE FUNCTIONAL CLASSIFICATION
FY 96-97

SEPTEMBER 5, 1996

DISTRICT Municipality	CENTERLINE MILEAGE	LANE MILEAGE	RATE PER L/M	QUARTERLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
Falls Church					
Principal Arterials	1.77	14.02	\$11,081	\$28,628.91	\$115,355.62
Minor Arterials	3.47	8.09	\$11,081	\$23,300.91	\$89,202.05
Collectors	3.17	8.88	\$6,506	\$11,187.79	\$44,831.16
Locals	21.18	43.10	\$6,506	\$70,182.15	\$280,408.60
Totals:	31.79	72.03		\$142,399.36	\$569,597.43
Comb PA/MA	7.34	22.07	\$11,081	\$81,129.42	\$244,567.67
Comb COL/LOC	24.55	49.96	\$6,506	\$81,269.94	\$328,039.76
Totals:	31.79	72.03		\$142,399.36	\$569,597.43
Herndon					
Principal Arterials	0.00	0.00	\$11,081	\$0.00	60.00
Minor Arterials	8.41	24.43	\$11,081	\$57,677.21	\$270,708.83
Collectors	6.33	17.82	\$6,506	\$28,984.23	\$115,936.92
Locals	34.83	71.68	\$6,506	\$116,913.62	\$467,851.28
Totals:	47.57	114.13		\$213,574.26	\$854,297.03
Comb PA/MA	6.41	24.43	\$11,081	\$87,677.21	\$270,708.83
Comb COL/LOC	41.16	89.70	\$6,506	\$143,887.05	\$533,588.20
Totals:	47.57	114.13		\$213,574.26	\$854,297.03
Loudsburg					
Principal Arterials	3.29	3.48	\$11,081	\$26,261.87	\$105,047.88
Minor Arterials	6.65	18.64	\$11,081	\$81,627.46	\$206,549.84
Collectors	10.31	22.50	\$6,506	\$37,344.88	\$148,907.40
Locals	41.40	83.11	\$6,506	\$135,178.42	\$540,713.66
Totals:	61.65	124.13		\$250,324.70	\$1,001,298.78
Comb PA/MA	9.94	26.12	\$11,081	\$77,899.43	\$211,587.72
Comb COL/LOC	51.71	106.01	\$6,506	\$172,425.27	\$689,701.06
Totals:	61.65	124.13		\$250,324.70	\$1,001,298.78

SPCPY_97

VDOT
URBAN DIVISION
URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON
STATE FUNCTIONAL CLASSIFICATION
FY 96-97

SEPTEMBER 5, 1996

DISTRICT Municipality	CENTERLINE MILEAGE	LANE MILEAGE	RATE PER L/M	QUARTERLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
Manassas					
Principal Arterials	7.96	23.35	\$11,001	\$66,665.36	\$266,741.38
Minor Arterials	17.39	55.74	\$11,001	\$154,413.74	\$617,654.94
Collectors	6.80	14.98	\$6,506	\$24,366.97	\$97,453.68
Locals	52.86	121.76	\$6,506	\$192,082.64	\$772,170.64
Totals:	92.01	215.83		\$441,506.68	\$1,766,026.73
Comb PA/MA	28.35	79.09	\$11,001	\$219,099.07	\$876,396.29
Comb COL/LOC	66.66	136.74	\$6,506	\$222,407.61	\$889,630.44
Totals:	92.01	215.83		\$441,506.68	\$1,766,026.73
Manassas Park					
Principal Arterials	0.31	1.24	\$11,001	\$1,438.11	\$12,740.44
Minor Arterials	1.41	9.82	\$11,001	\$27,203.08	\$108,818.42
Collectors	1.43	2.86	\$6,506	\$4,491.79	\$18,607.16
Locals	13.95	28.98	\$6,506	\$47,135.97	\$189,543.88
Totals:	19.10	42.90		\$82,426.73	\$329,708.90
Comb PA/MA	1.72	11.06	\$11,001	\$30,638.97	\$122,848.85
Comb COL/LOC	15.38	31.84	\$6,506	\$51,787.76	\$207,191.04
Totals:	19.10	42.90		\$82,426.73	\$329,708.90
Vienna					
Principal Arterials	2.09	8.36	\$11,001	\$23,159.29	\$92,637.16
Minor Arterials	7.17	16.43	\$11,001	\$43,515.21	\$182,060.83
Collectors	5.83	11.36	\$6,506	\$18,314.39	\$73,287.56
Locals	45.32	90.52	\$6,506	\$147,230.78	\$588,923.12
Totals:	60.21	126.67		\$228,219.67	\$936,878.67
Comb PA/MA	9.26	24.79	\$11,001	\$88,674.80	\$374,697.39
Comb COL/LOC	50.95	101.79	\$6,506	\$165,548.17	\$662,180.68
Totals:	60.21	126.67		\$228,219.67	\$936,878.67

REC'D 97

VDOT
URBAN DIVISION
URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON
STATE FUNCTIONAL CLASSIFICATION
FY 96-97

SEPTEMBER 5, 1996

DISTRICT Municipality	CENTRELINE MILEAGE	LANE MILEAGE	RATE PER L/M	QUARTERLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
NOCKENOR VIRGINIA DISTRICT TOTALS					
Principal Arterials	45.05	172.92	\$11.081	\$479,031.83	\$1,916,128.82
Minor Arterials	57.39	267.65	\$12.081	\$743,457.41	\$2,965,829.65
Collectors	47.43	105.42	\$6,506	\$171,465.63	\$685,862.52
Locals	519.30	949.78	\$6,506	\$1,382,187.17	\$5,528,648.68
Totals:	599.17	1395.77		\$2,774,121.84	\$11,096,487.37
Comb SR/PA	132.44	440.57	\$11.081	\$1,220,489.04	\$4,881,956.17
Comb COL/LOC	466.73	955.20	\$6,506	\$1,553,632.80	\$6,214,531.20
Totals:	599.17	1395.77		\$2,774,121.84	\$11,096,487.37

SPCF_97
 VDOT
 URBAN DIVISION
 URBAN MUNICIPAL MILEAGE AND PAYMENTS BASED ON
 STATE FUNCTIONAL CLASSIFICATION
 FY 96-97
 SEPTEMBER 5, 1996

DISTRICT Municipality	CENTERLINE MILEAGE	LANE MILEAGE	RATE PER L/M	QUARTERLY PAYMENT	ANNUAL PAYMENT
1	2	3	4	5	6
STATEWIDE TOTAL BY FWC/CLASS					
Principal Arterials	597.67	2177.46	\$11,061	\$6,032,108.87	\$24,128,424.28
Minor Arterials	1184.60	3359.66	\$11,081	69,304,327.67	537,217,311.46
Collectors	991.46	2125.37	\$6,506	63,446,649.31	313,762,597.22
Locals	7146.25	14261.48	\$6,506	\$23,186,297.22	\$92,785,188.88
Totals:	9919.98	21912.97		\$41,973,392.56	\$167,893,531.82
Comb PA/MA	1782.27	5828.12	\$11,081	\$16,136,426.43	\$61,345,746.72
Comb COL/LOC	6137.71	16376.85	\$6,506	\$28,636,946.83	\$106,547,796.39
Totals:	9919.98	21912.97			\$167,893,531.82

CHESAPEAKE BAY BRIDGE TUNNEL	—	42.05	\$11,081	(See Note Below)	\$469,986.65
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NOTE: Chesapeake Bay Bridge Tunnel paid 1996 base annual amount in July of each year.
 Second and final payments made last quarter (September) based on new MCI.

ARLINGTON COUNTY
 FY 1996-97
 CONSTRUCTION AND MAINTENANCE
 ALLOCATION

CONSTRUCTION PAYMENT

	CONSTRUCTION ALLOCATION	FEDERAL AID TO BE ESCROWED	=	STATE FUNDS TO BE DISTRIBUTED
FY 1996-97 (33.1-23.4 C)	\$4,271,368	\$1,127,214		\$3,144,154
FY 1996-97 STP & EQUITY ADJUSTMENT	\$0	\$0		\$0
TOTAL				\$3,144,154

MAINTENANCE PAYMENT

(RATE PER LANE MILE x 1996 MCI)
 (7201 x 1.423 = 10,247)

(LANE MILES X RATE)
 (865.31 x 10,247)

TOTAL MAINTENANCE PAYMENT \$9,789,062

TOTAL ANNUAL CONSTRUCTION AND MAINTENANCE PAYMENT \$12,933,216

QUARTERLY PAYMENT \$3,233,304

HENRICO COUNTY
 FY 1996-97
 CONSTRUCTION AND MAINTENANCE
 ALLOCATION

CONSTRUCTION PAYMENT

	CONSTRUCTION ALLOCATION	FEDERAL AID TO BE ESCROWED	=	STATE FUNDS TO BE DISTRIBUTED
FY 1996-97 (33.1-23.4 C)	\$5,780,250	\$1,525,408		\$4,254,842
FY 1996-97 STP & EQUITY ADJUSTMENT	\$205,007	\$164,008		\$41,001
TOTAL				\$4,295,843

MAINTENANCE PAYMENT

(RATE PER LANE MILE x 1996 MCI)
 (3616 x 1.423 = 5145)

(LANE MILES X RATE)
 (2858.08 x 5145)

TOTAL MAINTENANCE PAYMENT \$14,704,719

TOTAL ANNUAL CONSTRUCTION AND MAINTENANCE PAYMENT \$19,000,562

QUARTERLY PAYMENT \$4,750,141

9/19/96

Item 8:

Moved by Mr. Martin, seconded by Mr. Byrd,
that

WHEREAS, in connection with Route 15 State Highway Project 7015-073-101, RW-201 the Commonwealth acquired certain lands from John R. Keeling, etal, by instrument dated February 9, 1990, recorded in Deed Book 254, Page 639, in office of the Clerk of the Circuit Court of Prince Edward County; and

WHEREAS, the Commonwealth is the apparent owner of old Route 684; and

WHEREAS, in accordance with Section 33.1-155 of the Code of Virginia (1950), as amended, a section of old Route 684 was abandoned by the Board of Supervisors of Prince Edward County by resolution dated June 11, 1996; and

WHEREAS, the Commonwealth Transportation Commissioner has certified in writing that a portion of the lands so acquired, containing 0.344 acre, more or less, and lying southeast of and adjacent to the southeast proposed right of way line of new Route 684 connector from a point approximately 40 feet opposite approximate Station 10+75 (Route 684 office revised centerline) to a point approximately 25 feet opposite approximate Station 15+05 (Route 684 office revised centerline) was acquired incidental to the construction, reconstruction, alteration, maintenance and repair of Route 684 and does not constitute a section of the public road and is deemed by him no longer necessary for the uses of the Secondary System of State Highways; and

WHEREAS, inasmuch as the land is suitable for independent development, it is proposed that the property be offered to a state agency, county, municipality or be advertised for public sale, reserving the right to reject any and all bids; and provided the high bid received is not satisfactory to the Department, a sale will be negotiated with any person or persons willing to pay an amount that is satisfactory.

9/19/96

NOW, THEREFORE, the conveyance of the said lands so certified, in accordance with the provisions of Section 33.1-154 of the Code of Virginia (1950), as amended, is approved and the Commonwealth Transportation Commissioner is hereby authorized to execute a deed, without warranty, in the name of the Commonwealth conveying same for a consideration satisfactory to the Director of Right a Way and Utilities subject to such restrictions as may be deemed appropriate.

Motion carried.

Moved by Mr. Martin, seconded by Mr. Byrd,
that

WHEREAS, in connection with Route 42, State Highway Project 2407-05, the Commonwealth acquired certain lands from Stillwater Worsted Mills, Inc. by deed dated October 9, 1953, recorded in Deed Book 398, Page 290, in the Office of the Clerk of the Circuit Court of Augusta County; and

WHEREAS, under Project 2407-05, a portion of old Route 42 was relocated, and the new location serves the same citizens as the old road; and

WHEREAS, in accordance with Section 33.1-148 of the Code of Virginia (1950), as amended, a section of old Route 42 was abandoned by the Commonwealth Transportation Board by resolution dated June 20, 1996; and

WHEREAS, the Commonwealth Transportation Commissioner has certified in writing that a portion of the lands containing 0.41 acre, more or less, and lying northwest of and adjacent to the northwest existing right of way of Route 42 from a point approximately 50 feet northwest of approximate Station 843+65 (Route 42 office revised B centerline) to a point approximately 50 feet opposite approximate Station 847+65 (Route 42 office revised B centerline), does not constitute a section of the public road and is deemed by him no longer necessary for the uses of the State Highway System; and

9/19/96

WHEREAS, the United States Department of Agriculture has requested that a portion of the right of way be conveyed to them.

NOW, THEREFORE, in accordance with the provisions of Section 33.1-149 of the Code of Virginia (1950), as amended, the conveyance of said lands, so certified, is hereby approved and the Commonwealth Transportation Commissioner is authorized to execute a deed without warranty, in the name of the Commonwealth conveying same to the United States Department of Agriculture for a consideration satisfactory to the Director of Right of Way and Utilities subject to such restrictions as may be deemed appropriate.

Motion carried.

Moved by Mr. Martin, seconded by Mr. Byrd,
that

WHEREAS, the Commonwealth is the apparent owner of a section of old Route 380 in Henrico County; and

WHEREAS, in accordance with Section 33.1-145, the Commonwealth Transportation Board at its meeting held August 15, 1996, abandoned a section of old Route 380; and

WHEREAS, the Commonwealth Transportation Commissioner has certified in writing that a portion of the lands comprising a section of old Route 380 of approximately 1.77 miles and lying in the grounds of the Elko Tract does not constitute a section of the public road and is deemed by him no longer necessary for the uses of the State Highway System; and

WHEREAS, the Department of General Services has requested the Commonwealth to quitclaim its interests in the excess lands.

9/19/96

NOW, THEREFORE, in accordance with the provisions of Section 33.1-149 of the Code of Virginia (1950), as amended, the conveyance of said lands, so certified, is approved and the Commonwealth Transportation Commissioner is hereby authorized to execute a quitclaim deed, in the name of the Commonwealth conveying same to the Department of General Services for a consideration satisfactory to the Director of the Right of Way and Utilities, subject to such restrictions as may be deemed appropriate, and to further execute a Deed of Bargain and Sale with the Department of General Services and the Industrial Development Authority of the County of Henrico, which provides for the granting of a temporary easement for ingress and egress over the lands of the Department of Transportation.

Motion carried.

Moved by Mr. Martin, seconded by Mr. Byrd,
that

WHEREAS, in connection with Route 637 (present Route 877), State Highway Project 1283-G, the Commonwealth acquired certain lands from Harold W. Davis, et al., by deed dated March 29, 1945, recorded in Deed Book 453, Page 372 in the Office of the Clerk of the Circuit Court of Fairfax County; and

WHEREAS, the Commonwealth Transportation Commissioner has certified in writing that a portion of the lands, so acquired, containing 0.905 acre, more or less, lying east of and adjacent to the east revised right of way of Routes 637 (present Route 877) and 617 from a point on the existing right of way line at approximate Station 106+90 (Route 617 centerline) to a point on the existing right of way line at approximate Station 117+60A (Route 637 [present Route 877] centerline) was acquired incidental to the construction, reconstruction, alteration, maintenance and repair of Route 637 and does not constitute a section of the public road and is deemed by him no longer necessary for the uses of the Secondary System of State Highways; and

9/19/96

WHEREAS, in order that the adjacent lands may be more fully developed, the adjoining landowner has requested that the excess right of way be conveyed.

NOW, THEREFORE, in accordance with the provisions of Section 33.1-154 of the Code of Virginia (1950), as amended, the conveyance of the said land, so certified, to the adjoining landowner is approved and the Commonwealth Transportation Commissioner is hereby authorized to execute a deed, without warranty, conveying same for a consideration satisfactory to the Director of Right of Way and Utilities, subject to such restrictions as may be deemed appropriate.

Motion carried.

Moved by Mr. Martin, seconded by Mr. Byrd,
that

WHEREAS, in connection with Route 654, State Highway Project 0654-020-114, C501, the Commonwealth acquired certain drainage easements from Grace F. Bailey by deed dated January 27, 1969, recorded in Deed Book 740, Page 250, in the Office of the Clerk of the Circuit Court of Chesterfield County, and

WHEREAS, the Commonwealth Transportation Commissioner has certified in writing that a portion of the drainage easement so acquired containing 0.069 acre, more or less, and lying west of and adjacent to the west proposed right of way of Route 654, from a point approximately 25 feet opposite approximate Station 79+34 (Route 654 centerline) to a point approximately 25 feet opposite approximate Station 79+54 (Route 654 centerline) was acquired incidental to the construction, reconstruction, alteration, maintenance and repair of Route 654 and does not constitute a section of the public road and is deemed by him no longer necessary for the uses of the Secondary System of State Highways; and

WHEREAS, the adjacent landowner has requested that the Commonwealth convey the drainage easement.

9/19/96

NOW, THEREFORE, in accordance with the provisions of Section 33.1-154 of the Code of Virginia (1950), as amended, the conveyance of the said easement, so certified, to the adjoining landowner is approved and the Commonwealth Transportation Commissioner is hereby authorized to execute in the name of the Commonwealth a deed, without warranty, conveying same for a consideration satisfactory to the Director of Right of Way and Utilities subject to such restrictions as may be deemed appropriate.

Motion carried.

Item 9:

Moved by Mrs. Lionberger, seconded by Mr. Byrd, that the Board approve the bids received August 27, 1996, listed for award on the attached sheets numbered 13 A through 13 M and authorize execution of contracts by the Deputy Commissioner or Chief Engineer, and approve rejection of those bids listed for rejection and authorize readvertisement.

Motion carried.

BID RESULTS

AUGUST 27, 1996

Job Des.	Project No.	Ric. No.	Location and Work Type	RECOMMENDATION	Contractor	No. of Bids	Bid
1 100-56A	0064-907-1006CS01; 0064-902-1006CS01; M071-96-P01A.006; M071-96-P01A.007; CONSTRUCTION & MAINTENANCE FUNDS	64	From: M.P. 95 To: M.P. 110 CULPEPER & STAUNTON DISTRICTS	AWARD	S. ROCK/STARBROOK CORPORATION ALDIE, VA.	4	\$5,274,331.55
2 2626	1A-064-2(197); 1A-064-2(140)	1-69 69L WBL	From: Ric. 199 To: Ric. 156 HENRICO CO. Pole, Removal of Poles, Shoulder Repair & Clean & Repair Transverse & Longitudinal Signs	AWARD	CENTRAL ATLANTIC CONTRACTORS, INC. ABERDEEN, MD.	3	\$831,807.10

Awarded 2 Interstate Projects @ \$6,106,138.65

BID RESULTS

AUGUST 27, 1996

Job Des.	Project No.	Rtn. No.	Location and Work Type	RECOMMENDATION	Contractor	No. of Bids	Bud
1	31-666	60	From: W.C.L. Damages To: Pla. 64 W. Signal Ramp ALLEGHENY CO. 43 MB Safety Upgrade of Fixed Objects (Chain, Trees & Guardrail)	AWARD	MAKCO, INC. CHARLOTTEVILLE, VA.	2	\$117,898.60
2	11E-882	50	Various Locations FREDERICK CO. Safety Improvement Project	AWARD	DUB, INC. HELLSVILLE, VA.	1	\$166,239.00
3	12E-664	7	WBL Inc. Power Rehabilitation Div. (0.01 Mi. 39' Int. Exp. 285)	AWARD	ASSOCIATED MARJON, INC. & UNITED MARJON, INC. ASHLAND, VA.	7	\$1,942,408.50
4	131-664	11	2.0 Mi. S. Maryland State Line CLARKE CO. Deck Replacement & Repair	AWARD	MERVIN L. BLADON & BONE, INC. POCONOKE CITY, MD		\$171,900.00
	STP-003-(001)		ACCOMACK CO. Addition & Renovation of Haberman Clinic				

BID RESULTS

AUGUST 27, 1996

Job Des.	Project No.	Ric. No:	Location and Work Type	RECOMMENDATION	Contractor	No. of Bids	Bid
5	204-96A 0002-016-189 (R60) CONSTRUCTION FUNDS	2	Rte. 2 over Campbell Cr. At Revison Road (3.22 Mi. N. Rte. 287) CABLING CO. Bt. Wild, New Septonic & Approach Work	AWARD	DONALD H. BELYAGE, INC. AMHERST, VA.	5	\$222,953.00
6	202-96A 0015-050-112 (R6) CONSTRUCTION FUNDS	15	From: 0.243 MI N. Rte. 1579 Bypass To: 1.406 MI N. Rte. 1579 Bypass FAUCQUIER CO. 1.144 MI Landscaping	AWARD	BURLEIGH CONSTRUCTION CO., INC. CONCORD, VA.	3	\$204,878.00
7	205-96A 0081-025-189 (R3) CONSTRUCTION FUNDS	80	From: 0.09 MI S. Rte. 611 To: 27 MI N. Rte. 611 DICKENSON CO. 0.36 MI. Wet Land Use Grade, Drain, Sub. & App. Piers	AWARD	MC FALL EXCAVATING, INC. CLINTWOOD, VA.	9	\$469,715.00
8	206-96A 0020-062-111 (CS8), 2018 CONSTRUCTION FUNDS	230	From: 0.11 MI N. Rte. 715N To: 0.20 MI S. Rte. 715S ROANOKE CO. 1.257 MI. Grade, Drain, App. Piers & Drain. Wk.	AWARD	ENGLISH CONSTR. CO., INC. LYNCHBURG, VA.	3	\$1,969,179.15

BID RESULTS

AUGUST 27, 1996

Job Des.	Project No:	Ric. No:	Location and Work Type	RECOMMENDATION	Contributor	No. of Bids	Bid
9 214-96A	6250-037-104(CS01), B601; 6250-041-14(CS01), D601 CONSTRUCTION FUNDS	230	From: 0.088 MI. W. Goodland/Henrico CL To: 0.639 MI. W. Int. Rte. 270 (Green Pump) GOCCLELAND & HENRICO CO. 1.52 MI. W/1/4 to 6 Lanes w/Hand Installation Curb, Drain, App. Pipe, Islands, Lights, Br. & Drain. Sig.	AWARD	BRANCIE HIGHWAYS, INC. ROANOKE, VA.	8	\$3,290,809.40
10 214-96A	6250-041-506(N50); 6250-048-812(N50); 6250-045-814(N50) CONSTRUCTION FUNDS	259 & 330	Various Locations	AWARD	MAXCO, INC. CHARLOTTEVILLE, VA.	6	\$137,761.90
11 244-96A	879-255-8002		ROCKINGHAM & HIGHLAND CRT. 3.1 MI. Quadrad Safety Project				
12 304A	6050-058-1021(B07) MAINTENANCE FUNDS	58	Rte. 31 over BUBBLE Cr. (1.9 MI. NW Int. Rte. 40) MCKENZIEBURG CO. Specialty Repairs/Replacement of Aluminum Br. Deck	AWARD	D. W. LYLE CORP. MCKENNEY, VA.	8	\$314,746.23
13 d	6050-057-313(N50) CONSTRUCTION FUNDS	58	From: 407 E. Int. Rte. 58 to 308 To: Int. Rte. 58 to 308 SOUTHAMPTON CO. Cement: Right Turn Lane Int. Rte. 58 to 308	AWARD	B. P. BRIDIT & SON PAVING CO., INC. PETERSBURG, VA.	3	\$42,445.00

Awarded 12 Primary projects @ \$13,693,534.38

BID RESULTS

AUGUST 27, 1976

Job Desc.	Project No.	Rte. No.	Location and Work Type	RECOMMENDATION	Contractor	No. of Bids	Bid
1 135-96B	0631-017-304,N501 CONSTRUCTION FUNDS	638	From: 0.25 MI. N. Rte. 628 To: 0.25 MI. N. Rte. 628 CARROLL CO. 0.90 MI. W/d. Includes Gravel, Drain & App. Pave.	AWARD	H. D. CROWDER & BONS, INC. HILLSVILLE, VA.	7	\$184,496.10
2 178-96A	0635-014-491,N501 CONSTRUCTION FUNDS	659	From: 0.50 MI. E. Rte. 602 To: 1.21 MI. E. Rte. 602 BUCKINGHAM CO. 0.71 MI. Gravel, Drain & App. B.T. Pave.	AWARD	D. S. NASH CONSTR. CO. APPOMATTOX, VA.	7	\$144,157.70
3 187-96A	0614-004-455,N501 CONSTRUCTION FUNDS	614	From: Rte. 40 To: Dead End CLIMBERLAND CO. 0.446 MI. Gravel, Drain, Sub. & App. & T. Pave.	AWARD	D. S. NASH CONSTR. CO. APPOMATTOX, VA.	4	\$189,496.04
4 196-96A	0673-196-353,C561 CONSTRUCTION FUNDS	672	From: 0.483 MI. W. of E.C.L. Cliftonwood To: 0.099 MI. W. of E.C.L. Cliftonwood TOWN OF CLIFTONWOOD 0.473 MI. Gravel, Drain, App. Pave. & LINK.	AWARD	H. S. JONES AND ASSOCIATES, INC. ABINGDON, VA.	7	\$388,711.40

SECONDARY

BID RESULTS

AUGUST 27, 1996

Job Des.	Project No.	Ric. No.	Location and Work Type	RECOMMENDATION	Contractor	No. of Bids	Bid
5 191-86A	0685-071-277(2)81, 286A CONSTRUCTION FUNDS	685	From: 2.391 Mi. E. Int. Rte. 701 To: 0.983 Mi. E. Int. Rte. 699 PITTSYLVANIA CO. 3.150 Mi. Grade, Drain, App. S.T. Pave. & Drain. Str.	AWARD	D. S. NASH CONSTR. CO. APPROMATTOX, VA.	6	\$1,499,390.10
6 191-86A	0673-044-165(2)83 CONSTRUCTION FUNDS	673	From: 0.014 Mi. N. Int. Rte. 37 To: 0.378 Mi. N. Int. Rte. 37 HENRY CO. 0.417 Mi. Grade, Drain, App. Pave., Pave. & Util.	AWARD	CARNELL CONSTRUCTION CORPORATION MARTINSVILLE, VA.	4	\$507,357.50
7 199-86A	0639-061-278(1)84 CONSTRUCTION FUNDS	589	From: Int. Rte. 125 To: Int. Rte. 337 CITY OF SUFFOLK 2.88 Mi. Grade, Drain, App. Pave., Util. & Pave. Markings	AWARD	ROUNDTREE CONSTR. CO., INC. SUFFOLK, VA.	3	\$1,153,888.08
8 204-86A	0686-008-148(2)81 CONSTRUCTION FUNDS	689	From: 0.200 Mi. N. W. Cox Transportation To: 0.214 Mi. E. E. Cox Transportation ORANGE CO. 0.620 Mi. Grade, Drain, App. S.T. Pave. & App. Pave.	AWARD	R. W. HARBUR EXCAVATING, INC. MADISON HEIGHTS, VA.	3	\$396,377.74

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BID RESULTS

AUGUST 27, 1996

Job Desc.	Project No.	Rte. No.	Location and Work Type	RECOMMENDATION	Contractor	No. of Bids	Bid
9 205-96A	0690-052-PPAUN061 CONSTRUCTION FUNDS	690	From: Tennessee State Line To: Rte. 755 LSM CO. 1.711 Mi. Gravel, Drain & App. S.T. Pave.	AWARD	ERTES BROTHERS CONSTR., INC. KINGSVILLE, VA.	4	\$277,589.00
10 207-96A	0692-001-PPZAN001 CONSTRUCTION FUNDS	692	From: 3.45 Mi. E. Rte. 604 To: 3.60 Mi. E. Rte. 604 TASWELL CO. 0.146 Mi. Gravel, Drain & App. S.T. Pave.	AWARD	ELK KNOB, INC. PENNINGTON GAP, VA.	8	\$40,957.90
11 208-96A	0638-041-PP10N089 CONSTRUCTION FUNDS	628	From: 2.00 Mi. S. Rte. 639 To: 1.30 Mi. S. Rte. 639 BUCHANAN CO. 0.902 Mi. Gravel, Drain & App. S.T. Pave.	AWARD	MAC CONSTRUCTION, INC. OAKWOOD, VA.	5	\$102,978.50
12 212-96A	0762-025-022M061 CONSTRUCTION FUNDS	707	From: 8.86 Mi. E. Rte. 885 To: 0.14 Mi. W. Rte. 885 DICKENSON CO. 0.403 Mi. Gravel, Drain, Sub & App Pave.	AWARD	ELK KNOB, INC. PENNINGTON GAP, VA.	7	\$139,649.00

BID RESULTS

AUGUST 27, 1996

Job Des.	Project No.	Rate No.	Location and Work Type	RECOMMENDATION	Contractor	No. of Bids	Bid
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13	3610	0617-091-5316 0614-092-6003 CONSTRUCTION FUNDS	697 Various Locations & 694	AWARD	D & D CONSTRUCTION COMPANY CHILHOWIE, VA.	3	\$132,763.90
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SECONDARY

TRISWELL CO.
Rt. 2, C. Ty. D. & Change Intersections

14	3680	0765-016-5601-002 CONSTRUCTION FUNDS	785 From: 0.48 Mi. N. Rte. 661 To: 0.60 Mi. N. Rte. 661	AWARD	REDROCK TRUCKING, INC. KING GEORGE, VA	2	568,601.50
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CAROLINE CO.
Residential Excavating Unimproved
Roadway, 0.28 Mi. x 1/2 Yrd. Depth
Aggr. & 1/2 Mi. Surf. Traveler. Seal Ty.
D)

15	3692	0657-009-5901 CONSTRUCTION FUNDS	857 From: 0.35 Mi. W. Rte. 656 To: Rte. 656	AWARD	B. P. SHORT & SON PAVING CO., INC. PETERSBURG, VA.	2	564,622.85
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CRISFIELDCO.
Quality Drain 6.25 Mi. x 1/2 Yrd. Depth
Aggr. Base, Prime & Seal. Seal

16	3693	ACS-2686 CONSTRUCTION FUNDS	600 From: Resolving City Limits To: Rte. 106	AWARD	B. P. SHORT & SON PAVING CO., INC. PETERSBURG, VA.	1	\$37,890.75
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PRENCE OBERGEE CO.
Furnish, Deliver & Apply Asp. Coat. &
Stitching Stone

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BID RESULTS

AUGUST 27, 1996

Job Des.	Project No.	Ric. No.	Location and Work Type	RECOMMENDATION	Contractor	No. of Bids	Bid
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SECONDARY

17 3684 0697-007-362,N501 CONSTRUCTION FUNDS 637 Farm E. Rte 652 AWARD A. R. COFFEY & SONS, INC. 9 \$174,997.77
 To: 1.16 MI. E. Rte. 653 BUCHANAN, VA

ALBERTA CO.

1.16 MI. Onda, Drain, App. Sub. & Surf. Treatment

18 3685 0783-017-P21,N461; 0823-017-P21,N394; 0995-017-P21,N461 CONSTRUCTION FUNDS 711 Various Locations AWARD STRICKLAND CONSTRUCTION, INC. 5 \$296,999.99
 903 & 908 FANCY GAP, VA.

CARROLL CO.

2.50 MI. Grub, Drain, Sub. & Inlets.

19 3686 1413-008-181,N562 CONSTRUCTION FUNDS 1415 Farm Rte 221 AWARD D. S. NASH CONSTR. CO. 6 \$216,165.00
 To: 0.34 MI. W. Rte. 221 APPROXATON, VA.

BEDFORD CO.

0.34 MI. Onda, Drain, Pave. & Inlets.

20 3687 0823-017-P18,N901; 0783-017-P19,N501 CONSTRUCTION FUNDS 767 Rte. 767 - Farm; 1.00 MI. E. Rte. 751 AWARD STRICKLAND CONSTRUCTION, INC. 10 \$179,531.54
 & 769 To: 0.58 MI. E. Rte. 753 FANCY GAP, VA.
 Rte. 769 - Farm Rte 71
 To: Rte. 776

CARROLL CO.

1.10 MI. Onda, Drain, Sub. & Inlets.

13 1

BID RESULTS

AUGUST 27, 1996

Job Des.	Project No.	Rte. No.	Location and Work Type	RECOMMENDATION	Contractor	No. of Bids	Bid
21	600-048-141-001 CONSTRUCTION FUNDS	629	From Rte 707 To 4.20 MI W. Rte. 600 ORANGE CO. 1.20 MI. SW of Vm. Death Ave. Bus. Rd. (Rt. 707), N. of 21A Village Corp. Serv. Center, Orange & I-77	AWARD	R. W. HARRIS EXCAVATING, INC. MADISON HEIGHTS, VA.	4	\$380,995.30
22	0050-008-107-002, 0753-008-151-001, 0729-008-151-001 CONSTRUCTION FUNDS	Var.	Various Locations SPOTSYLVANIA CO. Asp Conc Surf Treat.	AWARD	WHITEHURST PAVING COMPANY, INC. RICHMOND, VA.	2	\$37,663.36
23	015-001-397-000 CONSTRUCTION FUNDS	815	From Int. Rtes. 87 & 815 To 6.30 MI S. E. Rte. 337 CITY OF SUFFOLK Gravel, Drain, Pave. & Utilities	AWARD	THE BLAIR BROTHERS, INC. SUFFOLK, VA.	4	\$67,333.30

Awarded 23 Secondary Projects @ \$7,115,619.00

BID RESULTS

AUGUST 27, 1996

Job Des.	Project No.	Ric. No.	Localing and Work Type	RECOMMENDATION	Contractor	No. of Bids	Bid
1	211-96A	U900-1274-14-C301 CONSTRUCTION FUNDS	Wentz Farm: 0.195 MI. N. Hill St Rd at RA To: 0.140 MI. S. Broad Bank Rd. CITY OF RICHMOND 1.25 MI. Quail Drive, App. Park, Ponding, Slacks, U.S. Park, Kirtle, & Demol. of 6th St.	URBAN AWARD	BLAKEMORE CONSTR. CORP. RICHMOND, VA.	6	\$5,619,909.93
2	200-96A	U900-148-105-C501, B401 CONSTRUCTION FUNDS	Second Farm: 1st. Ric. 23 Street To: 0.081 MI. E. 1st. Ric. 23 CITY OF MORTON Rt. 4, Approaches over Quail Rd.	REJECT	CONCRETE, INC. LEBANON, VA.	3	\$642,351.90
3	285-96A	R900-137-039-A201, A482 CONSTRUCTION FUNDS	9999 To: Ric. 228 Bus. AND M302 - From: 0.17 MI. S. Bus St. To: Weaver St. TOWN OF ROCKY MOUNT 0.832 MI. Quail, Drive, Park, & Kirtle	REJECT	H. T. BOWLING, INC. RADFORD, VA.	4	\$1,064,934.92

Awarded 1 Urban Project @ \$5,619,909.93 & Rejected 2 @ \$1,707,486.82

BID RESULTS

AUGUST 27, 1996

Job Des.	Project No.	Rel. No.	Location and Work Type	RECOMMENDATION	Contractor	No. of Bids	Bid
1	26-9800-501 CONSTRUCTION FUNDS	Var.	Various Locations PRINCE WILLIAM CO. Install Traffic Signals	AWARD	PHILLIP C. CLARKE ELECTRICAL CONTRACTOR, INC. WOODBRIDGE, VA.	3	\$229,003.20
2	NRV-94-QRR-111 MAINTENANCE FUNDS	Var.	Various Locations FAIRFAX CO. General Maintenance	AWARD	L. B. LEE, INC. RICHMOND, VA	4	\$356,397.00
3	NRV-96-ORL-112 MAINTENANCE FUNDS	Var.	Various Locations FAIRFAX CO. General Repaints	AWARD	L. B. LEE, INC. RICHMOND, VA	3	\$284,444.00
4	NRV-94-FBA-115 CONSTRUCTION & MAINTENANCE FUNDS	Var.	Various Locations STAFFORD & SPOTSYLVANIA COS. Asph. Conc. Overlay	AWARD	APAC-VIRGINIA, INC. MANASSAS, VA	2	\$883,063.95

BID RESULTS

AUGUST 27, 1996

Job Des.	Project No:	R.F. No:	Location and Work Type	RECOMMENDATION	Contractor	No. of Bids	Bid
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\$ 1894	MST-96-0008-004 MAINTENANCE FUNDS	Var	Various Locations	AWARD	LANFORD BROTHERS COMPANY, INC. ROANOKE, VA.	4	\$771,841.16
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MISCELLANEOUS

STANTON DISTRICT
Regional B. Repairs

Awarded 5 Miscellaneous Projects @ \$2,725,851.31

9/19/96

Item 10:

Moved by Mr. Newcomb, seconded by Mr. Myers, that

WHEREAS, in accordance with its needs and schedules for implementing its program objectives, the Department has determined that in order to perform the necessary activities to meet those objectives for all types of surveying, including photogrammetry and aerial photography, in the Salem and Staunton Districts, it is necessary to supplement its staff; and

WHEREAS, in accordance with Department policy and State procurement procedures, a firm proposal has been received from Anderson & Associates, for said services; and

WHEREAS, careful review and consideration has been made of the scope of work and services required and just compensation has been established for these services and is set forth in the Memorandum of Agreement.

NOW, THEREFORE, BE IT RESOLVED that the Board authorizes the execution of the Agreement with the firm of Anderson & Associates which establishes a maximum total compensation not to exceed \$3,500,000.00.

Motion carried.

Moved by Mr. Newcomb, seconded by Mr. Myers, that

WHEREAS, in accordance with its needs and schedules for implementing its program objectives, the Department has determined that in order to perform the necessary activities to meet those objectives for providing construction inspection services for the Salem District for a period of three (3) years, it is necessary to supplement its staff; and

WHEREAS, in accordance with Department policy and State procurement procedures, a firm proposal has been received from McDonough Bolyard Peck, for said services; and

9/19/96

WHEREAS, careful review and consideration has been made of the scope of work and services required and just compensation has been established for these services and is set forth in the Memorandum of Agreement.

NOW, THEREFORE, BE IT RESOLVED that the Board authorizes the execution of the Agreement with the firm of McDonough Bolyard Peck for services for services for three (3) years, with a maximum total compensation not to exceed \$2,500,000.00.

Motion carried.

Moved by Mr. Newcomb, seconded by Mr. Myers, that

WHEREAS, in accordance with its needs and schedules for implementing its program objectives, the Department has determined that in order to perform the necessary activities to meet those objectives for providing construction inspection services for various construction projects in the Staunton District for a period of three (3) years, it is necessary to supplement its staff; and

WHEREAS, in accordance with Department policy and State procurement procedures, a firm proposal has been received from Rummel Klepper & Kahl, for said services; and

WHEREAS, careful review and consideration has been made of the scope of work and services required and just compensation has been established for these services and is set forth in the Memorandum of Agreement.

NOW, THEREFORE, BE IT RESOLVED that the Board authorizes the execution of the Agreement with the firm of Rummel Klepper & Kahl for services for services for three (3) years, with a maximum total compensation not to exceed \$5,000,000.00.

Motion carried.

9/19/96

Moved by Mr. Newcomb, seconded by Mr. Myers, that

WHEREAS, in accordance with its needs and schedules for implementing its program objectives, the Department has determined that in order to perform the necessary activities to meet those objectives for providing traffic analysis, bridge design and complete utility, sign, signal, pavement marking, right of way and construction plans for Project R000-061-F01, PE-101 located in the City of Suffolk, it is necessary to supplement its staff; and

WHEREAS, in accordance with Department policy and State procurement procedures, a firm proposal has been received from Rust Environment & Infrastructure, for said services; and

WHEREAS, careful review and consideration has been made of the scope of work and services required and just compensation has been established for these services and is set forth in the Memorandum of Agreement.

NOW, THEREFORE, BE IT RESOLVED, that the Board authorize the execution of the Agreement with the firm of Rust Environment & Infrastructure, which establishes a compensation of \$2,095,527.00 for services and expenses, plus a net fee of \$129,540.00, making the maximum total compensation not to exceed \$2,225,067.00.

Motion carried.

Moved by Mr. Newcomb, seconded by Mr. Myers, that

WHEREAS, the Department currently has a Memorandum of Agreement with the firm of Parsons Brinckhoff Guade and Douglas, Inc., and it has been determined that a change in the scope of services is necessary to perform alignment modifications, extend roadway design, design storm water management facilities, perform a major investment study (MIS), update survey, and complete construction plans for Projects 0168-131-102, PE-102, 0168-131-102, PE-103, and 0168-131-109, PE-101; located in the City of Chesapeake; and

9/19/96

WHEREAS, after careful review of the additional services required, a firm proposal has been received and just compensation for these additional services has been established and is outlined in this Supplemental Agreement No. 4.

NOW, THEREFORE, BE IT RESOLVED that the Board authorizes the execution of this Supplemental Agreement and it shall become a part of the Original Agreement and previous Supplemental Agreements, which currently have a maximum compensation of \$3,464,339.60.

This Supplemental Agreement No. 4 is in the amount of \$2,215,743.00 for services and expenses, plus a net fee of \$140,463.00, making the total for this Supplement \$2,356,206.00. The total maximum compensation of the Agreement, including all supplements, is now \$5,820,545.60.

Motion carried.

Moved by Mr. Newcomb, seconded by Mr. Myers, that

WHEREAS, in accordance with its needs and schedules for implementing its program objectives, the Department has determined that in order to perform the necessary activities to meet those objectives for providing the design of Hampton Boulevard (Route 337) underpass at the Norfolk Portsmouth Beltline in the vicinity of Greenbrier Avenue in the City of Norfolk for Project 0337-122-F14, PE-101, RW-201, C-501, B-606, it is necessary to supplement its staff; and

WHEREAS, in accordance with Department policy and State procurement procedures, a firm proposal has been received from Ralph Whitehead Associates, Inc., for said services; and

WHEREAS, careful review and consideration has been made of the scope of work and services required and just compensation has been established for these services and is set forth in the Memorandum of Agreement.

9/19/96

NOW, THEREFORE, BE IT RESOLVED that the Board authorize the execution of the Agreement with the firm of Ralph Whitehead Associates, Inc., which establishes a compensation of \$1,417,210.00 for services and expenses, plus a net fee of \$40,930.00, making the maximum total compensation not to exceed \$1,458,140.00.

Motion carried.

Moved by Mr. Newcomb, seconded by Mr. Myers, that

WHEREAS, the Department currently has a Memorandum of Agreement with the firm of Patton, Harris, Rust & Associates, P.C., and it has been determined that a change in the scope of services is necessary to change the typical section on a portion of Route 610 (Cardinal Drive), add a right turn lane, provide additional survey and prepare property plats for Project 0610-076-182, C-502, in Prince William County; and

WHEREAS, after careful review of the additional services required, a firm proposal has been received and just compensation for these additional services has been established and is outlined in this Supplemental Agreement No. 1; and

NOW, THEREFORE, BE IT RESOLVED that the Board authorizes the execution of this Supplemental Agreement and it shall become a part of the Original Agreement, which currently has a maximum compensation of \$960,061.00.

This Supplemental Agreement No. 1 is in the amount of \$304,700.00 for services and expenses, plus a net fee of \$27,134.00, making the total for this Supplement \$331,834.00. The total maximum compensation of the Agreement, including all supplements, is now \$1,291,895.00.

Motion carried.

9/19/96

NOW, THEREFORE, BE IT RESOLVED that the location and major design features of this project be approved in accordance with the plan as proposed and presented at the said Location and Design Public Hearing by the Department's Engineers with modification in the final design phase to provide a typical section with 9-foot travel lanes, 2-foot shoulder widths and 3-foot ditch widths with:

* Reduce the horizontal degree of curvature to a 10 degree curve at the Bourne property (approximate station 208+00), and at the Osachuk property (approximate station 236+20);

* Revise the vertical curves located at the Rhyne property (approximate station 218+50) and at the Fraley property (approximate station 221+50) to improve alignment; and

* Adjust crests and sag on the vertical alignment beginning at the Waldrop property (approximate station 247+00) and continuing through the intersection of Route 617 and Route 33.

Motion carried.

Moved by Mr. Rich, seconded by Mr. White, that

WHEREAS, in accordance with the statutes of the Commonwealth of Virginia and policies of the Commonwealth Transportation Board, a Combined Location and Design Public Hearing was held in the Jack Jouett Middle School, 2065 Lambs Road (Route 657), Albemarle County, on March 14, 1996, from 4:30 p.m. to 8:00 p.m., for the purpose of considering the proposed location and major design features of Route 631 from 0.093 mile South of Hydraulic Road (Route 743) to 0.321 mile North of Route 29, State Project 0631-002-185,C-501; and

WHEREAS, proper notice was given in advance, and all those present were given a full opportunity to express their opinions and recommendations for or against the proposed project as presented, and their statements being duly recorded; and

WHEREAS, the economic, social, and environmental effects of the proposed project have been examined and given proper consideration, and this evidence, along with all other, has been carefully reviewed.

9/19/96

NOW, THEREFORE, BE IT RESOLVED that the location and major design features of this project be approved in accordance with the plan as proposed and presented at the said Location and Design Public Hearing by the Department's Engineers.

Motion carried.

Moved by Mr. Rich, seconded by Mr. White, that

WHEREAS, in accordance with the statutes of the Commonwealth of Virginia and policies of the Commonwealth Transportation Board, a Combined Location and Design Public Hearing was held in the Youth Development Center, 3 Battaile Drive, Winchester, Virginia, on April 24, 1996, from 4:00 p.m. to 7:00 p.m., for the purpose of considering the proposed location and major design features of Route 652 from 0.024 mile East of Route 11 to 0.346 mile East of Route 11 in Frederick County, State Project 0652-034-224,M-501; and

WHEREAS, proper notice was given in advance, and all those present were given a full opportunity to express their opinions and recommendations for or against the proposed project as presented, and their statements being duly recorded; and

WHEREAS, the economic, social, and environmental effects of the proposed project have been examined and given proper consideration, and this evidence, along with all other, has been carefully reviewed.

NOW, THEREFORE, BE IT RESOLVED that the location and major design features of this project be approved in accordance with the plan as proposed and presented at the said Location and Design Public Hearing by the Department's Engineers.

Motion carried.

9/19/96

Moved by Mr. Rich, seconded by Mr. White, that

WHEREAS, in accordance with the statutes of the Commonwealth of Virginia and policies of the Commonwealth Transportation Board, a Combined Location and Design Public Hearing was held in the Mary Bethune County Office Complex, Cowford Road, Halifax, Virginia, on April 17, 1996, from 4:00 p.m. to 7:00 p.m., for the purpose of considering the proposed location and major design features of Route 658 from 0.26 kilometer (0.16 mile) East of Intersection with Route 691 to 0.15 kilometer (0.09 mile) West of Intersection with Route 662 in Halifax County, State Project 0658-041-287, C-501; and

WHEREAS, proper notice was given in advance, and all those present were given a full opportunity to express their opinions and recommendations for or against the proposed project as presented, and their statements being duly recorded; and

WHEREAS, the economic, social, and environmental effects of the proposed project have been examined and given proper consideration, and this evidence, along with all other, has been carefully reviewed.

NOW, THEREFORE, BE IT RESOLVED that the location and major design features of this project be approved in accordance with the plan as proposed and presented at the said Location and Design Public Hearing by the Department's Engineers, with the modification to reduce the right of way width from sixty feet to forty feet and variable on that portion of the project that follows the existing alignment.

Motion carried.

9/19/96

Item 13:

Moved by Mr. Martin, seconded by Mr. Roudabush,
that

WHEREAS, Route 460, between Route 85 and U.S. Route 1 which was reconstructed as a part of State Project 0085-026-101, PE-105, RW-205, C-505 in Dinwiddie County, was designated as a Limited Access Highway by the Commonwealth Transportation Board on October 4, 1954; and

WHEREAS, a request was received from East Coast Oil Corporation, for a break in the limited access right of way to provide an entrance, that would be located on Route 460 westbound approximately 400 feet northwest of the intersection of Route 460 and Route 1 in Dinwiddie County; and

WHEREAS, the proposed entrance would provide access to a diesel truck plaza and future hotels and restaurants and would permit "right in, right out" only from the westbound lane of Route 460; and

WHEREAS, such break in limited access would support the economic development for Dinwiddie County; and

WHEREAS, the Federal Highway Administration, herein referred to as FHWA, the Virginia Department of Transportation, herein referred to as the Department, and Dinwiddie County staff have concluded that providing the entrance on Route 460 will meet Department design criteria and not present a safety hazard to the traveling public; and

WHEREAS, all cost of engineering, construction, re-signing and signal modifications associated with the access are to be borne by the East Coast Oil Corporation, herein referred to as the Developer; and

WHEREAS, the Developer, FHWA and the Department have agreed to the following conditions for any break in the limited access at this location:

* No other breaks will be permitted on Route 460 between Route 1 and I-85;

* No access will be allowed across the median on Route 460;

9/19/96

* When requested by the Department, a traffic signal will be installed at the intersection of Route 1 and Route 460, which cost will be borne by the Developer;

* When traffic conditions warrant, as determined by the Department, a traffic signal will be installed at the main entrance to the development on Route 1. The cost of this traffic signal will be borne, partially if not entirely by the Developer, as determined by the Department, based on generated volumes of traffic;

* The Developer will construct a weave/merge lane beginning before the break in limited access and continuing on beyond the I-85 northbound ramp. This construction will be a type B weave/merge as shown in Exhibit 8A as attached thereto and incorporated herein;

* The Virginia Department of Transportation will close the entrance at such a time the Department feels that operational safety conflicts are occurring; and

* The Developer shall pay to the Department an amount equal to the fair market value of the existing access control. This amount will be determined by the Department. This fair market value will be paid by the developer, and the Department shall reimburse FHWA its portion of the amount at the same percentage breakdown as the original right-of-way acquisition agreement.

WHEREAS, upon completion of the work, all roadway construction within the right of way shall become the property of the Commonwealth.

NOW, THEREFORE, BE IT RESOLVED in consideration of the above mentioned conditions, the Commonwealth Transportation Board hereby grants a break in the existing limited access line subject to the conditions referred to above.

The Commonwealth Transportation Commissioner is hereby authorized to execute any and all documents needed to comply with this resolution.

Motion carried; Mr. Cogbill disqualified himself and did not participate in the discussion or vote on this item. Mr. Cogbill is a practicing attorney with the firm of McGuire, Woods, Battle and Boothe, L.L.P., and disqualified himself because a partner in the firm represented the applicant in this matter.

9/19/96

Item 14:

Moved by Mr. Rich, seconded by Mr. White, that

WHEREAS, under the authority of Section 33.1-62 of the Code of Virginia (1950), as amended, the Commonwealth Transportation Board is authorized to designate Virginia byways recommended by the Department of Conservation and Recreation after providing the opportunity for public hearings; and

WHEREAS, at the request of the Fauquier County Board of Supervisors, the staff of the Department of Conservation and Recreation and the Virginia Department of Transportation have reviewed and determined that the following routes substantially meet the criteria for Virginia byways:

<u>Route #</u>	<u>Description/From-to</u>
688	Intersection Rte. 17 south of Paris to Rte. 211
55	Between Thoroughfare Gap and Linden
F185	Parallels I-66 between Marshall and Rte. 713 near Delaplane
712	Intersection Rte. 50 to Rte. 17 at Delaplane
710	Intersection Rte. 712 to Rte. 55 at Marshall
713	Intersection Rte. 50 to Rte. 710
709	Intersection Rte. 50 to Rte. 55
702	Intersection Rte. 710 to Rte. 709
628	Intersection Rte. 50 to Rte. 17 at Bethel
691	Intersection Rte. 17 near Marshall to Rte. 688
647	Intersection I-66/Rte. 55 to Rte. 688 at Jerry's Shop
635	Between Rte. 688 and Rte. 647
738	Between Rte. 647 and Rte. 691
678	Between Rte. 691 and Rte. 211 near Warrenton
667	Between Rte. 670 near Auburn to Rte. 28
670	Intersection Rte. 15/29 Bypass to Rte. 667
806	Intersection Rte. 28 to Rte. 17 at Morrisville
602	Intersection Rte. 670 to Rte. 616 at Casanova
616	Intersection Rte. 602 at Casanova to Rte 806 at Bristerburg
687	Intersection Rte. 651 to Rte. 802 at Fauquier White Sulphur Springs
651	Intersection Rte. 17 near Goldvein to Rte. 660 west of Remington
660	Between Rte. 651 and intersection with Rte. 660 at St. Paul's
661	Between Rte. 660 at St. Paul's and intersection with Rte. 651 at Botha
651	Intersection Rte. 661 at Botha and intersection with Rte. 687

9/19/96

WHEREAS, the procedure required in Section 33.1-62 has been followed and a public hearing was not requested; and

WHEREAS, it is understood that the designation of these roads as Virginia byways in no way restricts road improvement or maintenance; and

WHEREAS, the Department of Conservation and Recreation on June 4, 1996, recommended to the Virginia Department of Transportation that the routes herein described be designated as Virginia byways.

NOW, THEREFORE, BE IT RESOLVED that Routes 688, 55, F185, 712, 710, 713, 709, 702, 628, 691, 647, 635, 738, 678, 667, 670, 806, 602, 616, 687, 651, 660, 661, and 651 herein described be designated as Virginia byways.

Motion carried.

Item 15:

Moved by Mr. Porter, seconded by Mr. Rich, that

WHEREAS, Section 33.1-221 of the Code of Virginia provides a fund to "...be expended by the Board for constructing, reconstructing, maintaining or improving access roads within counties, cities, and towns to industrial sites on which manufacturing, processing or other establishments will be built under firm contract or are already constructed and to licensed, public-use airports; " and

WHEREAS, the Newport News City Council has, by appropriate resolution, requested Industrial Access Funds to serve Truswood Properties, LLC, located in the City of Newport News, and said access is estimated to cost \$201,000; and

WHEREAS, it appears that this request falls within the intent of Section 33.1-221 and complies with the provisions of the Commonwealth Transportation Board's policy on industrial access.

9/19/96

NOW, THEREFORE, BE IT RESOLVED that \$201,000 of the 1996-97 Fiscal Year Industrial, Airport and Rail Access Fund be allocated to provide adequate access to Truswood Properties, LLC, located in the City of Newport News, Project 9999-121-105,M501, contingent upon:

1. all necessary right of way, environmental assessments, and utility adjustments being provided at no cost to the Commonwealth; and
2. the execution of an appropriate contractual agreement between the City of Newport News (City) and the Virginia Department of Transportation (VDOT), to provide for:
 - a. the design, administration, construction and maintenance of this project;
 - b. the payment of all ineligible project costs, and of any eligible project costs in excess of this allocation, from sources other than those administered by VDOT;
 - c. VDOT determining eligible capital outlay in accordance with current policy and procedure; and
3. Provision of documentation of eligible capital outlay by the industry.

Motion carried.

Moved by Mr. Porter, seconded by Mr. Rich, that

WHEREAS, Section 33.1-221 of the Code of Virginia provides a fund to "...be expended by the Board for constructing, reconstructing, maintaining or improving access roads within counties, cities and towns to industrial sites on which manufacturing, processing or other establishments will be built under firm contract or are already constructed and to licensed, public-use airports;" and

WHEREAS, the Salem City Council has, by appropriate resolution, requested Industrial Access Funds to serve Designed Telecommunications, Inc., and the Spartan Industrial Center, located off Route 419 in the City of Salem, and said access is estimated to cost \$225,000; and

9/19/96

WHEREAS, the anticipated capital outlay of Designed Telecommunications, Inc., will not be sufficient to justify the entire amount of Industrial, Airport and Rail Access funds required to construct the proposed access facility; and

WHEREAS, other parcels within the Spartan Industrial Center are eligible for access funding under the bonded provisions of Section 33.1-221 and the Commonwealth Transportation Board's policy on industrial access; and

WHEREAS, it appears that this request falls within the intent of Section 33.1-221 and complies with the provisions of the Commonwealth Transportation Board's policy on industrial access.

NOW, THEREFORE BE IT RESOLVED that \$225,000 of the 1996-97 Fiscal Year Industrial, Airport and Rail Access Fund be allocated to provide adequate access to Designed Telecommunications, Inc., and the Spartan Industrial Center, located in the City of Salem, Project 9999-129-106, M501, contingent upon:

1. all necessary right of way, environmental assessments, and utility adjustments being provided at no cost to the Commonwealth;
2. provision of satisfactory documentation of eligible capital outlay by Designed Telecommunications, Inc. If less than \$1,030,000 of eligible capital outlay is documented, then an amount equal to 10% of eligible capital outlay will be credited toward the project's allocation and the difference between this amount and \$103,000 will be borne by the City of Salem. If more than \$1,030,000 of eligible capital outlay is documented, 10% of the larger amount will be credited toward the project's allocation; and
3. execution of an appropriate contractual agreement, with bond, between the City of Salem (City) and the Virginia Department of Transportation (VDOT), to provide for:
 - a. the design, administration, construction and maintenance of this project;
 - b. the City bearing any ineligible project costs and the entirety of the project's cost in excess of this allocation;

9/19/96

c. the City bearing any portion of the project's cost to the Industrial, Rail and Airport Access Fund not justified under the policy of the Commonwealth Transportation Board. If qualified industry expends eligible capital outlay on eligible parcels in the Spartan Industrial Center by September 19, 1999, then an amount equal to 10% of up to \$1,220,000 of any such eligible capital outlay will be credited toward the project's allocation; and

d. VDOT determining eligible capital outlay and eligible project costs in accordance with current policy and procedure.

Motion carried.

Moved by Mr. Porter, seconded by Mr. Rich, that

WHEREAS, Section 33.1-221 of the Code of Virginia provides a fund to "...be expended by the Board for constructing, reconstructing, maintaining or improving access roads within counties, cities, and towns to industrial sites on which manufacturing, processing or other establishments will be built under firm contract or are already constructed and to licensed, public-use airports; " and

WHEREAS, the Staunton City Council has, by appropriate resolution, requested Industrial Access Funds to serve the Green Hills Industry and Technology Center, Phase III, located in the City of Staunton, and said access is estimated to cost \$744,000; and

WHEREAS, it appears that this request falls within the intent of Section 33.1-221 and complies with the provisions of the Commonwealth Transportation Board's policy on industrial access.

9/19/96

NOW, THEREFORE, BE IT RESOLVED that \$450,000 (\$300,000 unmatched and \$150,000 matched) of the 1996-97 Fiscal Year Industrial, Airport and Rail Access Fund be allocated to provide adequate access to the Green Hills Industry and Technology Center, Phase III, located in the City of Staunton, Project 9999-132-323,M503, contingent upon:

1. all necessary right of way, environmental assessments, and utility adjustments being provided at no cost to the Commonwealth; and
2. the execution of an appropriate contractual agreement, with bond, between the City of Staunton (City) and the Virginia Department of Transportation (VDOT), to provide for:
 - a. the design, administration, construction and maintenance of this project;
 - b. the payment of all ineligible project costs, and of any eligible project costs in excess of this allocation, from sources other than those administered by VDOT;
 - c. the provision of an appropriate bond or other acceptable surety device by the City to VDOT, not to expire before October 19, 1999. Such surety device shall provide for reimbursement to VDOT of any expenses incurred by the Industrial, Airport and Rail Access Fund for this project's construction not justified by the eligible capital outlay of industries served by the project. If, by September 19, 1999, qualified industry has not expended at least \$6,000,000 of eligible capital outlay on parcels served exclusively by this project, then an amount equal to 10% of up to \$3,000,000 and 5% of between \$3,000,000 and \$6,000,000 of eligible capital outlay will be credited toward the project's allocation. This surety may be released at an earlier date if qualified industry, with an expenditure of at least \$6,000,000 in eligible capital outlay, is constructed on an eligible parcel;
 - d. provision by the City of the required \$150,000, in matching funds; and
 - e. VDOT determining eligible capital outlay in accordance with current policy and procedure.

Motion carried.

9/19/96

Moved by Mr. Porter, seconded by Mr. Rich, that

WHEREAS, Section 33.1-221 of the Code of Virginia provides a fund to "...be expended by the Board for constructing, reconstructing, maintaining or improving access roads within counties, cities and towns to industrial sites on which manufacturing, processing or other establishments will be built under firm contract or are already constructed and to licensed, public-use airports"; and

WHEREAS, the Franklin County Board of Supervisors has, by appropriate resolution, requested Industrial Access Funds to serve the Jacks Mountain Quarry, located off Route 662 in Franklin County, and said access is estimated to cost \$562,000; and

WHEREAS, it appears that this request falls within the intent of Section 33.1-221 and complies with the provisions of the Commonwealth Transportation Board's policy on industrial access.

NOW, THEREFORE, BE IT RESOLVED that \$150,000 of the 1996-97 Fiscal Year Industrial, Airport and Rail Access Fund be allocated to provide adequate access to the Jack's Mountain Quarry, located in Franklin County, Project 0662-033-273,N501, contingent upon:

1. all necessary right of way, environmental assessments, and utility adjustments being provided at no cost to the Commonwealth;
2. provision of satisfactory documentation of eligible capital outlay by the industry; and
3. payment of all ineligible project costs, and of all project costs in excess of this allocation, from sources other than those administered by the Virginia Department of Transportation.

Motion carried.

9/19/96

Item 16:

Moved by Mr. Newcomb, seconded by Mr. Rich, that

WHEREAS, Section 33.1-221.1:1 of the Code of Virginia declares it to be in the public interest that access railroad tracks and facilities be constructed to certain industrial or commercial sites; and

WHEREAS, the Caroline County Board of Supervisors has, by resolution, requested \$250,000 in Industrial Access Railroad Track funds for Stone Container Corporation; and

WHEREAS, it appears that this request falls within the intent of Section 33.1-221.1:1 and is in accordance with the provisions of the Commonwealth Transportation Board's policy on the use of Industrial Access Railroad Track funds; and

WHEREAS, in accordance with the funding formula established by said policy, funding may be allocated to this project; and

WHEREAS, pursuant to Chapter 912, Item 505 A., of the 1996 Acts of the General Assembly, funding is provided for Industrial, Airport, and Rail Access projects; and

WHEREAS, the Board believes that this project is for the common good of a region of the Commonwealth and serves a public purpose.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves that \$150,000 of the Industrial, Airport, and Rail Access Fund be provided to construct new track to serve Stone Container Corporation located in Caroline County contingent upon:

1. All necessary right of way and utility adjustments being provided at no cost to the Commonwealth.
2. All costs above \$150,000, which is allocated herein as an industrial rail access grant, being borne by Stone Container Corporation.
3. Execution of an agreement acceptable to the Department of Rail and Public Transportation.

Motion carried.

9/19/96

Item 17:

Moved by Mr. Neale, seconded by Mr. Rich, that

WHEREAS, the Commonwealth Transportation Board considers railways and rail corridors as an important element of the statewide transportation system; and

WHEREAS, the Shenandoah Valley Railroad Company and the industries it serves, have requested funds for the continued rehabilitation of the rail line; and

WHEREAS, the Board in FY 96 allocated \$500,000 for rehabilitation projects for the Shenandoah Valley Railroad Company; and

WHEREAS, the improvements will allow the railroad to increase productivity and efficiency, which will help ensure the continuation of rail service to the localities in this area; and

WHEREAS, adequate rail facilities will ensure the continued presence of poultry producers in these counties; and

WHEREAS, Rocco Foods has agreed to build a new feed mill on the line which requires rail access; and

WHEREAS, the Board believes that this project is for the common good of a region of the Commonwealth and serves a public purpose.

WHEREAS, pursuant to Acts of the General Assembly, funding has been provided for such projects.

NOW, THEREFORE, BE IT RESOLVED that it is the intent of this Board to fund the Shenandoah Valley Railroad Company rehabilitation project to a minimum of \$500,000 over each of the next three years if funding is provided by the General Assembly for such projects. This resolution is not binding on future boards but is an expression of this Board's intent. This does not preclude the Shenandoah Valley Railroad Company from applying for additional future funds for needed rehabilitation projects.

Motion carried.

9/19/96

Item 18:

Moved by Mr. Newcomb, seconded by Mr. White, that

WHEREAS, the Commonwealth Transportation Board on August 15, 1996, adopted the findings and recommendations of the Dulles Corridor Transportation Study which included a recommendation for the near term implementation and operation of enhanced express bus service in the corridor; and

WHEREAS, the Western Regional Park and Ride Study conducted by VDOT has identified one site in Loudoun County as the preferred location for a park and ride facility which would be owned and operated by VDOT and which would serve as a principal terminal for enhanced express bus service in the Dulles Corridor operated by Loudoun County and which later would be converted to serve as a rail transit station as proposed in the Dulles Corridor Transportation Study; and

WHEREAS, the Commonwealth Transportation Board Six Year Improvement Program for Fiscal Year 1996-97 included \$6.5 million from the Transit Set-Aside Account of the Dulles Toll Road Improvement Fund for the construction of a Western Regional Park and Ride Lot and \$376,000 in Regional STP funds for the construction of a park and ride lot in the vicinity of Shaw Road; and

WHEREAS, the Federal Transportation Appropriations Act of 1995 contains an allocation of \$950,000 to support the capital costs of establishing express bus service in the Dulles Corridor subject to the approval of a grant by the Federal Transit Administration and the provision of \$237,500 in local matching funds by Loudoun County; and

WHEREAS, notwithstanding the substantial resources noted above which are available to fund capital improvements to support express bus service, Loudoun County has indicated that it cannot proceed with the implementation of express bus service due to a lack of funds to support the operating cost of initiating express bus service; and

9/19/96

WHEREAS, it has been determined that a portion of the funds which currently are programmed for the Western Regional Park and Ride lot project from the Transit Set-Aside Account of the Dulles Toll Road Improvement Fund could be used to support the cost of express bus service operations at no detriment to the project if such funds are supplanted by an equal amount of funds from other sources; and

WHEREAS, it is the desire of Loudoun County to transfer the \$376,000 in Regional STP funds from the Shaw Road park and ride lot project to the Western Regional Park and Ride Lot construction project and thereby supplanting \$376,000 in the Transit Set-Aside Account; and

WHEREAS, Loudoun County has indicated a willingness to implement express bus service in the Dulles Corridor serving the site of the Western Regional Park and Ride Lot project if funds are provided to pay for the operating expenses during the initial startup period.

NOW, THEREFORE, BE IT RESOLVED that subject to the successful reprogramming of \$376,000 in Regional STP funds from the Shaw Road park and ride lot to the Western Regional Park and Ride Lot construction project, and subject to Federal Transit Administration approval of a \$950,000 grant and Loudoun County's provision of \$237,500 in local match to the grant for the construction of the Western Regional Park and Ride Lot, up to \$1,563,500 shall be made available from the Transit Set-Aside Account of the Dulles Toll Road Improvement Fund to support the operating cost of initiating express bus service from the Western Regional Park and Ride Lot.

BE IT FURTHER RESOLVED that subject to the accomplishment of this financial plan and the commitment to the plan by Loudoun County, the Board authorizes the Director of the Department of Rail and Public Transportation to execute an agreement with Loudoun County to provide financial support to the County for the operating costs of initiating express bus service from the Western Regional Park and Ride Lot.

9/19/96

BE IT FURTHER RESOLVED that subject to the accomplishment of this financial plan, the Board authorizes VDOT to proceed with the design and construction of the Western Regional Park and Ride Lot.

Motion carried.

Item 19:

Moved by Mr. Rich, seconded by Mr. Byrd, that

WHEREAS, in Section 33.1-221.1:3 of the Code of Virginia of 1950, as amended (the "Virginia Code"), the General Assembly of Virginia (the "General Assembly") has declared it to be in the public interest that the economic development needs and economic growth potential of Northern Virginia be addressed by a special transportation program to provide for an adequate, modern, safe and efficient transportation network in Northern Virginia to be known as the Northern Virginia Transportation District Program (the "NVTD Program"); and

WHEREAS, in Section 33.1-221.1:2 of the Virginia Code the General Assembly has declared its intent that there shall be developed an adequate, modern, safe and efficient highway system generally along Virginia's southern border to be known as the U.S. Route 58 Corridor Development Program (the "Route 58 Program"); and

WHEREAS, the Commonwealth Transportation Board (the "Board") is authorized to issue revenue bonds pursuant to the State Revenue Bond Act, Section 33.1-267 et seq. of the Virginia Code, and (a) with respect to bonds issued to finance the NVTD Program, Chapter 391 of the Acts of Assembly of 1993, amended and reenacted in the 1994 session of the General Assembly, and (b) with respect to bonds issued to finance the Route 58 Program, Chapter 12 of the Acts of the Assembly of 1989, Special Session II; and

9/19/96

WHEREAS, the Board previously issued Commonwealth of Virginia Transportation Revenue Bonds to finance costs (a) with respect to the NVTD Program pursuant to a Master Agreement of Trust dated as of August 15, 1993 (the "NVTD Master Trust Agreement"), as supplemented by a First Supplemental Agreement of Trust dated as of August 15, 1993, and a Second Supplemental Agreement of Trust dated as of January 15, 1995, each between the Board and First Union National Bank of Virginia, as trustee (the "Trustee"), and (b) with respect to the Route 58 Program pursuant to a Master Agreement of Trust dated as of November 1, 1989 (the "Route 58 Master Trust Agreement"), as supplemented by a First Supplemental Agreement of Trust dated as of November 1, 1989, a Second Supplemental Agreement of Trust dated as of May 15, 1993, and a Third Supplemental Agreement of Trust dated as of June 1, 1993, each between the Board and the Trustee; and

WHEREAS, the Board proposes to finance additional costs related to the NVTD Program and the U.S. Route 58 Program through the issuance of two additional series of Commonwealth of Virginia Transportation Revenue Bonds (the "Bonds"); and

WHEREAS, in accordance with a resolution of this Board adopted August 15, 1996, the Bonds will be sold by the use of competitive bidding; and

WHEREAS, there has been presented to this meeting the following documents which the Board proposes to approve and cause to be executed to carry out the issuance of the Bonds, copies of which shall be filed with the records of the Board:

(a) draft dated September 13, 1996, of a Third Supplemental Agreement of Trust (the "Third Supplemental Trust Agreement" and collectively with the NVTD Master Agreement as previously supplemented, the "NVTD Trust Agreement") providing for the issuance and details of Bonds to finance costs of the NVTD Program (the "Series 1996A Bonds");

9/19/96

(b) draft dated September 13, 1996, of a Second Supplemental Payment Agreement (the "Supplemental Payment Agreement") among this Board, the Treasury Board of the Commonwealth of Virginia (the "Treasury Board") and the Secretary of Finance of the Commonwealth (the "Secretary of Finance"), supplementing and amending in certain respects the Payment Agreement dated as of August 15, 1993 as previously supplemented and amended as of January 15, 1995, among this Board, the Treasury Board and the Secretary of Finance, to provide for the payment of principal and interest on the Series 1996A Bonds and all additional bonds to be issued pursuant to the NVTD Master Trust Agreement;

(c) draft dated September 13, 1996, of a Fourth Supplemental Agreement of Trust (the "Fourth Supplemental Trust Agreement" and collectively with the Route 58 Master Trust Agreement as previously supplemented, the "Route 58 Trust Agreement") providing for the issuance and details of Bonds to finance costs of the Route 58 Program (the "Series 1996B Bonds");

(d) draft dated September 13, 1996 of a Preliminary Official Statement of the Board relating to the offering of the Bonds (the "Preliminary Official Statement"); and

(e) draft dated September 13, 1996, of a Notice of Sale and Bid Form (the "Notice of Sale") relating to the terms of the competitive bidding process for the Bonds; and

WHEREAS, the Third Supplemental Trust Agreement, the Second Supplemental Payment Agreement and the Fourth Supplemental Trust Agreement will be referred to collectively in this resolution as the "Financing Documents."

NOW, THEREFORE, BE IT RESOLVED that

1. **Authorisation of Issuance of Bonds.** The Board determines that it is in the best interest of the Commonwealth of Virginia (the "Commonwealth") to issue and sell the Bonds. The Board authorizes the issuance and sale of the Bonds by competitive bidding, pursuant to the following terms and conditions: (a) the aggregate principal amount of the Series 1996A Bonds shall not exceed \$82,000,000, and the aggregate principal amount of the Series 1996B Bonds shall not exceed \$116,000,000, (b) the final maturity of the Bonds shall not extend beyond May 15, 2021, and (c) the "true" or "Canadian" interest cost of the Bonds shall not exceed 7.5% per annum, taking into account any original issue discount or premium.

9/19/96

2. **Determination of Detail of Bonds.** The Board authorizes and directs the Secretary of Transportation who by virtue of this office serves as Chairman of the Board (the "Chairman") or his designee, subject to the limitations set forth in paragraph 1, (a) to determine and approve all of the final details of the Bonds including, without limitation, the aggregate principal amount, the maturity schedule, the interest rates and the redemption provisions of the Bonds, the sale date, the sale price and the prices at which the Bonds are to be reoffered by the initial purchasers thereof, (b) to approve the final form of all documents that are appropriate to carry out the contemplated financing, (c) to complete and execute the Preliminary Official Statement as an official statement in final form (the "Official Statement"), and (d) to take all such further action as may be necessary or desirable for the issuance and sale of the Bonds.

3. **Official Statement.** The form of the Preliminary Official Statement is approved. The Board directs its staff and Public Resources Advisory Group, Inc. to prepare, and authorizes the distribution of the Preliminary Official Statement to potential bidders in form deemed to be "near final" as of its date, within the meaning of Rule 15c2-12 of the Securities and Exchange Commission, to prospective purchasers of the Bonds, with such distribution constituting conclusive evidence that the Board has deemed the Preliminary Official Statement to be near final as of its date. After the winning bid for the Bonds is accepted, this Board authorizes and directs the Chairman to deliver the Official Statement to the winning bidder. The Official Statement shall be substantially in the form of the Preliminary Official Statement as "deemed final" by the Chairman, with such further completions, omissions, insertions and changes as may be approved by the Chairman. The Chairman's approval of all completions, omissions, insertions and changes to both the Preliminary Official Statement and the Official Statement shall be evidenced conclusively by the execution and delivery of the Official Statement on the Board's behalf.

4. **Notice of Sale.** The form of the Notice of Sale is approved. The Chairman is authorized and directed to cause the Notice of Sale to be published and distributed to potential bidders for the Bonds in substantially the form of the draft submitted to this meeting, with such completions, omissions, insertions and changes as may be approved by the Chairman. The Chairman's approval shall be evidenced conclusively by the distribution of the Notice of Sale to potential bidders.

9/19/96

5. **Acceptance of Bids.** The Chairman or his designee is authorized and directed to accept the bid for the purchase of the Bonds at the price and interest rates that result in the lowest true interest cost to the Commonwealth in accordance with the Notice of Sale, provided that such true interest cost shall not exceed the maximum set forth above and the sale price of the Bonds shall not be less than 99%, or greater than 101%, of the Bonds' aggregate principal amount. The Chairman or his designee also is authorized to postpone the sale date or amend the terms of the offering as may be provided in the Notice of Sale.

6. **Preparation of Documentation.** The Board authorizes and directs the staff of the Virginia Department of Transportation, the Office of the Attorney General, as counsel to the Board, Public Resources Advisory Group, Inc., as financial advisor to the Board, and Christian & Barton, L.L.P., bond counsel to the Board, to prepare all documentation and take all actions necessary or desirable to bring the Bonds to market as soon as practicable.

7. **Limited Obligations.** The Bonds shall be limited obligations of the Board, payable solely from Revenues, as defined in the NVTB Trust Agreement or the Route 58 Trust Agreement, as applicable, and the Funds created thereunder, and nothing in the Bonds or in the NVTB Trust Agreement or the Route 58 Trust Agreement, as applicable, shall be deemed to create or constitute a debt or a pledge of the faith and credit of the Commonwealth or any political subdivision thereof.

8. **Execution and Delivery of Bonds.** The Board authorizes and directs the Chairman, the Commonwealth Transportation Commissioner and the Secretary of the Board to have the Bonds prepared and executed pursuant to the NVTB Trust Agreement, or the Route 58 Trust Agreement, as applicable, to deliver them to the Trustee for authentication, and to cause the Bonds so executed and authenticated to be delivered to or for the account of the purchaser upon payment of the purchase price to be determined by the Chairman or his designee. The approval of the Chairman or his designee of the details of the Bonds shall be evidenced conclusively by the execution and delivery of the Bonds.

9/19/96

9. **Execution of Financing Documents.** The Board authorizes and directs the Chairman or his designee to execute the Financing Documents in substantially the forms presented to this meeting, which are approved with such completions, omissions, insertions and changes as may be approved by the Chairman or his designee, the execution by the Chairman or his designee to constitute conclusive evidence of the approval of any such completions, omissions, insertions and changes.

10. **Authorization of Further Action.** The Board authorizes and directs its officers and the employees of the Virginia Department of Transportation to execute and deliver all certificates, instruments and documents and to take all such further action as they may consider necessary or desirable in connection with the issuance and sale of the Bonds, including (a) execution and delivery of a certificate setting forth the expected use and investment of the proceeds of the Bonds to show that such expected use and investment will not violate the provisions of Section 148 of the Internal Revenue Code of 1986, as amended and regulations thereunder, applicable to "arbitrage bonds" and (b) providing for the rebate of any "arbitrage rebate amounts" earned on investment of proceeds of the Bonds to the United States.

11. **Effective Date.** This Resolution shall be effective immediately.

Motion carried .

DRAFT OF 9/13/96

THIRD SUPPLEMENTAL AGREEMENT OF TRUST

between

COMMONWEALTH TRANSPORTATION BOARD

and

**FIRST UNION NATIONAL BANK OF VIRGINIA,
as Trustee**

Dated as of November 1, 1996

**Authorizing the Issuance of \$82,000,000
Commonwealth of Virginia Transportation Revenue Bonds,
Series 1996A (Northern Virginia Transportation District Program)**

TABLE OF CONTENTS

	<u>Page</u>
Parties.....	1
Recitals.....	1
Granting Clause.....	2

ARTICLE I

THIRD SUPPLEMENTAL AGREEMENT

Section 101. Authorization of Supplemental Agreement.....	3
Section 102. Definitions.....	3
Section 103. Reference to Articles and Sections.....	4
Section 104. New Definition in Master Trust Agreement.....	54
Section 105. Amendment to Section 501 of Master Trust Agreement.....	5
Section 106. Amendment to Section 503 of the Master Trust Agreement.....	5
Section 107. Reference to Articles and Sections.....	6

ARTICLE II

AUTHORIZATION, DETAILS AND FORM OF SERIES 1996A BONDS

Section 201. Authorization of Series 1996A Bonds.....	6
Section 202. Details of Series 1996A Bonds.....	6
Section 203. Securities Depository Provisions.....	7
Section 204. Form of Series 1996A Bonds.....	8
Section 205. Delivery of Series 1996A Bonds.....	8

ARTICLE III

REDEMPTION OF SERIES 1996A BONDS

Section 301. Redemption Dates and Prices.....	8
Section 302. Optional Redemption.....	8
Section 303. Mandatory Redemption.....	8
Section 304. Manner of Redemption.....	9
Section 305. Notice of Redemption.....	9

ARTICLE IV

PROCEEDS OF SERIES 1996A BONDS

Section 401. Series 1996A Costs of Issuance Account.....	9
Section 402. Use of Proceeds of Series 1996A Bonds.....	10

ARTICLE V

SECURITY FOR SERIES 1996A BONDS

Section 501. Security for Series 1996A Bonds.....	11
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ARTICLE VI

ARBITRAGE REBATE; OTHER TAX RESTRICTIONS

Section 601.	Rebate Requirement	11
Section 602.	Calculation and Report of Rebate Amount	11
Section 603.	Payment of Rebate Amount	12
Section 604.	Reports by Trustee	12
Section 605.	Other Tax Covenants	12

ARTICLE VII

CONTINUING DISCLOSURE

Section 701.	Undertaking	13
Section 702.	Content of Annual Reports	14
Section 703.	Reporting of Listed Events	14
Section 704.	Dissemination Agent	14
Section 705.	Amendment	14
Section 706.	Additional Information	14
Section 707.	Default	15
Section 708.	Beneficiaries	15
Section 709.	Termination	15

ARTICLE VIII

MISCELLANEOUS

Section 801.	Limitation of Rights	15
Section 802.	Limitation of Liability of Members, etc., of Board	16
Section 803.	Successors and Assigns	16
Section 804.	Severability	16
Section 805.	Applicable Law	16
Section 806.	Counterparts	16
Testimonium		17
Signatures		17
EXHIBIT A - Form of Series 1996A Bonds		
EXHIBIT B - Notice of Failure to File Annual Report		

THIS THIRD SUPPLEMENTAL AGREEMENT OF TRUST dated as of November 1, 1996, between the **COMMONWEALTH TRANSPORTATION BOARD**, (the "Board"), and **FIRST UNION NATIONAL BANK OF VIRGINIA**, a banking association organized and existing under the laws of the United States of America and having a corporate trust office in Richmond, Virginia, as trustee (in such capacity, together with any successor in such capacity, herein called the "Trustee"),

W I T N E S S E T H :

WHEREAS, pursuant to the State Revenue Bond Act, Sections 33.1-267 et seq. Of the Code of Virginia of 1950, as amended (the "Virginia Code"), the Board has the power to issue revenue bonds to finance the cost of projects authorized by the General Assembly of Virginia (the "General Assembly"), including expenses necessary or incident to the financing, and to issue bonds to refund such revenue bonds;

WHEREAS, the General Assembly in Section 33.1-221.1:3 of the Virginia Code declared it to be in the public interest that the economic development needs and economic growth potential of Northern Virginia be addressed by a special transportation program to provide for the costs of providing an adequate, modern, safe and efficient transportation network in Northern Virginia, which shall be known as the Northern Virginia Transportation District Program (the "Program");

WHEREAS, as of the date hereof, the Program consists of the following projects: Fairfax County Parkway, Route 234 Bypass, Metro Capital Improvements, including the Franconia-Springfield Metrorail Station, Route 7 improvements in Loudoun County between Route 16 and Route 28, and, under certain conditions, the Route 50/Courthouse Road interchange improvements in Arlington County;

WHEREAS, Chapter 391 of the Acts of Assembly of 1993, as amended and reenacted by Chapters 470 and 597 of the Acts of Assembly of 1994, authorized the Board, by and with the consent of the Governor, to issue, pursuant to the provisions of the State Revenue Bond Act, at one time or from time to time, Commonwealth of Virginia Transportation Revenue Bonds in an aggregate principal amount not exceeding \$271,000,000 to finance the costs of the Program plus an amount for issuance costs, capitalized interest, reserve funds and other financing expenses;

WHEREAS, the General Assembly in Section 58.1-815.1 of the Virginia Code created in the Department of the Treasury a special nonreverting fund known as the Northern Virginia Transportation District Fund (the "Northern Virginia Transportation District Fund"), as part of the Transportation Trust Fund, consisting of transfers pursuant to Section 58.1-816 of the Virginia Code of a portion of the annual collections of the state recordation taxes attributable to the Cities of Alexandria, Fairfax, Falls Church, Manassas and Manassas Park and the Counties of Arlington, Fairfax, Loudoun and Prince William;

WHEREAS, the funds on deposit in the Northern Virginia Transportation District Fund may be used to finance costs related to the Program, including payments of debt service on related Commonwealth of Virginia Transportation Revenue Bonds;

WHEREAS, the Board and the Trustee entered into a Master Agreement of Trust dated as of August 15, 1993 (the "Master Trust Agreement"), supplemented by a First Supplemental Agreement of Trust dated as of August 15, 1993, pursuant to which the Board issued \$134,060,000 principal amount of its Commonwealth of Virginia Transportation Revenue Bonds, Series 1993C (Northern Virginia Transportation District Program) (the "Series 1993C Bonds"), and by a Second Supplemental Agreement of Trust dated as of January 15, 1995, pursuant to which the Board issued \$60,810,000 principal amount of its Commonwealth of Virginia Transportation Revenue Refunding Bonds, Series 1995A (Northern Virginia Transportation District Program) (the "Series 1995A Bonds"), and collectively with the Series 1993C Bonds and the Series 1995A Bonds, the "Prior Bonds");

WHEREAS, the Board is not in default under the Agreement or in payment of the principal of or interest on the Prior Bonds;

WHEREAS, within the limitations of and in compliance with the Agreement, the Board is authorized to issue Bonds ("Additional Bonds"), secured on parity with the Prior Bonds to the extent provided in the Agreement, to pay costs of all or any portion of the Program;

WHEREAS, the Board has determined to provide for the issuance of a series of Additional Bonds under the Agreement the proceeds of which shall be used to pay the Cost of a portion of the Program;

WHEREAS, the Master Trust Agreement provides that, in connection with the issuance of Bonds, the Board shall execute and deliver to the Trustee a supplemental agreement authorizing the issuance of such Bonds and setting forth the provisions thereof; and

WHEREAS, the Board has taken all necessary action to make its Commonwealth of Virginia Transportation Revenue Bonds, Series 1996A (Northern Virginia Transportation District Program), when authenticated by the Trustee and issued by the Board, valid and binding limited obligations of the Board and to constitute this Third Supplemental Agreement a valid and binding agreement authorizing and providing for the details of the Series 1996A Bonds as a series of Additional Bonds;

NOW, THEREFORE, THIS THIRD SUPPLEMENTAL AGREEMENT WITNESSETH that the Board does covenant and agree with the Trustee and with the respective Holders, from time to time, of the outstanding Prior Bonds and Series 1996A Bonds, as follows:

ARTICLE I

THIRD SUPPLEMENTAL AGREEMENT: AMENDMENTS TO AGREEMENT

Section 101. Authorization of Supplemental Agreement. This Third Supplemental Agreement is authorized and executed by the Board and delivered to the Trustee pursuant to and in accordance with Articles III and XI of the Master Trust Agreement. All covenants, conditions and agreements of the Agreement shall apply with full force and effect to the Series 1996A Bonds and to the Holders thereof, except as otherwise provided herein.

Section 102. Definitions. Except as otherwise defined herein, terms defined in the Agreement are used in this Third Supplemental Agreement with the meanings assigned to them in the Agreement. In addition, the following terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Board pursuant to, and as described in, subsection (b) of Section 701.

"Dissemination Agent" shall mean the State Treasurer of the Commonwealth, acting in its capacity as Dissemination Agent hereunder in accordance with Executive Order Number Fifty-Two (95) of the Governor of the Commonwealth, or any successor Dissemination Agent designated in writing by the Board and which has filed with the Board a written acceptance of such designation.

"Fiscal Year" shall mean the twelve-month period, at the end of which the Board's financial position and the results of its operations for the preceding 12 months are determined. Currently, the Board's Fiscal Year begins July 1 and continues through June 30 of the next calendar year.

"Third Supplemental Agreement" means this Third Supplemental Agreement of Trust between the Board and the Trustee, which supplements and amends the Agreement.

"Letter of Representations" means the blanket Letter of Representations dated _____, 1996, from the Board and the Trustee to the initial Securities Depository and any amendments thereto or any successor agreements between the Board and the Trustee and any successor Securities Depository, relating to a book-entry system to be maintained by the Securities Depository with respect to the Series 1996A Bonds. Notwithstanding any provision of the Agreement, including Article XI of the Master Trust Agreement, the Trustee may enter into any such amendment or successor agreement without the consent of Holders of the Series 1996A Bonds.

"Listed Events" shall mean any of the events listed in subsection (b) (5) (i) (C) of the Rule.

"National Repository" shall mean any Nationally Recognized Municipal Securities Information Repository for purposes of the Rule.

"Participating Underwriter" shall mean any of the original underwriters of the Series 1996A Bonds required to comply with the Rule in connection with the offering of such Bonds.

"Rebate Amount" means the excess of the future value of all nonpurpose receipts with respect to the Series 1996A Bonds over the future value of all nonpurpose payments with respect to the Series 1996A Bonds, in each case calculated under Section 602 pursuant to the requirements of Section 148 of the Code, or such other amount of arbitrage required to be rebated to the United States of America under Section 148 of the Code.

"Rebate Amount Certificate" has the meaning set forth in Section 602.

"Repository" shall mean each National Repository and each State Repository.

"Rule" shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended and officially interpreted from time to time.

"Securities Depository" means The Depository Trust Company, a corporation organized and existing under the laws of the State of New York, and any other securities depository for the Series 1996A Bonds appointed pursuant to Section 203 of this Third Supplemental Agreement, and their successors.

"Series 1996A Bonds" means the \$80,000,000 Commonwealth of Virginia Transportation Revenue Bonds, Series 1996A (Northern Virginia Transportation District Program), authorized to be issued by Article II of this Third Supplemental Agreement.

"State Repository" shall mean each National Repository and each State Repository.

Section 103. Amended Definitions in Master Trust Agreement. The definitions of the following capitalized terms contained in Section 101 of the Master Trust Agreement are amended and restated as set forth below:

"Project" shall mean the Fairfax County Parkway Project, the Metro Capital Improvements Project, the Route 234 Bypass Project, the Route 7 Improvements Project or the Route 50/Courthouse Interchange Project, as appropriate.

Section 104. New Definition in Master Trust Agreement. The following definition of the following capitalized term is added to Section 101 of the Master Trust Agreement:

"Route 50/Courthouse Interchange Project" shall mean that part of the Program described in Section 33.1-221.1:3 of the Virginia Code.

Section 105. Amendment to Section 501 of Master Trust Agreement. Section 501 of the Master Trust Agreement is hereby amended and restated as follows:

Section 501. Construction Fund. There is hereby established the Commonwealth Transportation Board Northern Virginia Transportation District Construction Fund, to be held by the Trustee. There is also hereby established within the Construction Fund an Account with respect to each Project for the purpose of segregating proceeds of the Bonds allocated to each Project.

The Trustee shall deposit the proceeds from any Series of Bonds in the amount and manner directed under the applicable Supplemental Trust Agreement. If so directed in such Supplemental Trust Agreement, the Trustee shall maintain within the Construction Fund other Accounts as may be provided for in such Supplemental Trust Agreement. Deposits shall be made to the credit of the Construction Fund and to the Accounts therein as provided in such Supplemental Trust Agreement.

Section 106. Amendment to Section 503 of the Master Trust Agreement. The first paragraph of Section 503 of the Master Trust Agreement is hereby amended and restated as follows:

The Trustee shall use money in the Construction Fund solely to pay Costs of the Program as evidenced by requisitions and certificates as provided in this Section, subject, however, to the provisions of any Supplemental Trust Agreement having different conditions precedent for disbursements from the Metro Capital Improvements Account, including provisions authorizing or directing the payment of money from the Metro Capital Improvements Account to any authority, locality or commission for the purposes of paying the Costs of the Program relating to the Metro Capital Improvements Project. Additionally, money on deposit to the credit of any Account established with respect to a Project in accordance with the first paragraph of Section 501 shall be used solely for Costs of the Program relating to the Project for which such Account was established. As conditions precedent to each disbursement from the Construction Fund, the Board shall file or cause to be filed with the Trustee:

Section 107. Reference to Articles and Sections. Unless otherwise indicated, all references herein to particular articles or sections are references to articles or sections of this Third Supplemental Agreement.

ARTICLE II

AUTHORIZATION, DETAILS AND FORM OF SERIES 1996A BONDS

Section 201. Authorization of Series 1996A Bonds. There are authorized to be issued as Additional Bonds pursuant to Article III of the Master Trust Agreement a series of transportation revenue bonds of the Board in the aggregate principal amount of \$82,000,000 which shall be designated "Commonwealth of Virginia Transportation Revenue Bonds, Series 1996A (Northern Virginia Transportation District Program)" to provide funds to pay Costs of a portion of the Program.

Section 202. Details of Series 1996A Bonds. (a) The Series 1996A Bonds shall be dated November 1, 1996, shall be issued only as registered bonds in denominations of \$5,000 or multiples thereof, shall be numbered R-1 upward, shall bear interest at rates per year (calculated on the basis of a 360-day year composed of 12 months of 30 days each), payable semiannually on each May 15 and November 15, beginning May 15, 1997, and shall mature in installments on May 15 in years and amounts at such rates, as follows:

<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Year</u>	<u>Amount</u>	<u>Rate</u>
1997	\$		2010	\$	
1998			2011		
1999			2012		
2000			2013		
2001			2014		
2002			2015		
2003			2016		
2004			2017		
2005			2018		
2006			2019		
2007			2020		
2008			2021		
2009					

Each Series 1996A Bond shall bear interest from its date. If any principal of or interest on any Series 1996A Bond is not paid when due (whether at maturity, by acceleration or call for redemption or other wise), the overdue installments of principal shall bear interest until paid at the same rate set forth in such Series 1996A Bond.

(b) Principal of the Series 1996A Bonds and the premium, if any, thereon shall be payable to the Holders thereof upon the surrender of such Bonds at a corporate trust operations office designated by the Trustee. Interest on the Series 1996A Bonds shall be payable by check or draft mailed to the Holders thereof at their addresses as they appear on the registration books kept by the Trustee (on the first day of the month in which the interest payment date occurs) or, upon written request of a Holder

of more than \$1,000,000 principal amount of Series 1996A Bonds, by wire transfer to such Holder's account as set forth on such request.

(c) Except as otherwise provided herein, the Series 1996A Bonds shall be payable, executed, authenticated, registered, exchangeable and secured, all as set forth in the Agreement.

Section 203. Securities Depository Provisions. (a) Initially, one bond certificate for each maturity of the Series 1996A Bonds will be issued and registered to the Securities Depository, or its nominee. The Board and the Trustee have entered into a Letter of Representations relating to a book-entry system to be maintained by the Securities Depository with respect to the Series 1996A Bonds.

(b) In the event that (i) the Securities Depository determines not to continue to act as a securities depository for the Series 1996A Bonds by giving notice to the Trustee and the Board discharging its responsibilities hereunder, or (ii) the Board in its sole discretion determines (A) that beneficial owners of Series 1996A Bonds shall be able to obtain certificated Series 1996A Bonds or (B) to select a new Securities Depository, then the Trustee shall, at the direction of the Board, attempt to locate another qualified securities depository to serve as Securities Depository or authenticate and deliver certificated Series 1996A Bonds to the beneficial owners or to the Securities Depository participants on behalf of beneficial owners substantially in the form provided for in Section 204; provided, however, that such form shall provide for interest on the Bonds to be payable (x) from November 1, 1996, if it is authenticated prior to May 15, 1997, or (y) otherwise from the May 15 or November 15 that is, or immediately precedes, the date on which it is authenticated (unless payment of interest thereon is in default, in which case interest on such Bonds shall be payable from the date to which interest has been paid). In delivering certificated Series 1996A Bonds, the Trustee shall be entitled to rely on the records of the Securities Depository as to the beneficial owners or the records of the Securities Depository participants acting on behalf of beneficial owners. Such certificated Series 1996A Bonds will then be registrable, transferable and exchangeable as set forth in Section 204 of the Master Trust Agreement.

(c) So long as there is a Securities Depository for the Series 1996A Bonds (i) it or its nominee shall be the registered owner of the Series 1996A Bonds, (ii) notwithstanding anything to the contrary in the Agreement, determinations of persons entitled to payment of principal, premium, if any, and interest, transfers of ownership and exchanges and receipt of notices shall be the responsibility of the Securities Depository and shall be effected pursuant to rules and procedures established by such Securities Depository, (iii) the Board and the Trustee shall not be responsible or liable for maintaining, supervising or reviewing the records maintained by the Securities Depository, its participants or persons acting through such participants, (iv) references in the

Agreement to registered owners of the Series 1996A Bonds shall mean such Securities Depository or its nominee and shall not mean the beneficial owners of the Series 1996A Bonds, and (v) in the event of any inconsistency between the provisions of the Agreement and the provisions of the Letter of Representations such provisions of the Letter of Representations, except to the extent set forth in this paragraph and the next preceding paragraph, shall control.

Section 204. Form of Series 1996A Bonds. The Series 1996A Bonds shall be in substantially the form set forth in Exhibit A, with such appropriate variations, omissions and insertions as are permitted or required by the Agreement and this Third Supplemental Agreement.

Section 205. Delivery of Series 1996A Bonds. The Trustee shall authenticate and deliver the Series 1996A Bonds when there have been filed with or delivered to it all items required by Section 303 of the Master Trust Agreement.

ARTICLE III

REDEMPTION OF SERIES 1996A BONDS

Section 301. Redemption Dates and Prices. The Series 1996A Bonds may not be called for redemption by the Board except as provided in this Article.

Section 302. Optional Redemption. The Series 1996A Bonds maturing on or after May 15, 2007, are subject to redemption prior to maturity at the option of the Board on or after May 15, 2006, in whole or in part, in increments of \$5,000 or integral multiples thereof, at any time, upon payment of the following redemption prices (expressed as a percentage of principal amount of the Series 1996A Bonds to be redeemed) plus accrued interest to the redemption date:

101% if redeemed May 15, 2006, through May 14, 2007, inclusive;
100% if redeemed May 15, 2007, through May 14, 2008, inclusive;
100% if redeemed May 15, 2008, or thereafter.

Section 303. Mandatory Redemption. (a) Series 1996A Bonds maturing on May 15, _____, are required to be redeemed prior to maturity on May 15 in years and amounts upon payment of 100% of the principal amount thereof plus interest accrued to the redemption date, as follows:

Year

Amount

45 k
(final maturity)

(b) The Series 1996A Bonds maturing on May 15, _____, are required to be redeemed by the Board prior to maturity on May 15 in years and amounts upon payment of 100% of the principal amount thereof plus interest accrued to redemption date, as follows:

<u>Year</u>	<u>Amount</u>
-------------	---------------

(final maturity)

(c) The Trustee shall credit against the amount of Series 1996A Bonds to be redeemed pursuant to this subsection an amount equal to the principal amount of any Series 1996A Bonds subject to mandatory redemption on such date that have been redeemed (other than by mandatory redemption) before such mandatory redemption date, that have been defeased or that have been purchased by the Board or by the Trustee on behalf of the Board and delivered to the Trustee for cancellation at least 70 days before such date, provided that such Series 1996A Bonds have not previously been applied as a credit against any mandatory redemption payment, in accordance with the provisions of Section 602 of the Master Trust Agreement.

Section 304. Manner of Redemption. If less than all of the Series 1996A Bonds are called for redemption, the maturities of Series 1996A Bonds to be redeemed shall be selected by the Board. If less than all of the Series 1996A Bonds of any maturity are called for redemption, the Series 1996A Bonds or portions thereof to be redeemed shall be selected by the Securities Depository or any successor securities depository pursuant to its rules and procedures or if the book-entry system is discontinued, shall be selected by lot by the Trustee in such manner as the Trustee in its discretion may determine, each portion of \$5,000 principal amount being counted as one Series 1996A Bond for such purpose. If a portion of a Series 1996A Bond shall be called for redemption, a new Series 1996A Bond in principal amount equal to the unredeemed portion thereof shall be issued to the registered owner upon surrender thereof.

Section 305. Notice of Redemption. Notice of redemption of Series 1996A Bonds shall be given in the manner set forth in Section 402 of the Master Trust Agreement.

ARTICLE IV

ESTABLISHMENT OF A COSTS OF ISSUANCE ACCOUNT AND PROCEEDS OF SERIES 1996A BONDS

Section 401. Series 1996A Costs of Issuance Account. There is established in the Construction Fund pursuant to Sections 501 and 604 of the Master Trust Agreement the Series 1996A Costs of

Issuance Account to be held by the Trustee. The Trustee shall use the money in the Series 1996A Costs of Issuance Account to pay or to reimburse the Board for its payment of the issuance costs and other financing expenses of the Series 1996A Bonds. Money in the Series 1996A Costs of Issuance Account may be invested by the Trustee, as directed by the State Treasurer after consultation with an Authorized Representative of the Board, in any investments in which money in the Construction Fund may be invested with a maturity not later than the date on which such money may be needed to pay the above-described costs and expenses, but in no event later than November 15, 1997. Any money, including investment earnings, remaining in the Series 1996A Costs of Issuance Account after the earlier to occur of the date all such costs and expenses are paid or November 15, 1997, shall be transferred to the Bond Fund and credited against amounts required to be deposited therein on or before the next succeeding Payment Date.

Section 402. Use of Proceeds of Series 1996A Bonds. (a) The proceeds of the Series 1996A Bonds shall be paid to the State Treasurer by the initial purchaser or purchasers of the Series 1996A Bonds, delivered by the State Treasurer to the Trustee and deposited by the Trustee simultaneously with the delivery of such Bonds as follows:

(i) the sum of \$ _____, representing accrued interest on the Series 1996A Bonds from their dated date to the date of the issuance thereof shall be deposited in the Interest Account of the Bond Fund and used to pay accrued interest on the Series 1996A Bonds on May 15, 1997;

(ii) the sum of \$ _____ shall be deposited in the Series 1996A Costs of Issuance Account;

(iii) the sum of \$ _____ shall be deposited in a subaccount established for the Series 1996A Bonds in the Fairfax County Parkway Account;

(iv) the sum of \$ _____ shall be deposited in a subaccount established for the Series 1996A Bonds in the Metro Capital Improvements Account;

(v) the sum of \$ _____ shall be deposited in a subaccount established for the Series 1996A Bonds in the Route 234 Bypass Account;

(vi) the sum of \$ _____ shall be deposited in a subaccount established for the Series 1996A Bonds in the Route 7 Improvements Account; and

(vii) the sum of \$ _____ shall be deposited in a subaccount established for the Series 1996A Bonds in the Route 50/Courthouse Interchange Account.

(b) The proceeds of the Series 1996A Bonds deposited in the Metro Capital Improvements Account under subsection (a)(iv) above shall forthwith be paid by the Trustee to the Northern Virginia Transportation District Commission pursuant to the Metro Agreement.

ARTICLE V

SECURITY FOR SERIES 1996A BONDS

Section 501. Security for Series 1996A Bonds. The Series 1996A Bonds shall be issued pursuant to the Agreement and shall be equally and ratably secured under the Agreement with the Series 1993C Bonds, the Series 1995A Bonds and any other series of Bonds issued pursuant to Article III of the Master Trust Agreement, without preference, priority or distinction of any Bonds over any other Bonds, as provided in the Agreement.

ARTICLE VI

ARBITRAGE REBATE; OTHER TAX RESTRICTIONS

Section 601. Rebate Requirement. Except with respect to earnings on funds and accounts qualifying for exceptions to the rebate requirement of Section 148 of the Code, the Board shall determine and pay, from any legally available source, the Rebate Amount to the United States of America, as and when due, in accordance with Section 148(f) of the Code, as provided in this Article, and shall retain records of all such determinations until six years after payment of the Series 1996A Bonds.

Section 602. Calculation and Report of Rebate Amount. (a) The Board selects June 30 as the end of the "bond year" with respect to the Series 1996A Bonds pursuant to Treasury Regulations Section 1.148-8(b)(2).

(b) Within 45 days after the last day of the fifth bond year after issuance of the Series 1996A Bonds, unless the bond year is changed by the Board prior to the date that any amount with respect to the Series 1996A Bonds is paid or required to be paid to the United States of America as required by Section 148 of the Code (the "Initial Installment Computation Date"), and at least once every five years thereafter, the Board shall cause the Rebate Amount to be computed and will deliver a copy of such computation (the "Rebate Amount Certificate") to the Trustee. Prior to any payment of the Rebate Amount to the United States of America as required by Section 148 of the Code, the Rebate Amount Certificate setting forth such Rebate Amount shall be prepared or approved by (i) a person with experience in matters of governmental accounting for federal income tax purposes, (ii) a bona fide arbitrage rebate calculation reporting service, or (iii) Bond Counsel experienced in preparing or approving such rebate calculation.

Section 603. Payment of Rebate Amount. (a) Not later than 60 days after the Initial Installment Computation Date, the Board shall pay to the United States of America at least 90% of the Rebate Amount as set forth in the Rebate Amount Certificate prepared with respect to such installment computation date. At least once on or before 60 days after the installment computation date that is the fifth anniversary of the Initial Installment Computation Date and on or before 60 days after every fifth anniversary date thereafter until final payment of the Series 1996A Bonds, the Board shall pay to the United States of America not less than the amount, if any, by which 90% of the Rebate Amount set forth in the most recent Rebate Amount Certificate exceeds the aggregate of all such payments theretofore made to the United States of America pursuant to this Section. On or before 60 days after final payment of the Series 1996A Bonds, the Board shall pay to the United States of America the amount, if any, by which 100% of the Rebate Amount set forth in the Rebate Amount Certificate with respect to the date of final payment of the Series 1996A Bonds exceeds the aggregate of all payments theretofore made pursuant to this Section. All such payments shall be made by the Board from any legally available source.

(b) Notwithstanding any provision of this Third Supplemental Agreement to the contrary, no such payment shall be made if the Board receives and delivers to the Trustee an opinion of Counsel experienced in preparing or approving such rebate calculation, to the effect that (i) such payment is not required under the Code in order to prevent the Series 1996A Bonds from becoming "arbitrage bonds" within the meaning of Section 148 of the Code or (ii) such payment should be calculated and paid on some alternative basis under the Code, and the Board complies with such alternative basis.

Section 604. Reports by Trustee. The Trustee shall provide the Board within 10 days after each June 30 or other computation date selected by the Board and within 10 days after the final payment of the Series 1996A Bonds with such reports and information with respect to earnings of amounts held under the Agreement as may be requested by the Board in order to comply with the provisions of this Article.

Section 605. Other Tax Covenants. The Board covenants with the Holders of the Series 1996A Bonds as follows:

(a) The Board shall not take or omit to take any action or approve the Trustee's taking any action or making any investment or use of the proceeds of any Series 1996A Bonds (including failure to spend the same with due diligence) the taking or omission of which will cause the Series 1996A Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, including without limitation participating in any issue of obligations that would cause the Series 1996A Bonds to be part of an "issue" of obligations that are arbitrage bonds, within the meaning of Treasury Regulations Section 1.150-1(c) or successor regulation, or otherwise cause interest on the Series 1996A Bonds to be includable

in the gross income for federal income tax purposes of the registered owners under existing law.

(b) Barring unforeseen circumstances, the Board shall not approve the use of the proceeds from the sale of any Series 1996A Bonds otherwise than in accordance with the Board's "non-arbitrage" certificate delivered immediately prior to the issuance of the Series 1996A Bonds.

(c) The Board shall not permit the proceeds of the Series 1996A Bonds to be used in any manner that would result in either (i) 5% or more of such proceeds being considered as having been used in any trade or business carried on by any person other than a governmental unit as provided in Section 141(b) of the Code, (ii) 5% or more of such proceeds being used with respect to any "output facility" (other than a facility for the furnishing of water) within the meaning of Section 141(b)(4) of the Code, or (iii) 5% or more of such proceeds being considered as having been used directly or indirectly to make or finance loans to any person other than a governmental unit, as provided in Section 141(c) of the Code; provided, however, that if the Board receives an opinion of Bond Counsel that compliance with any such covenant is not required to prevent the interest on the Series 1996A Bonds from being includable in the gross income for federal income tax purposes of the registered owners thereof under existing law, the Board need not comply with such restriction.

(d) The Board shall not take any other action that would affect adversely, and shall take all action within its power necessary to maintain, the exclusion of interest on all Series 1996A Bonds from gross income for federal income tax purposes.

ARTICLE VII

CONTINUING DISCLOSURE

Section 701. **Undertaking.** (a) This continuing disclosure undertaking is being made by the Board for the benefit of the Holders and to assist the Participating Underwriters in complying with the Rule. The Board acknowledges that it is undertaking primary responsibility for any reports, notices or disclosures that may be required under this Section 701.

(b) Not later than 10 months after the end of each Fiscal Year, commencing with the Fiscal Year ending June 30, 1997, the Board shall cause the Dissemination Agent to provide to each Repository an Annual Report that is consistent with the requirements of Section 702. Not later than 10 days prior to such date, the Board shall provide the Annual Report to the Dissemination Agent. In each case, the Annual Report (1) may be submitted as a single document or as separate documents comprising a package, (2) may cross-reference other information as provided in Section 702, and (3) shall include such other information as may be required by the Rule.

(c) If the Board fails to provide an Annual Report to the Repositories by the date required in (b), the Board shall send, or shall cause the Dissemination Agent to send, an appropriate notice to the Municipal Securities Rulemaking Board and any State Repository in substantially the form attached hereto as Exhibit B.

Section 702. Content of Annual Reports. Each Annual Report required to be filed hereunder shall contain or incorporate by reference, at a minimum, the following information, all with a view toward assisting Participating Underwriters in complying with the Rule:

(a) updated information regarding the Program; and

(b) updated information regarding (1) the Northern Virginia Transportation District Fund, (2) funds appropriated and allocated to the Northern Virginia Highway Construction District, (3) the Transportation Trust Fund and (4) any other funds appropriated by the Virginia General Assembly with respect to the Bonds or the Program as of the end of the preceding Fiscal Year.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Board or the Commonwealth, which have been filed with each of the Repositories or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The Board shall clearly identify each such other document so incorporated by reference.

Section 703. Reporting of Listed Events. The Board will provide in a timely manner to the Municipal Securities Rulemaking Board and to each State Repository, if any, notice of any of the Listed Events with respect to the Bonds, if material.

Section 704. Dissemination Agent. The Board may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its Undertaking and may discharge any such Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the Board shall be the Dissemination Agent.

Section 705. Amendment. Notwithstanding any other provision of the Agreement, the Board may amend its Undertaking as set forth in this Article VII if such amendment is supported by an opinion of independent counsel with expertise in federal securities laws to the effect that such amendment is permitted or required by the Rule.

Section 706. Additional Information. Nothing in this Article VII shall be deemed to prevent the Board or the Dissemination Agent from disseminating any other information, using the means of dissemination set forth in this Article VII or any other means of communication, or including any other information in

any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Article VII. If the Board or the Dissemination Agent chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Article VII, the Board shall have no obligation under this Article VII to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 707. Default. In the event of a failure of the Board to file its Annual Report, any person referred to in Section 708 may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Board to file such Annual Report. In the event of a failure of the Board to comply with any provision of its Undertaking as set forth in this Article VII, the Holders of not less than a majority in aggregate principal amount of Series 1996A Bonds outstanding may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Board to comply with its Undertaking. A default under this Article VII shall not be deemed an event of default under the Agreement or the Series 1996A Bonds, and the sole remedy under this Article VII in the event of any failure of the Board to comply with its Undertaking shall be an action to compel performance. Nothing in this provision shall be deemed to restrict the rights or remedies of any holder pursuant to the Securities Exchange Act of 1934, the rules and regulations promulgated thereunder, or other applicable laws.

Section 708. Beneficiaries. This Undertaking shall inure solely to the benefit of the Board, the Participating Underwriters, and Holders from time to time of the Series 1996A Bonds, and shall create no rights in any other person or entity.

Section 709. Termination. The obligations of the Board pursuant to its Undertaking shall terminate upon the earlier to occur of the legal defeasance or final retirement of all of the Series 1996A Bonds.

ARTICLE VIII

MISCELLANEOUS

Section 801. Limitation of Rights. With the exception of the rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Third Supplemental Agreement is intended or shall be construed to give any person other than the parties hereto and the Holders of the Series 1996A Bonds any legal or equitable right, remedy or claim under or in respect to this Third Supplemental Agreement or any covenant, condition and agreement herein contained; this Third Supplemental Agreement and all of the covenants, conditions and agreements hereof being intended to be and being for the sole and exclusive benefit of the

parties hereto and the Holders of the Series 1996A Bonds as herein provided.

Section 802. Limitation of Liability of Members, etc., of Board. No covenant, agreement or obligation contained herein shall be deemed to be a covenant, agreement or obligation of any present or future member, officer, employee or agent of the Board in his individual capacity, and neither the members of the Board nor any officer thereof executing the Series 1996A Bonds shall be liable personally on the Series 1996A Bonds or be subject to any personal liability or accountability by reason of issuance thereof. No member, officer, employee, agent or advisor of the Board shall incur any personal liability with respect to any other action taken by him pursuant to the Agreement or the Board Statute, provided such member, officer, employee, agent or advisor acts in good faith.

Section 803. Successors and Assigns. This Third Supplemental Agreement shall be binding upon, inure to the benefit of and be enforceable by the Board and its successors and by the Trustee and its successors and assigns.

Section 804. Severability. If any provision of this Third Supplemental Agreement shall be held illegal or invalid by any court of competent jurisdiction, such holding shall not invalidate any other provision hereof and this Third Supplemental Trust Agreement shall be construed and enforced as if such illegal provision had not been contained.

Section 805. Applicable Law. This Third Supplemental Agreement shall be governed by the applicable laws of the Commonwealth.

Section 806. Counterparts. This Third Supplemental Agreement may be executed in several counterparts, each of which shall be an original and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Board and the Trustee have caused this Third Supplemental Agreement to be executed in their respective corporate names by their duly authorized officers, all as of the date first above written.

COMMONWEALTH TRANSPORTATION BOARD

By _____
Chairman

**FIRST UNION NATIONAL BANK
OF VIRGINIA,
as Trustee**

By _____
Vice President

EXHIBIT A

REGISTERED

REGISTERED

R - _____

\$ _____

UNITED STATES OF AMERICA

COMMONWEALTH OF VIRGINIA

COMMONWEALTH TRANSPORTATION BOARD

Commonwealth of Virginia Transportation Revenue Bond,
Series 1996A

(Northern Virginia Transportation District Program)

INTEREST RATE	MATURITY DATE	DATED DATE	CUSIP
_____ %	May 15, _____	November 1, 1996	928184 _____

REGISTERED OWNER:

PRINCIPAL AMOUNT:

The Commonwealth Transportation Board (the "Board"), for value received, hereby promises to pay upon surrender hereof at the corporate trust operations office designated by First Union National Bank of Virginia, Richmond, Virginia (the "Trustee"), solely from the sources and as herein after provided, to the registered owner hereof (the "Holder"), or registered assigns or legal representative, the principal sum stated above on the maturity date stated above, subject to prior redemption as hereinafter provided, and to pay, solely from such sources, interest hereon semiannually on each May 15 and November 15, beginning May 15, 1997, at the annual rate stated above. Interest is payable by check or draft mailed to the Holder at his address as it appears, on the first day of the month in which the interest payment date occurs, on registration books kept by the Trustee. Notwithstanding the foregoing, if (a) the Holder owns at least \$1,000,000 in aggregate principal amount of Series 1996A Bonds, as herein defined, and (b) such Holder has provided satisfactory prior notice of a wire transfer address to the Trustee, then interest shall be paid by wire transfer. Principal, premium, if any, and interest are payable in lawful money of the United States of America.

Notwithstanding any other provision hereof, this Series 1996A Bond is subject to a book entry system maintained by The Depository Trust Company ("DTC") and the payment of principal, premium, if any, and interest, the providing of notices and other matters will be made as described in the Board's Letter of Representations to DTC.

This Bond is one of an issue of \$82,000,000 Common wealth of Virginia Transportation Revenue Bonds, Series 1996A (Northern Virginia Transportation District Program) (the "Series 1996A Bonds") of like date and tenor, except as to number, denomination, rate of interest, privilege of redemption and maturity. The Series 1996A Bonds are authorized pursuant to the State Revenue Bond Act and Chapter 391 of the Acts of Assembly of 1993, as amended and reenacted by Chapters 470 and 597 of the Acts of Assembly of 1994 to provide funds to finance costs related to the Northern Virginia Transportation District Program as described in Section 33.1-221.1:3 of the Code of Virginia of 1950, as amended, including expenses necessary or incident to the financing.

This Series 1996A Bond and the premium, if any, and the interest hereon are limited obligations of the Board and are payable solely from the revenues, receipts and funds appropriated for such purpose by the General Assembly, or allocated by the Board for such purpose from the revenues, receipts and funds appropriated to it by the General Assembly ("Revenues"), first from (a) the Northern Virginia Transportation District Fund created pursuant to Section 58.1-815.1 of the Code of Virginia of 1950, as amended, a fund within the Transportation Trust Fund, (b) to the extent required, funds appropriated and allocated, pursuant to the highway allocation formula as provided by law, to the highway construction district in which the project or projects to be financed are located, (c) or to the city or county in which the project or projects to be to the extent required, legally available revenues of the Transportation Trust Fund, and (d) such other funds which may be appropriated by the General Assembly, and from moneys held by the Trustee in certain funds established under the Trust Agreement. Nothing in this Bond or the Trust Agreement shall be deemed to create or constitute a debt of the Commonwealth of Virginia or a pledge of the faith and credit of the Commonwealth of Virginia or of any political subdivision thereof.

The Board, the Treasury Board of the Commonwealth of Virginia (the "Treasury Board") and the Secretary of Finance of the Commonwealth of Virginia entered into an Amended and Restated Payment Agreement dated as of January 15, 1995 (the "Payment Agreement"), providing for the payment of Revenue as to the Trustee in amounts and at time sufficient to pay principal of and interest on the Series 1996A Bonds; provided, however, that the obligation of the Treasury Board to make such payments is subject to and dependent on annual or biennial appropriations being made by the General Assembly, which is not obligated to make such appropriations. The Trustee is a third party beneficiary of the Payment Agreement and is entitled to enforce, on behalf of the Holders of the Series

1996A Bonds, all of the obligations and rights of the parties thereunder. Upon appropriation or allocation of Revenues, such Revenues are pledged to the payment of the Series 1996A Bonds.

The Series 1996A Bonds are issued under a Master Agreement of Trust dated as of August 15, 1993, between the Board and the Trustee, as supplemented by a First Supplemental Agreement of Trust dated as of August 15, 1993 (the "First Supplemental Agreement"), a Second Supplemental Agreement of Trust dated as of January 15, 1995 (the "Second Supplemental Agreement"), and a Third Supplemental Agreement of Trust dated as of November 1, 1996 (the "Third Supplemental Agreement") and collectively with the Master Agreement of Trust, the First Supplemental Agreement and the Second Supplemental Agreement, the "Trust Agreement"). The Series 1996A Bonds are secured on parity with the outstanding balance of (a) the Common wealth of Virginia Transportation Revenue Bonds, Series 1993C (Northern Virginia Transportation District Program), authorized by and issued pursuant to the First Supplemental Agreement (the "Series 1993C Bonds"), (b) the Commonwealth of Virginia Transportation Revenue Bonds, Series 1995A (Northern Virginia Transportation District Program), authorized by and issued pursuant to the Second Supplemental Agreement (the "Series 1995A Bonds"). Reference is made to the Trust Agreement for a description of the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Board, the rights of the Holders of the Series 1996A Bonds and the terms upon which the Series 1996A Bonds are issued and secured. Additional bonds ranking equally with the Series 1993C Bonds, the Series 1995A Bonds, the Series 1993B Bonds and the 1996A Bonds may be issued on the terms provided in the Trust Agreement.

The Series 1996A Bonds may not be called for redemption except as provided in the Trust Agreement and as described in the succeeding numbered paragraphs.

(1) The Series 1996A Bonds maturing on or before May 15, 2006, are not subject to optional redemption prior to maturity.

(2) Series 1996A Bonds maturing on or after May 15, 2007, are subject to redemption prior to maturity at the option of the Board on or after May 15, 2006, in whole or in part, in increments of \$5,000 or integral multiples thereof, at any time, upon payment of the following redemption prices (expressed as a percentage of principal amount of Series 1996A Bonds to be redeemed) plus interest accrued to the redemption date:

101% if redeemed May 15, 2006, through May 14, 2007, inclusive;
100% if redeemed May 15, 2007, through May 14, 2008, inclusive;
100% if redeemed May 15, 2008, or thereafter.

(3) Series 1996A Bonds maturing on May 15, _____, are required to be redeemed prior to maturity in part on May 15 in years and amounts, upon payment of 100% of the principal amount thereof plus interest accrued to the redemption date, as follows:

<u>Year</u>	<u>Amount</u>
-------------	---------------

(final maturity)

(4) Series 1996A Bonds maturing on May 15, _____, are required to be redeemed prior to maturity in part on May 15 in years and amounts, upon payment of 100% of the principal amount thereof plus interest accrued to the redemption date, as follows:

<u>Year</u>	<u>Amount</u>
-------------	---------------

(final maturity)

The Board shall receive credit against the amount of Series 1996A Bonds to be redeemed pursuant to paragraphs (3) and (4) in accordance with provisions of the Trust Agreement.

If less than all the Series 1996A Bonds are called for optional redemption, the Series 1996A Bonds to be redeemed shall be called in such order as the Board may determine. If less than all of the Series 1996A Bonds of any maturity are called for redemption, the Series 1996A Bonds to be redeemed shall be selected by DTC or any successor securities depository pursuant to its rules and procedures or, if the book entry system is discontinued, shall be selected by the Trustee by lot in such manner as the Trustee in its discretion may determine. In either event, each portion of \$5,000 principal amount shall be counted as one Bond for such purpose.

If any of the Series 1996A Bonds or portions thereof are called for redemption, the Trustee shall send notice of the call for redemption, identifying the Series 1996A Bonds or portions thereof to be redeemed, by registered or certified mail, not less than 30 nor more than 60 days prior to the redemption date, to the Holder of each Series 1996A Bond to be redeemed at his address as it appears on the registration books maintained by the Trustee. Provided funds for their redemption are on deposit at the place of payment on the redemption date, all Series 1996A Bonds or portions thereof so called for redemption shall cease to bear interest on such date, shall no longer be secured as set forth in the Trust Agreement and shall not be deemed to be outstanding under the provisions of the Trust Agreement. If a portion of this Series

1996A Bond shall be called for redemption, a new Series 1996A Bond in principal amount equal to the unredeemed portion hereof will be issued to the Holder upon the surrender hereof.

The Holder shall have no right to enforce the provisions of the Trust Agreement or to institute action to enforce the covenants therein or to take any action with respect to any Event of Default under the Trust Agreement or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Trust Agreement. Modifications or alterations of the Trust Agreement, or of any supplement thereto, may be made only to the extent and in the circumstances permitted by the Trust Agreement.

The Series 1996A Bonds are issuable as registered bonds in denominations of \$5,000 or integral multiples thereof. Upon surrender for transfer or exchange of this Bond at the principal corporate trust office of the Trustee, together with an assignment duly executed by the Holder or his duly authorized attorney or legal representative in such form as shall be satisfactory to the Trustee, the Board shall execute, and the Trustee shall authenticate and deliver in exchange, a new Series 1996A Bond or Series 1996A Bonds in the manner and subject to the limitations and conditions provided in the Trust Agreement, having an equal aggregate principal amount, in authorized denominations, of the same series, form and maturity, bearing interest at the same rate, and registered in the name or names as requested by the then registered owner hereof or his duly authorized attorney or legal representative. Any such exchange shall be at the expense of the Board, except that the Trustee may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

The Trustee shall treat the Holder as the person exclusively entitled to payment of principal, premium, if any, and interest and the exercise of all other rights and powers of the Holder, except that interest payments shall be made to the person shown as Holder on the first day of the month in which the interest payment date occurs.

All acts, conditions and things required to happen, exist or be performed precedent to and in the issuance of this Series 1996A Bond have happened, exist and have been performed.

This Series 1996A Bond shall not be valid or be entitled to any security or benefit under the Trust Agreement until the Trustee shall have executed the Certificate of Authentication appearing hereon and inserted the date of authentication hereon.

IN WITNESS WHEREOF, the Commonwealth Transportation Board has caused this Series 1996A Bond to be signed by the [facsimile signature of its Chairman and the Commonwealth Transportation Commissioner, [a facsimile of] its seal to be [printed] [affixed] hereon and attested by [the facsimile signature of] its Secretary, and this Series 1996A Bond to be dated November 1, 1996.

COMMONWEALTH TRANSPORTATION BOARD

(SEAL)

By _____
Chairman

By _____
Commonwealth Transportation
Commissioner

Attest:

Secretary

CERTIFICATE OF AUTHENTICATION

Date Authenticated: _____

This Series 1996A Bond is one of the Series 1996A Bonds described in the within-mentioned Trust Agreement.

**FIRST UNION NATIONAL BANK
OF VIRGINIA**

By _____
Authorized Officer

45 z

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s) unto _____

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

(Please print or type Name and Address, including postal zip code of Transferee)

the within Bond and all rights thereunder, hereby irrevocably constituting and appointing

_____, Attorney to transfer said Bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: _____

Registered Owner

NOTICE: The signature above must correspond with the name of the Registered Owner as it appears on the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature guarantee

(The signature of the transferor of this Bond must be guaranteed by an institution participating in the Securities Transfer Agent Medallion Program ("STAMP") or similar program.)

Please affix signature guarantee ink stamp below with appropriate signature, title of officer and date:

**NOTICE OF FAILURE TO FILE ANNUAL REPORT
[AUDITED ANNUAL FINANCIAL STATEMENTS]**

COMMONWEALTH TRANSPORTATION BOARD

in connection with
Commonwealth Transportation Board's
Transportation Revenue Bonds, Series 1996A
(Northern Virginia Transportation District Program)

CUSIP NO. _____

Dated Date: _____, _____

NOTICE IS HEREBY GIVEN that the Commonwealth Transportation Board (the "Board") has not provided an Annual Report [Audited Annual Financial Statements] as required by Article VII of the Third Supplemental Agreement of Trust, dated as of November 1, 1996, between the Board and First Union National Bank of Virginia, as trustee (the "Agreement of Trust") pursuant to which the above-referenced bonds were issued. The Board anticipates that the Annual Report [Audited Annual Financial Statements] will be filed by

Dated: _____.

**FIRST UNION NATIONAL BANK
OF VIRGINIA**

By _____

Its _____

DRAFT OF 9/13/96

SECOND SUPPLEMENTAL PAYMENT AGREEMENT

Among

COMMONWEALTH TRANSPORTATION BOARD

And

TREASURY BOARD OF THE COMMONWEALTH OF VIRGINIA

And

SECRETARY OF FINANCE OF THE COMMONWEALTH OF VIRGINIA

Dated as of November 1, 1996

45 cc

THIS SECOND SUPPLEMENTAL PAYMENT AGREEMENT dated as of November 1, 1996, by and among the **COMMONWEALTH TRANSPORTATION BOARD** (the "Board") and the **TREASURY BOARD OF THE COMMONWEALTH OF VIRGINIA** (the "Treasury Board") and the **SECRETARY OF FINANCE OF THE COMMONWEALTH OF VIRGINIA** (the "Secretary of Finance");

W I T N E S S E T H:

WHEREAS, pursuant to Sections 33.1-267 through 33.1-295 of the Code of Virginia of 1950, as amended (the "State Revenue Bond Act"), the Board has the power to issue revenue bonds to finance the cost of projects authorized by the General Assembly of Virginia (the "General Assembly"), issuance costs and related financing expenses, and to refund any such revenue bonds;

WHEREAS, in Section 33.1-221.1:3 of the Code of Virginia of 1950, as amended (the "Virginia Code"), the General Assembly has declared it to be in the public interest that the economic development needs and economic growth potential of Northern Virginia be addressed by a special transportation program to provide for the costs of providing an adequate, modern, safe and efficient transportation network in Northern Virginia which shall be known as the Northern Virginia Transportation District Program consisting of certain projects described therein (the "Program");

WHEREAS, Section 2 of Chapter 391 of the Acts of Assembly of 1993, as amended and reenacted by Chapters 470 and 597 of the Acts of Assembly of 1994, and as it may be further amended and/or reenacted hereafter, authorizes the Board, by and with the consent of the Governor, to issue, pursuant to the provisions of the State Revenue Bond Act, at one time or from time to time, Commonwealth of Virginia Transportation Revenue Bonds in an aggregate principal amount not exceeding \$271,000,000 (or such other amount as may be specified by the General Assembly) to finance the costs of the Program plus an amount for issuance costs, capitalized interest, reserve funds and other financing expenses (the "Transportation Revenue Bonds");

WHEREAS, in Section 58.1-815.1 of the Virginia Code, the General Assembly created in the Department of the Treasury a special nonreverting fund known as the Northern Virginia Transportation District Fund (the "Northern Virginia Transportation District Fund") as part of the Transportation Trust Fund, consisting of transfers pursuant to Section 58.1-816 of the Virginia Code of a portion of the annual collections of the state recordation taxes attributable to the Cities of Alexandria, Fairfax, Falls Church, Manassas and Manassas Park and the Counties of Arlington, Fairfax, Loudoun and Prince William;

WHEREAS, the funds on deposit in the Northern Virginia Transportation District Fund may be used to finance Costs related to the Program, including payments of debt service on the Transportation Revenue Bonds;

WHEREAS, the Board issued the Commonwealth of Virginia Transportation Revenue Bonds, Series 1993C (Northern Virginia Transportation District Program) (the "Series 1993C Bonds"), in the original aggregate principal amount of \$134,060,000, pursuant to the Master Agreement of Trust dated as of August 15, 1993 (the "Master Trust Agreement"), as supplemented by a First Supplemental Agreement of Trust dated as of August 15, 1993 (the "First Supplemental Trust Agreement"), both between the Board and First Union National Bank of Virginia, as trustee the "Trustee");

WHEREAS, in connection with the issuance of the Series 1993C Bonds, the Board, the Treasury Board and the Secretary of Finance entered into a Payment Agreement dated as of August 15, 1993 (the "Original Payment Agreement");

WHEREAS, the Board issued the Commonwealth of Virginia Transportation Revenue Bonds, Series 1995A (Northern Virginia Transportation District Program) (the "Series 1995A Bonds"), in the original aggregate principal amount of \$60,810,000, pursuant to the Master Trust Agreement, as supplemented by a Second Supplemental Agreement of Trust dated as of January 15, 1995 (the "Second Supplemental Trust Agreement"), between the Board and the Trustee;

WHEREAS, in connection with the issuance of the Series 1995A Bonds, the Board, the Treasury Board and the Secretary of Finance entered into a Supplemental Payment Agreement dated as of January 15, 1995 (the "Supplemental Payment Agreement"), which supplemented and amended the Original Payment Agreement;

WHEREAS, the Board is issuing the Commonwealth of Virginia Transportation Revenue Bonds, Series 1996A (Northern Virginia Transportation District Program) (the "Series 1996A Bonds"), in the original aggregate principal amount of \$80,000,000, pursuant to the Master Trust Agreement as supplemented and amended by the Third Supplemental Agreement of Trust dated as of November 1, 1996 (the "Third Supplemental Trust Agreement"), between the Board and the Trustee; and

WHEREAS, in connection with the issuance of the Series 1996A Bonds, the Board, the Treasury Board and the Secretary of Finance desire to enter into this Second Supplemental Payment Agreement, among other things, to supplement and amend in certain respects the Original Payment Agreement and the Supplemental Payment Agreement;

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NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter contained, the parties hereto covenant and agree as follows:

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

Section 101. Definitions. Except as otherwise defined herein, words defined in the Trust Agreement are used in this Second Supplemental Payment Agreement with the meanings assigned to them in the Trust Agreement. In addition, the following words as used in this Second Supplemental Payment Agreement shall have the following meanings unless a different meaning clearly appears from the context:

"Bonds" shall mean the Series 1996A Bonds and all other bonds or bond anticipation notes falling within the definition of "Bonds" set forth in Section 101 of the Master Trust Agreement except for the Series 1993C Bonds and the Series 1995A Bonds.

"Payment Date" shall mean May 10 or November 10, as appropriate, of each year.

"Second Supplemental Payment Agreement" shall mean this Second Supplemental Payment Agreement dated as of November 1, 1996, among the Board, the Treasury Board and the Secretary of Finance.

"Trust Agreement" shall mean the Master Trust Agreement as supplemented and amended by the First Supplemental Trust Agreement, the Second Supplemental Trust Agreement and the Third Supplemental Trust Agreement, and any additional supplements to the Master Trust Agreement.

Section 102. Rules of Construction. Unless the context clearly indicates to the contrary, the following rules shall apply to the construction of this Second Supplemental Payment Agreement:

(a) Words importing the singular number shall include the plural number and vice versa

(b) Unless otherwise indicated, all references herein to particular Articles and Sections are references to Articles or Sections of this Second Supplemental Payment Agreement.

(c) The headings herein are solely for convenience of reference and shall not constitute a part of this Second

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Supplemental Payment Agreement nor shall they affect its meaning, construction or effect.

ARTICLE II

REPRESENTATIONS

Section 201. Representations of Board and Treasury Board. The Board and the Treasury Board each makes the following representations in connection with its undertakings under this Second Supplemental Payment Agreement:

(a) It (i) is duly organized under the Board Statute and the Virginia Code, as applicable, (ii) has the power to enter into this Second Supplemental Payment Agreement and the transactions contemplated hereby and to perform its obligations hereunder, and (iii) by proper action has duly authorized the execution and delivery of, and performance of its obligations under, this Second Supplemental Payment Agreement.

(b) Its execution and delivery of and compliance with the terms and conditions of this Second Supplemental Payment Agreement will not conflict with, or constitute or result in a default under or violation of, (i) the Board Statute or the Virginia Code, as applicable, or any other existing law, rule or regulation applicable to it or (ii) any indenture, deed of trust, lien, lease, contract, note, order, judgment, decree or other agreement, instrument or restriction of any kind to which it or any of its assets is subject, and no event has occurred and is continuing that with the lapse of time or the giving of notice, or both, would constitute or result in such a default or violation.

(c) To its knowledge, no further approval, consent or withholding of objection on the part of any regulatory body or any federal, state or local official is required as a condition precedent to the execution or delivery of, or performance by it with the terms and conditions of, this Second Supplemental Payment Agreement.

(d) No litigation is pending nor, to its knowledge, is any inquiry or investigation of any kind in or by any judicial or administrative court or agency pending or threatened against it with respect to (i) its creation and existence, (ii) its authority to execute and deliver this Second Supplemental Payment Agreement, (iii) the validity or enforceability of this Second Supplemental Payment Agreement, (iv) the title of its officer who is to execute this Second Supplemental Payment Agreement, or (v) any authority or proceedings related to the execution and delivery of this Second Supplemental Payment Agreement on its

behalf, and no such authority or proceeding has been repealed, revoked, rescinded or amended, but each is in full force and effect.

Section 202. Representations of Secretary of Finance. The Secretary of Finance makes the following representations in connection with his undertakings under this Second Supplemental Payment Agreement:

(a) He has the power to enter into this Second Supplemental Payment Agreement and the transactions contemplated hereby and to perform his obligations hereunder and is duly authorized to execute and deliver this Second Supplemental Payment Agreement and to perform his obligations hereunder.

(b) No further approval, consent or withholding of objection on the part of any regulatory body or any federal, state or local official is required as a condition precedent to the execution or delivery of, or performance by him of the terms and conditions of, this Second Supplemental Payment Agreement.

(c) No litigation, inquiry or investigation of any kind in or by any judicial or administrative court or agency is pending or, to his knowledge, threatened against him with respect to (i) his authority to execute and deliver this Second Supplemental Payment Agreement, (ii) the validity or enforceability of this Second Supplemental Payment Agreement, (iii) the title to his office or (iv) any authority or proceedings related to his execution of this Second Supplemental Payment Agreement and no such authority or proceeding has been repealed, revoked, rescinded or amended, but each is in full force and effect.

ARTICLE III

OBLIGATIONS OF PARTIES

Section 301. Obligations of Board. (a) The Board shall deliver to the Governor and the Director of the Department of Planning and Budget of the Commonwealth, annually by December 1, the following:

(1) A request that the Governor include in the budget to be delivered to the next session of the General Assembly a provision that there be deposited in the Northern Virginia Transportation District Fund the collections of state recordation taxes described in Section 58.1-815.1 of the Virginia Code or any successor provision of law and to retain in such fund the unexpended amounts on deposit in such fund.

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(2) A statement of the amount of principal and interest coming due on the Bonds and all other amounts required to be paid under the Trust Agreement with respect to the Bonds during the next succeeding fiscal or biennial period, as applicable, and a request that the Governor include in the budget to be delivered to the next session of the General Assembly a provision that there be appropriated such amount for such purpose (i) from the Northern Virginia Transportation District Fund, (ii) to the extent required, from funds appropriated and allocated, pursuant to the highway allocation formula as provided by law, to the highway construction district in which the project or projects to be financed are located or to the city or county in which the project or projects to be financed are located, (iii) to the extent required, from revenues of the Transportation Trust Fund or (iv) from such other funds which may be appropriated by the General Assembly.

(3) A request that the Governor include in the budget to be delivered to the next session of the General Assembly a provision that the balance remaining in the Northern Virginia Transportation District Fund, after the appropriation, if any, described in Section 301(a)(2) is made, be appropriated for Costs of the Program.

(b) The Board shall use its best efforts to have (i) the Governor include, in each biennial or any supplemental budget he or she presents to the General Assembly, the amounts set forth in this Section and (ii) the General Assembly deposit, appropriate and reappropriate, as applicable, such amounts.

(c) If no appropriation is made for the amounts set forth in this Section to the Northern Virginia Transportation District Fund, or if any such appropriation is insufficient in amount, the Board shall, to the extent permitted by law, take all action necessary (i) to the extent required, to have such amounts set aside from funds appropriated and allocated, pursuant to the highway allocation formula as provided by law, to the highway construction district in which the project or projects to be financed are located or to the city or county in which the project or projects to be financed are located, as the Board shall determine, and (ii) to cause the amounts set aside to be paid by the Treasury Board to the Trustee.

(d) The Board shall provide to the Treasury Board, by May 1 and November 1 of each year, all requisitions and documents and take all actions necessary to have paid to the Treasury Board from funds appropriated pursuant to clauses (i), (ii), (iii) and (iv) of paragraph (a)(2) of this Section or from funds set aside by the Board pursuant to paragraph (c) of this Section all amounts due hereunder and to direct the Treasury Board to make

from such funds all principal and interest payments and other payments due on or with respect to the Bonds under the Trust Agreement to the Trustee on the Payment Dates.

(e) The Board shall take all actions necessary to have payments which are made from the sources referred to in paragraph (d) of this Section charged against the proper appropriation made by the General Assembly.

Section 302. Obligations of Treasury Board. (a) The Treasury Board shall use its best efforts to have (i) the Governor include in each biennial or any supplemental budget of the Commonwealth the amounts described in Section 301(a)(2) and (ii) the General Assembly appropriate such amount.

(b) The Treasury Board shall use its best efforts to obtain by May 1 and November 1 of each year the appropriate requisitions and documents needed from the Board to make the payments to the Trustee in accordance with Section 301(d).

(c) The Treasury Board shall make all principal and interest payments on the Bonds to the Trustee on the Payment Dates solely from moneys made available to it pursuant to Section 301.

Section 303. Obligation of Secretary of Finance. The Secretary of Finance shall use his best efforts to have (i) the Governor include in each biennial or any supplemental budget of the Commonwealth the amounts described in Section 301(a)(2) and (ii) the General Assembly appropriate such amounts.

ARTICLE IV

AMENDMENT TO SUPPLEMENTAL PAYMENT AGREEMENT

Section 401. Meaning of the Capitalized Term "Bonds". At all times after issuance of the Series 1996A Bonds, it is understood and agreed by the parties hereto and the Trustee that the capitalized term "Bonds" as used in the Supplemental Payment Agreement shall refer only to the Series 1995A Bonds.

ARTICLE V

MISCELLANEOUS

Section 501. Affirmation of Original Payment Agreement. Except as expressly supplemented and amended pursuant to this Second Supplemental Payment Agreement, all of the terms, conditions and undertakings of the Board, the Treasury Board and the Secretary of Finance under the Supplemental Payment Agreement

are hereby ratified and affirmed and remain in full force and effect.

Section 502. Term of Agreement. The term for this Second Supplemental Payment Agreement shall commence on the issuance of the Series 1996A Bonds and shall terminate on the earlier of the date of payment in full of all of the Bonds or the first date on which no Bonds remain Outstanding.

Section 503. Trustee as Third Party Beneficiary: Effect of Trustee's Acceptance. (a) By its acceptance noted below the Trustee shall become a third party beneficiary of this Second Supplemental Payment Agreement and shall be entitled to enforce, on behalf of the Holders, all of the obligations and rights of the parties hereto to the same extent as if the Trustee were one of the contracting parties.

(b) By its acceptance noted below, the Trustee also evidences (i) its determination that the amendments to the Supplemental Payment Agreement set forth in this Second Supplemental Payment Agreement do not prejudice in any material respect any of the rights of the Holders of the Series 1995A Bonds and (ii) its consent to this Second Supplemental Payment Agreement.

Section 503. Amendments. Upon receipt of the written consent of the Trustee, this Second Supplemental Payment Agreement may be amended by the parties hereto so long as such amendment complies with the requirements set forth in Article XIII of the Master Trust Agreement.

Section 504. Successors. This Second Supplemental Payment Agreement shall be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors.

Section 505. Severability. If any provision of this Second Supplemental Payment Agreement shall be held to be illegal or invalid by any court of competent jurisdiction, such holding shall not invalidate any other provision hereof and this Second Supplemental Payment Agreement shall be construed and enforced as if such illegal provision had not been contained in it.

Section 506. Counterparts. This Second Supplemental Payment Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

Section 507. Notices. Unless otherwise provided in this Second Supplemental Payment Agreement, all notices, approvals, consents, requests and other communications under this

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Supplemental Payment Agreement shall be in writing and shall be deemed to be given when delivered in person, or when sent by Federal Express or a comparable express courier service, or when mailed by registered or certified mail, postage prepaid, addressed (i) if to the Board, at 1401 East Broad Street, Richmond, Virginia 23219 (Attention: Chairman), (ii) if to the Treasury Board, at James Monroe Building, Third Floor, 101 North 14th Street, Richmond, Virginia 23219 (Attention: Director of Debt Management) or (iii) if to the Secretary of Finance, at Ninth Street Office Building, 202 North 9th Street, Room 635, Richmond, Virginia 23219. The Board, the Treasury Board and the Secretary of Finance may, by notice given under this Second Supplemental Payment Agreement, designate any additional or different addresses or persons to which subsequent demands, notices, approvals, consents, requests and other communications shall be sent.

IN WITNESS WHEREOF, the Board and the Treasury Board have caused this Second Supplemental Payment Agreement to be duly executed on their behalf by their duly authorized officers and the Secretary of Finance has duly executed this Second Supplemental Payment Agreement in his official capacity.

COMMONWEALTH TRANSPORTATION BOARD

By: _____
Chairman

**TREASURY BOARD OF THE COMMONWEALTH
OF VIRGINIA**

By: _____
Chairman

Secretary of Finance of the
Commonwealth of Virginia

ACCEPTED:

**FIRST UNION NATIONAL BANK
OF VIRGINIA, as Trustee**

By: _____
Its: _____

DRAFT OF 9/13/96

FOURTH SUPPLEMENTAL AGREEMENT OF TRUST

between

COMMONWEALTH TRANSPORTATION BOARD

and

**FIRST UNION NATIONAL BANK OF VIRGINIA
(successor to Dominion Trust Company),
as Trustee**

Dated as of November 1, 1996

**Authorizing the Issuance of \$116,000,000
Commonwealth of Virginia Transportation Revenue Bonds,
Series 1996B (U.S. Route 58 Corridor Development Program)**

TABLE OF CONTENTS

	<u>Page</u>
Parties.....	1
Recitals.....	1
Granting Clause.....	2

ARTICLE I

FOURTH SUPPLEMENTAL AGREEMENT

Section 101. Authorization of Supplemental Agreement.....	2
Section 102. Definitions.....	3
Section 103. Reference to Articles and Sections.....	4

ARTICLE II

AUTHORIZATION, DETAILS AND FORM OF SERIES 1996B BONDS

Section 201. Authorization of Series 1996B Bonds.....	4
Section 202. Details of Series 1996B Bonds.....	5
Section 203. Securities Depository Provisions.....	5
Section 204. Form of Series 1996B Bonds.....	6
Section 205. Delivery of Series 1996B Bonds.....	7

ARTICLE III

REDEMPTION OF SERIES 1996B BONDS

Section 301. Redemption Dates and Prices.....	7
Section 302. Optional Redemption.....	7
Section 303. Mandatory Redemption.....	7
Section 304. Manner of Redemption.....	8
Section 305. Notice of Redemption.....	8

ARTICLE IV

PROCEEDS OF SERIES 1996B BONDS

Section 401. Use of Proceeds of Series 1996B Bonds.....	8
---	---

ARTICLE V

SECURITY FOR SERIES 1996B BONDS

Section 501. Security for Series 1996B Bonds.....	9
---	---

ARTICLE VI

ARBITRAGE REBATE; OTHER TAX RESTRICTIONS

Section 601. Rebate Requirement.....	9
Section 602. Calculation and Report of Rebate Amount.....	9
Section 603. Payment of Rebate Amount.....	10

Section 604.	Reports by Trustee	10
Section 605.	Other Tax Covenants	10

ARTICLE VII

CONTINUING DISCLOSURE

Section 701.	Undertaking	11
Section 702.	Content of Annual Reports	12
Section 703.	Reporting of Listed Events	12
Section 704.	Dissemination Agent	12
Section 705.	Amendment	12
Section 706.	Additional Information	13
Section 707.	Default	13
Section 708.	Beneficiaries	13
Section 709.	Termination	13

ARTICLE VIII

MISCELLANEOUS

Section 801.	Limitation of Rights	14
Section 802.	Limitation of Liability of Members, etc., of Board	14
Section 803.	Successors and Assigns	14
Section 804.	Severability	14
Section 805.	Applicable Law	14
Section 806.	Counterparts	14
Testimonium		15
Signatures		15

EXHIBIT A - Form of Series 1996B Bonds

EXHIBIT B - Notice of Failure to File Annual Report

THIS FOURTH SUPPLEMENTAL AGREEMENT OF TRUST dated as of November 1, 1996, between the **COMMONWEALTH TRANSPORTATION BOARD**, (the "Board"), and **FIRST UNION NATIONAL BANK OF VIRGINIA**, a banking association organized and existing under the laws of the United States of America and having a corporate trust office in Richmond, Virginia, as successor to Dominion Trust Company, as trustee (in such capacity, together with any successor in such capacity, herein called the "Trustee"),

W I T N E S S E T H :

WHEREAS, pursuant to the State Revenue Bond Act, Sections 33.1-267 et seq. Of the Code of Virginia of 1950, as amended (the "Virginia Code"), the Board has the power to issue revenue bonds to finance the cost of projects authorized by the General Assembly of Virginia (the "General Assembly"), including expenses necessary or incident to the financing, and to issue bonds to refund such revenue bonds;

WHEREAS, the General Assembly has declared its intent in Section 33.1-221.1:2 of the Virginia Code, entitled U.S. Route 58 Corridor Development Program (the "Program"), that there shall be developed an adequate, modern, safe and efficient highway system generally along Virginia's southern border;

WHEREAS, Chapter 12 of the Acts of Assembly of 1989, Special Session II, authorized the Board, by and with the consent of the Governor, to issue pursuant to the provisions of the State Revenue Bond Act, at one time or from time to time, Commonwealth of Virginia Transportation Revenue Bonds in an aggregate principal amount not exceeding \$600,000,000 to finance the costs of the Program plus an amount for issuance costs, reserve funds and other financing expenses.

WHEREAS, the General Assembly, in Section 58.1-815 of the Virginia Code, established the U.S. Route 58 Corridor Development Fund (the "U.S. Route 58 Development Fund"), a special nonreverting fund as part of the Transportation Trust Fund, consisting of a specified amount of the first annual collections of state recordation taxes;

WHEREAS, the funds on deposit in the U.S. Route 58 Development Fund may be used to finance costs related to the Program, including payments of debt service on Commonwealth of Virginia Transportation Revenue Bonds;

WHEREAS, the Board and the Trustee entered into a Master Agreement of Trust dated as of November 1, 1989 (the "Master Trust Agreement"), supplemented by a First Supplemental Agreement of Trust dated as of November 1, 1989, pursuant to which the Board issued \$200,000,000 principal amount of its Commonwealth of Virginia Transportation Revenue Bonds, Series 1989 (U.S. Route 58 Corridor Development Program) (the "Series 1989 Bonds"), by a

Second Supplemental Agreement of Trust dated as of May 15, 1993, pursuant to which the Board issued \$91,455,000 principal amount of its Commonwealth of Virginia Transportation Revenue Refunding Bonds, Series 1993A (U.S. Route 58 Corridor Development Program) (the "Series 1993A Bonds"), which refunded a portion of the Series 1989 Bonds, and by a Third Supplemental Agreement of Trust dated as of June 1, 1993, pursuant to which the Board issued \$98,715,000 principal amount of its Commonwealth of Virginia Transportation Revenue Bonds, Series 1993B (U.S. Route 58 Corridor Development Program) (the "Series 1993B Bonds" and collectively with the Series 1989 Bonds and the Series 1993A Bonds, the "Prior Bonds");

WHEREAS, the Board is not in default under the Agreement or in payment of the principal of or interest on the Prior Bonds;

WHEREAS, within the limitations of and in compliance with the Agreement, the Board is authorized to issue Bonds ("Additional Bonds"), secured on parity with the Prior Bonds to the extent provided in the Agreement, to pay costs of all or any portion of the Program;

WHEREAS, the Board has determined to provide for the issuance of a series of Additional Bonds under the Agreement the proceeds of which shall be used to pay the Cost of a portion of the Program;

WHEREAS, the Master Trust Agreement provides that, in connection with the issuance of Bonds, the Board shall execute and deliver to the Trustee a supplemental agreement authorizing the issuance of such Bonds and setting forth the provisions thereof; and

WHEREAS, the Board has taken all necessary action to make its Commonwealth of Virginia Transportation Revenue Bonds, Series 1996B (U.S. Route 58 Corridor Development Program), when authenticated by the Trustee and issued by the Board, valid and binding limited obligations of the Board and to constitute this Fourth Supplemental Agreement a valid and binding agreement authorizing and providing for the details of the Series 1996B Bonds as a series of Additional Bonds;

NOW, THEREFORE, THIS FOURTH SUPPLEMENTAL AGREEMENT WITNESSETH that the Board does covenant and agree with the Trustee and with the respective Holders, from time to time, of the outstanding Prior Bonds and Series 1996B Bonds, as follows:

ARTICLE I

FOURTH SUPPLEMENTAL AGREEMENT

Section 101. Authorization of Supplemental Agreement. This Fourth Supplemental Agreement is authorized and executed by the Board and delivered to the Trustee pursuant to and in accordance with Articles III and XI of the Master Trust Agreement. All

covenants, conditions and agreements of the Agreement shall apply with full force and effect to the Series 1996B Bonds and to the Holders thereof, except as otherwise provided herein.

Section 102. Definitions. Except as otherwise defined herein, terms defined in the Agreement are used in this Fourth Supplemental Agreement with the meanings assigned to them in the Agreement. In addition, the following terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Board pursuant to, and as described in, subsection (b) of Section 701.

"Dissemination Agent" shall mean the State Treasurer of the Commonwealth, acting in its capacity as Dissemination Agent hereunder in accordance with Executive Order Number Fifty-Two (95) of the Governor of the Commonwealth, or any successor Dissemination Agent designated in writing by the Board and which has filed with the Board a written acceptance of such designation.

"Fiscal Year" shall mean the twelve-month period, at the end of which the Board's financial position and the results of its operations for the preceding 12 months are determined. Currently, the Board's Fiscal Year begins July 1 and continues through June 30 of the next calendar year.

"Fourth Supplemental Agreement" means this Fourth Supplemental Agreement of Trust between the Board and the Trustee, which supplements and amends the Agreement.

"Letter of Representations" means the blanket Letter of Representations dated _____, 1996, from the Board and the Trustee to the initial Securities Depository and any amendments thereto or any successor agreements between the Board and the Trustee and any successor Securities Depository, relating to a book-entry system to be maintained by the Securities Depository with respect to the Series 1996B Bonds. Notwithstanding any provision of the Agreement, including Article XI of the Master Trust Agreement, the Trustee may enter into any such amendment or successor agreement without the consent of Holders of the Series 1996B Bonds.

"Listed Events" shall mean any of the events listed in subsection (b)(5)(i)(C) of the Rule.

"National Repository" shall mean any Nationally Recognized Municipal Securities Information Repository for purposes of the Rule.

"Participating Underwriter" shall mean any of the original underwriters of the Series 1996B Bonds required to comply with the Rule in connection with the offering of such Bonds.

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"**Rebate Amount**" means the excess of the future value of all nonpurpose receipts with respect to the Series 1996B Bonds over the future value of all nonpurpose payments with respect to the Series 1996B Bonds, in each case calculated under Section 602 pursuant to the requirements of Section 148 of the Code, or such other amount of arbitrage required to be rebated to the United States of America under Section 148 of the Code.

"**Rebate Amount Certificate**" has the meaning set forth in Section 602.

"**Repository**" shall mean each National Repository and each State Repository.

"**Rule**" shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended and officially interpreted from time to time.

"**Securities Depository**" means The Depository Trust Company, a corporation organized and existing under the laws of the State of New York, and any other securities depository for the Series 1996B Bonds appointed pursuant to Section 203 of this Fourth Supplemental Agreement, and their successors.

"**Series 1996B Bonds**" means the \$113,000,000 Commonwealth of Virginia Transportation Revenue Bonds, Series 1996B (U.S. Route 58 Corridor Development Program), authorized to be issued by Article II of this Fourth Supplemental Agreement.

"**State Repository**" shall mean each National Repository and each State Repository.

Section 103. Reference to Articles and Sections. Unless otherwise indicated, all references herein to particular articles or sections are references to articles or sections of this Fourth Supplemental Agreement.

ARTICLE II

AUTHORIZATION, DETAILS AND FORM OF SERIES 1996B BONDS

Section 201. Authorization of Series 1996B Bonds. There are authorized to be issued as Additional Bonds pursuant to Article III of the Master Trust Agreement a series of transportation revenue bonds of the Board in the aggregate principal amount of \$116,000,000 which shall be designated "Commonwealth of Virginia Transportation Revenue Bonds, Series 1996B (U.S. Route 58 Corridor Development Program)" to provide funds to pay Costs of a portion of the Program.

Section 202. Details of Series 1996B Bonds. (a) The Series 1996B Bonds shall be dated November 1, 1996, shall be issued only as registered bonds in denominations of \$5,000 or multiples thereof, shall be numbered R-1 upward, shall bear interest at rates per year (calculated on the basis of a 360-day year composed of 12 months of 30 days each), payable semiannually on each May 15 and November 15, beginning May 15, 1997, and shall mature in installments on May 15 in years and amounts at such rates, as follows:

<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Year</u>	<u>Amount</u>	<u>Rate</u>
1997	\$		2010	\$	
1998			2011		
1999			2012		
2000			2013		
2001			2014		
2002			2015		
2003			2016		
2004			2017		
2005			2018		
2006			2019		
2007			2020		
2008			2021		
2009					

Each Series 1996B Bond shall bear interest from its date. If any principal of or interest on any Series 1996B Bond is not paid when due (whether at maturity, by acceleration or call for redemption or otherwise), the overdue installments of principal shall bear interest until paid at the same rate set forth in such Series 1996B Bond.

(b) Principal of the Series 1996B Bonds and the premium, if any, thereon shall be payable to the Holders thereof upon the surrender of such Bonds at a corporate trust operation office designated by the Trustee. Interest on the Series 1996B Bonds shall be payable by check or draft mailed to the Holders thereof at their addresses as they appear on the registration books kept by the Trustee (on the first day of the month in which the interest payment date occurs) or, upon written request of a Holder of more than \$1,000,000 principal amount of Series 1996B Bonds, by wire transfer to such Holder's account as set forth on such request.

(c) Except as otherwise provided herein, the Series 1996B Bonds shall be payable, executed, authenticated, registered, exchangeable and secured, all as set forth in the Agreement.

Section 203. Securities Depository Provisions. (a) Initially, one bond certificate for each maturity of the Series 1996B Bonds will be issued and registered to the Securities Depository, or its nominee. The Board and the Trustee have entered into a Letter of

Representations relating to a book-entry system to be maintained by the Securities Depository with respect to the Series 1996B Bonds.

(b) In the event that (i) the Securities Depository determines not to continue to act as a securities depository for the Series 1996B Bonds by giving notice to the Trustee and the Board discharging its responsibilities hereunder, or (ii) the Board in its sole discretion determines (A) that beneficial owners of Series 1996B Bonds shall be able to obtain certificated Series 1996B Bonds or (B) to select a new Securities Depository, then the Trustee shall, at the direction of the Board, attempt to locate another qualified securities depository to serve as Securities Depository or authenticate and deliver certificated Series 1996B Bonds to the beneficial owners or to the Securities Depository participants on behalf of beneficial owners substantially in the form provided for in Section 204; provided, however, that such form shall provide for interest on the Bonds to be payable (x) from November 1, 1996, if it is authenticated prior to May 15, 1997, or (y) otherwise from the May 15 or November 15 that is, or immediately precedes, the date on which it is authenticated (unless payment of interest thereon is in default, in which case interest on such Bonds shall be payable from the date to which interest has been paid). In delivering certificated Series 1996B Bonds, the Trustee shall be entitled to rely on the records of the Securities Depository as to the beneficial owners or the records of the Securities Depository participants acting on behalf of beneficial owners. Such certificated Series 1996B Bonds will then be registrable, transferable and exchangeable as set forth in Section 204 of the Master Trust Agreement.

(c) So long as there is a Securities Depository for the Series 1996B Bonds (i) it or its nominee shall be the registered owner of the Series 1996B Bonds, (ii) notwithstanding anything to the contrary in the Agreement, determinations of persons entitled to payment of principal, premium, if any, and interest, transfers of ownership and exchanges and receipt of notices shall be the responsibility of the Securities Depository and shall be effected pursuant to rules and procedures established by such Securities Depository, (iii) the Board and the Trustee shall not be responsible or liable for maintaining, supervising or reviewing the records maintained by the Securities Depository, its participants or persons acting through such participants, (iv) references in the Agreement to registered owners of the Series 1996B Bonds shall mean such Securities Depository or its nominee and shall not mean the beneficial owners of the Series 1996B Bonds, and (v) in the event of any inconsistency between the provisions of the Agreement and the provisions of the Letter of Representations such provisions of the Letter of Representations, except to the extent set forth in this paragraph and the next preceding paragraph, shall control.

Section 204. Form of Series 1996B Bonds. The Series 1996B Bonds shall be in substantially the form set forth in Exhibit A, with such appropriate variations, omissions and insertions as are

permitted or required by the Agreement and this Fourth Supplemental Agreement. There may be endorsed on the Series 1996B Bonds such legend or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law.

Section 205. Delivery of Series 1996B Bonds. The Trustee shall authenticate and deliver the Series 1996B Bonds when there have been filed with or delivered to it all items required by Section 303 of the Master Trust Agreement.

ARTICLE III

REDEMPTION OF SERIES 1996B BONDS

Section 301. Redemption Dates and Prices. The Series 1996B Bonds may not be called for redemption by the Board except as provided in this Article.

Section 302. Optional Redemption. The Series 1996B Bonds maturing on or after May 15, 2007, are subject to redemption prior to maturity at the option of the Board on or after May 15, 2006, in whole or in part, in increments of \$5,000 or integral multiples thereof, at any time, upon payment of the following redemption prices (expressed as a percentage of principal amount of the Series 1996B Bonds to be redeemed) plus accrued interest to the redemption date:

101% if redeemed May 15, 2006, through May 14, 2007, inclusive;
100% if redeemed May 15, 2007, through May 14, 2008, inclusive;
100% if redeemed May 15, 2008, or thereafter.

Section 303. Mandatory Redemption. (a) Series 1996B Bonds maturing on May 15, _____, are required to be redeemed prior to maturity on May 15 in years and amounts upon payment of 100% of the principal amount thereof plus interest accrued to the redemption date, as follows:

<u>Year</u>	<u>Amount</u>
-------------	---------------

(final maturity)

(b) The Series 1996B Bonds maturing on May 15, _____, are required to be redeemed by the Board prior to maturity on May 15 in years and amounts upon payment of 100% of the principal amount thereof plus interest accrued to redemption date, as follows:

Year

Amount

(final maturity)

(c) The Trustee shall credit against the amount of Series 1996B Bonds to be redeemed pursuant to this subsection an amount equal to the principal amount of any Series 1996B Bonds subject to mandatory redemption on such date that have been redeemed (other than by mandatory redemption) before such mandatory redemption date, that have been defeased or that have been purchased by the Board or the Trustee on behalf of the Board and delivered to the Trustee for cancellation at least 70 days before such date, provided that such Series 1996B Bonds have not previously been applied as a credit against any mandatory redemption payment, in accordance with the provisions of Section 602 of the Master Trust Agreement.

Section 304. Manner of Redemption. If less than all of the Series 1996B Bonds are called for redemption, the maturities of Series 1996B Bonds to be redeemed shall be selected by the Board. If less than all of the Series 1996B Bonds of any maturity are called for redemption, the Series 1996B Bonds or portions thereof to be redeemed shall be selected by the Securities Depository or any successor securities depository pursuant to its rules and procedures or if the book-entry system is discontinued, shall be selected by lot by the Trustee in such manner as the Trustee in its discretion may determine, each portion of \$5,000 principal amount being counted as one Series 1996B Bond for such purpose. If a portion of a Series 1996B Bond shall be called for redemption, a new Series 1996B Bond in principal amount equal to the unredeemed portion thereof shall be issued to the registered owner upon surrender thereof.

Section 305. Notice of Redemption. Notice of redemption of Series 1996B Bonds shall be given in the manner set forth in Section 402 of the Master Trust Agreement.

ARTICLE IV

PROCEEDS OF SERIES 1996B BONDS

Section 401. Use of Proceeds of Series 1996B Bonds. The proceeds of the Series 1996B Bonds shall be paid to the State Treasurer, delivered by the State Treasurer to the Trustee and deposited by the Trustee simultaneously with the delivery of the Series 1996 Bonds as follows:

(a) the sum of \$ _____, representing accrued interest on the Series 1996B Bonds, shall be deposited in the Interest Account in the Bond Fund; and

(b) the balance of the proceeds (\$ _____) shall be deposited in a special account in the Construction Fund designated the "Series 1996B Account" and shall be disbursed to pay the Cost of a portion of the Program upon completion of the conditions precedent to each disbursement requested in accordance with Section 503 of the Master Trust Agreement.

ARTICLE V

SECURITY FOR SERIES 1996B BONDS

Section 501. Security for Series 1996B Bonds. The Series 1996B Bonds shall be issued pursuant to the Agreement and shall be equally and ratably secured under the Agreement with the Series 1989 Bonds, the Series 1993A Bonds, the Series 1993B Bonds and any other series of Bonds issued pursuant to Article III of the Master Trust Agreement, without preference, priority or distinction of any Bonds over any other Bonds, as provided in the Agreement.

ARTICLE VI

ARBITRAGE REBATE; OTHER TAX RESTRICTIONS

Section 601. Rebate Requirement. Except with respect to earnings on funds and accounts qualifying for exceptions to the rebate requirement of Section 148 of the Code, the Board shall determine and pay, from any legally available source, the Rebate Amount to the United States of America, as and when due, in accordance with Section 148(f) of the Code, as provided in this Article, and shall retain records of all such determinations until six years after payment of the Series 1996B Bonds.

Section 602. Calculation and Report of Rebate Amount. (a) The Board selects June 30 as the end of the "bond year" with respect to the Series 1996B Bonds pursuant to Treasury Regulations Section 1.148-8(b)(2).

(b) Within 45 days after the last day of the fifth bond year after issuance of the Series 1996B Bonds, unless the bond year is changed by the Board prior to the date that any amount with respect to the Series 1996B Bonds is paid or required to be paid to the United States of America as required by Section 148 of the Code (the "Initial Installment Computation Date"), and at least once every five years thereafter, the Board shall cause the Rebate Amount to be computed and will deliver a copy of such computation (the "Rebate Amount Certificate") to the Trustee. Prior to any payment of the Rebate Amount to the United States of America as required by Section 148 of the Code, the Rebate Amount Certificate setting forth such Rebate Amount shall be prepared or approved by (i) a person with experience in matters of governmental accounting for federal income tax purposes, (ii) a bona fide arbitrage rebate calculation reporting service, or (iii) Bond Counsel experienced in preparing or approving such rebate calculation.

Section 603. Payment of Rebate Amount. (a) Not later than 60 days after the Initial Installment Computation Date, the Board shall pay to the United States of America at least 90% of the Rebate Amount as set forth in the Rebate Amount Certificate prepared with respect to such installment computation date. At least once on or before 60 days after the installment computation date that is the fifth anniversary of the Initial Installment Computation Date and on or before 60 days after every fifth anniversary date thereafter until final payment of the Series 1996B Bonds, the Board shall pay to the United States of America not less than the amount, if any, by which 90% of the Rebate Amount set forth in the most recent Rebate Amount Certificate exceeds the aggregate of all such payments theretofore made to the United States of America pursuant to this Section. On or before 60 days after final payment of the Series 1996B Bonds, the Board shall pay to the United States of America the amount, if any, by which 100% of the Rebate Amount set forth in the Rebate Amount Certificate with respect to the date of final payment of the Series 1996B Bonds exceeds the aggregate of all payments theretofore made pursuant to this Section. All such payments shall be made by the Board from any legally available source.

(b) Notwithstanding any provision of this Fourth Supplemental Agreement to the contrary, no such payment shall be made if the Board receives and delivers to the Trustee an opinion of Counsel experienced in preparing or approving such rebate calculation, to the effect that (i) such payment is not required under the Code in order to prevent the Series 1996B Bonds from becoming "arbitrage bonds" within the meaning of Section 148 of the Code or (ii) such payment should be calculated and paid on some alternative basis under the Code, and the Board complies with such alternative basis.

Section 604. Reports by Trustee. The Trustee shall provide the Board within 10 days after each June 30 or other computation date selected by the Board and within 10 days after the final payment of the Series 1996B Bonds with such reports and information with respect to earnings of amounts held under the Agreement as may be requested by the Board in order to comply with the provisions of this Article.

Section 605. Other Tax Covenants. The Board covenants with the Holders of the Series 1996B Bonds as follows:

(a) The Board shall not take or omit to take any action or approve the Trustee's taking any action or making any investment or use of the proceeds of any Series 1996B Bonds (including failure to spend the same with due diligence) the taking or omission of which will cause the Series 1996B Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, including without limitation participating in any issue of obligations that would cause the Series 1996B Bonds to be part of an "issue" of obligations that are arbitrage bonds, within the meaning of

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Treasury Regulations Section 1.150-1(c) or successor regulation, or otherwise cause interest on the Series 1996B Bonds to be includable in the gross income for federal income tax purposes of the registered owners under existing law.

(b) Barring unforeseen circumstances, the Board shall not approve the use of the proceeds from the sale of any Series 1996B Bonds otherwise than in accordance with the Board's "non-arbitrage" certificate delivered immediately prior to the issuance of the Series 1996B Bonds.

(c) The Board shall not permit the proceeds of the Series 1996B Bonds to be used in any manner that would result in either (i) 5% or more of such proceeds being considered as having been used in any trade or business carried on by any person other than a governmental unit as provided in Section 141(b) of the Code, (ii) 5% or more of such proceeds being used with respect to any "output facility" (other than a facility for the furnishing of water) within the meaning of Section 141(b)(4) of the Code, or (iii) 5% or more of such proceeds being considered as having been used directly or indirectly to make or finance loans to any person other than a governmental unit, as provided in Section 141(c) of the Code; provided, however, that if the Board receives an opinion of Bond Counsel that compliance with any such covenant is not required to prevent the interest on the Series 1996B Bonds from being includable in the gross income for federal income tax purposes of the registered owners thereof under existing law, the Board need not comply with such restriction.

(d) The Board shall not take any other action that would affect adversely, and shall take all action within its power necessary to maintain, the exclusion of interest on all Series 1996B Bonds from gross income for federal income tax purposes.

ARTICLE VII

CONTINUING DISCLOSURE

Section 701. Undertaking. (a) This continuing disclosure undertaking is being made by the Board for the benefit of the Holders and to assist the Participating Underwriters in complying with the Rule. The Board acknowledges that it is undertaking primary responsibility for any reports, notices or disclosures that may be required under this Section 701.

(b) Not later than 10 months after the end of each Fiscal Year, commencing with the Fiscal Year ending June 30, 1997, the Board shall cause the Dissemination Agent to provide to each Repository an Annual Report that is consistent with the requirements of Section 702. Not later than 10 days prior to such date, the Board shall provide the Annual Report to the Dissemination Agent. In each case, the Annual Report (1) may be submitted as a single document or as separate documents comprising

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a package, (2) may cross-reference other information as provided in Section 702, and (3) shall include such other information as may be required by the Rule.

(c) - If the Board fails to provide an Annual Report to the Repositories by the date required in (b) the Board shall send, or cause the Dissemination Agent to send, an appropriate notice to the Municipal Securities Rulemaking Board and any State Repository in substantially the form attached hereto as Exhibit B.

Section 702. Content of Annual Reports. Each Annual Report required to be filed hereunder shall contain or incorporate by reference, at a minimum, the following information, all with a view toward assisting Participating Underwriters in complying with the Rule:

(a) updated information regarding the Program and bonds authorized with respect thereto; and

(b) updated information regarding (1) the U.S. Route 58 Corridor Development Fund, (2) the Transportation Fund and (3) any other funds appropriated by the Virginia General Assembly with respect to Bonds or the Program as of the end of the preceding Fiscal Year.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Board or the Commonwealth, which have been filed with each of the Repositories or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The Board shall clearly identify each such other document so incorporated by reference.

Section 703. Reporting of Listed Events. The Board will cause the Dissemination Agent to provide in a timely manner to the Municipal Securities Rulemaking Board and to each State Repository, if any, notice of any of the Listed Events with respect to the Bonds, if material.

Section 704. Dissemination Agent. The Board may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its Undertaking and may discharge any such Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the Board shall be the Dissemination Agent.

Section 705. Amendment. Notwithstanding any other provision of the Agreement, the Board may amend its Undertaking as set forth in this Article VII if such amendment is supported by an opinion of independent counsel with expertise in federal securities laws to the effect that such amendment is permitted or required by the Rule.

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Section 706. Additional Information. Nothing in this Article VII shall be deemed to prevent the Board or the Dissemination Agent from disseminating any other information, using the means of dissemination set forth in this Article VII or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Article VII. If the Board or the Dissemination Agent chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Article VII, the Board shall have no obligation under this Article VII to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 707. Default. In the event of a failure of the Board to file or cause to be filed its Annual Report, any person referred to in Section 708 may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Board to file such Annual Report. In the event of a failure of the Board to comply with any provision of its Undertaking as set forth in this Article VII, the Holders of not less than a majority in aggregate principal amount of Series 1996B Bonds outstanding may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Board to comply with its Undertaking. A default under this Article VII shall not be deemed an event of default under the Agreement or the Series 1996B Bonds, and the sole remedy under this Article VII in the event of any failure of the Board to comply with its Undertaking shall be an action to compel performance. Nothing in this provision shall be deemed to restrict the rights or remedies of any holder pursuant to the Securities Exchange Act of 1934, the rules and regulations promulgated thereunder, or other applicable laws.

Section 708. Beneficiaries. This Undertaking shall inure solely to the benefit of the Board, the Participating Underwriters, and Holders from time to time of the Series 1996B Bonds, and shall create no rights in any other person or entity.

Section 709. Termination. The obligations of the Board pursuant to its Undertaking shall terminate upon the earlier to occur of the legal defeasance or final retirement of all of the Series 1996B Bonds.

ARTICLE VIII

MISCELLANEOUS

Section 801. Limitation of Rights. With the exception of the rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Fourth Supplemental Agreement is intended or shall be construed to give any person other than the parties hereto and the Holders of the Series 1996B Bonds any legal

or equitable right, remedy or claim under or in respect to this Fourth Supplemental Agreement or any covenant, condition and agreement herein contained; this Fourth Supplemental Agreement and all of the covenants, conditions and agreements hereof being intended to be and being for the sole and exclusive benefit of the parties hereto and the Holders of the Series 1996B Bonds as herein provided.

Section 802. Limitation of Liability of Members, -etc., of Board. No covenant, agreement or obligation contained herein shall be deemed to be a covenant, agreement or obligation of any present or future member, officer, employee or agent of the Board in his individual capacity, and neither the members of the Board nor any officer thereof executing the Series 1996B Bonds shall be liable personally on the Series 1996B Bonds or be subject to any personal liability or accountability by reason of issuance thereof. No member, officer, employee, agent or advisor of the Board shall incur any personal liability with respect to any other action taken by him pursuant to the Agreement or the Board Statute, provided such member, officer, employee, agent or advisor acts in good faith.

Section 803. Successors and Assigns. This Fourth Supplemental Agreement shall be binding upon, inure to the benefit of and be enforceable by the Board and its successors and by the Trustee and its successors and assigns.

Section 804. Severability. If any provision of this Fourth Supplemental Agreement shall be held illegal or invalid by any court of competent jurisdiction, such holding shall not invalidate any other provision hereof and this Fourth Supplemental Trust Agreement shall be construed and enforced as if such illegal provision had not been contained.

Section 805. Applicable Law. This Fourth Supplemental Agreement shall be governed by the applicable laws of the Commonwealth.

Section 806. Counterparts. This Fourth Supplemental Agreement may be executed in several counterparts, each of which shall be an original and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Board and the Trustee have caused this Fourth Supplemental Agreement to be executed in their respective corporate names by their duly authorized officers, all as of the date first above written.

COMMONWEALTH TRANSPORTATION BOARD

By _____
Chairman

**FIRST UNION NATIONAL
BANK OF VIRGINIA,
as Trustee**

By _____
Vice President

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EXHIBIT A

REGISTERED

REGISTERED

R - _____

\$ _____

UNITED STATES OF AMERICA

COMMONWEALTH OF VIRGINIA

COMMONWEALTH TRANSPORTATION BOARD

Commonwealth of Virginia Transportation Revenue Bond,
Series 1996B

(U.S. Route 58 Corridor Development Program)

INTEREST RATE	MATURITY DATE	DATED DATE	CUSIP
_____ %	May 15, _____	November 1, 1996	928184 _____

REGISTERED OWNER:

PRINCIPAL AMOUNT:

The Commonwealth Transportation Board (the "Board"), for value received, hereby promises to pay upon surrender hereof at the corporate trust operations office designated by First Union National Bank of Virginia, Richmond, Virginia (the "Trustee"), solely from the sources and as hereinafter provided, to the registered owner hereof (the "Holder"), or registered assigns or legal representative, the principal sum stated above on the maturity date stated above, subject to prior redemption as hereinafter provided, and to pay, solely from such sources, interest hereon semiannually on each May 15 and November 15, beginning May 15, 1997, at the annual rate stated above. Interest is payable by check or draft mailed to the Holder at his address as it appears, on the first day of the month in which the interest payment date occurs, on registration books kept by the Trustee. Notwithstanding the foregoing, if (a) the Holder owns at least \$1,000,000 in aggregate principal amount of Series 1996B Bonds, as herein defined, and (b) such Holder has provided satisfactory prior notice of a wire transfer address to the Trustee, then interest shall be paid by wire transfer. Principal, premium, if any, and interest are payable in lawful money of the United States of America.

Notwithstanding any other provision hereof, this Series 1996B Bond is subject to a book entry system maintained by The Depository Trust Company ("DTC") and the payment of principal, premium, if any, and interest, the providing of notices and other matters will be made as described in the Board's Letter of Representations to DTC.

This Bond is one of an issue of \$116,000,000 Commonwealth of Virginia Transportation Revenue Bonds, Series 1996B (U.S. Route 58 Corridor Development Program) (the "Series 1996B Bonds") of like date and tenor, except as to number, denomination, rate of interest, privilege of redemption and maturity. The Series 1996B Bonds are authorized pursuant to the State Revenue Bond Act and the U.S. Route 58 Commonwealth of Virginia Transportation Revenue Bond Act of 1989 to provide funds to finance costs related to the U.S. Route 58 Corridor Development Program as described in Section 33.1-221.1:2 of the Code of Virginia of 1950, as amended, including expenses necessary or incident to the financing.

This Series 1996B Bond and the premium, if any, and the interest hereon are limited obligations of the Board and are payable solely from the revenues, receipts and funds appropriated for such purpose by the General Assembly, or allocated by the Board for such purpose from the revenues, receipts and funds appropriated to it by the General Assembly ("Revenues"), (a) from the U.S. Route 58 Corridor Development Fund (the "U.S. Route 58 Development Fund"), a fund within the Transportation Trust Fund (the "Trust Fund"), (b) to the extent required, from other revenues legally available in the Trust Fund, and (c) to the extent required, from other legally available funds. This Series 1996B Bond, the premium, if any, and the interest hereon shall not constitute a debt or a pledge of the faith and credit of the Commonwealth of Virginia or of any political subdivision thereof.

The Board, the Treasury Board of the Commonwealth of Virginia (the "Treasury Board") and the Secretary of Finance of the Commonwealth of Virginia entered into a Payment Agreement dated as of November 1, 1989 (the "Payment Agreement"), providing, among other things, that the Board and the Treasury Board will request the Governor to include in his budget to be delivered to the General Assembly a provision that it appropriate sufficient revenues, receipts and funds for the payment of principal of and interest on the Series 1996B Bonds. The Payment Agreement provides for the payment of Revenues from (a) the U.S. Route 58 Development Fund, (b) to the extent required, from other legally available funds in the Trust fund, and (c) to the extent required, from other legally available funds, to the Trustee in amounts and at times sufficient to pay principal of and interest on the Series 1996B Bonds; provided, however, that the obligation of the Treasury Board to make such payments is subject to and dependent on annual or biennial appropriations being made by the General Assembly, which is not obligated to make such appropriations. The Trustee is a third party beneficiary of the Payment Agreement and is entitled to enforce, on behalf of the Holders of the Series 1996B Bonds, all of

the obligations and rights of the parties thereunder. Upon appropriation or allocation of Revenues, such Revenues are pledged to the payment of the Series 1996B Bonds.

The Series 1996B Bonds are issued under a Master Agreement of Trust dated as of November 1, 1989, between the Board and the Trustee, as supplemented by a First Supplemental Agreement of Trust dated as of November 1, 1989 (the "First Supplemental Agreement"), a Second Supplemental Agreement of Trust dated as of May 15, 1993 (the "Second Supplemental Agreement"), and a Third Supplemental Agreement of Trust dated as of June 1, 1993 (the "Third Supplemental Agreement"), and a Fourth Supplemental Agreement of Trust dated as of October 15, 1996 (the "Fourth Supplemental Agreement" and collectively with the Master Agreement of Trust, the First Supplemental Agreement, the Second Supplemental Agreement and the Third Supplemental Agreement, the "Trust Agreement"). The Series 1996B Bonds are secured on parity with the outstanding balance of (a) the Commonwealth of Virginia Transportation Revenue Bonds, Series 1989 (U.S. Route 58 Corridor Development Program), authorized by and issued pursuant to the First Supplemental Agreement (the "Series 1989 Bonds") (b) the Commonwealth of Virginia Transportation Revenue Refunding Bonds, Series 1993A (U.S. Route 58 Corridor Development Program), authorized by and issued pursuant to the Second Supplemental Agreement (the "Series 1993A Bonds") and (c) the Commonwealth of Virginia Transportation Revenue Bonds, Series 1993B (U.S. Route 58 Corridor Development Program), authorized by and issued pursuant to the Third Supplemental Agreement (the "Series 1993B Bonds"). Reference is made to the Trust Agreement for a description of the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Board, the rights of the Holders of the Series 1996B Bonds and the terms upon which the Series 1996B Bonds are issued and secured. Additional bonds ranking equally with the Series 1989 Bonds, the Series 1993A Bonds, the Series 1993B Bonds and the 1996B Bonds may be issued on the terms provided in the Trust Agreement.

The Series 1996B Bonds may not be called for redemption except as provided in the Trust Agreement and as described in the succeeding numbered paragraphs.

(1) The Series 1996B Bonds maturing on or before May 15, 2006, are not subject to optional redemption prior to maturity.

(2) Series 1996B Bonds maturing on or after May 15, 2007, are subject to redemption prior to maturity at the option of the Board on or after May 15, 2006, in whole or in part, in increments of \$5,000 or integral multiples thereof, at any time, upon payment of the following redemption prices (expressed as a percentage of principal amount of Series 1996B Bonds to be redeemed) plus interest accrued to the redemption date:

101% if redeemed May 15, 2006, through May 14, 2007, inclusive;
100% if redeemed May 15, 2007, through May 14, 2008, inclusive;

100% if redeemed May 15, 2008, or thereafter.

(3) Series 1996B Bonds maturing on May 15, _____, are required to be redeemed prior to maturity in part on May 15 in years and amounts, upon payment of 100% of the principal amount thereof plus interest accrued to the redemption date, as follows:

<u>Year</u>	<u>Amount</u>
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(final maturity)

(4) Series 1996B Bonds maturing on May 15, _____, are required to be redeemed prior to maturity in part on May 15 in years and amounts, upon payment of 100% of the principal amount thereof plus interest accrued to the redemption date, as follows:

<u>Year</u>	<u>Amount</u>
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(final maturity)

The Board shall receive credits against the amount of Series 1996B Bonds to be redeemed pursuant to paragraphs (3) and (4) above in accordance with provisions of the Trust Agreement.

If less than all the Series 1996B Bonds are called for optional redemption, the Series 1996B Bonds to be redeemed shall be called in such order as the Board may determine. If less than all of the Series 1996B Bonds of any maturity are called for redemption, the Series 1996B Bonds to be redeemed shall be selected by DTC or any successor securities depository pursuant to its rules and procedures or, if the book entry system is discontinued, shall be selected by the Trustee by lot in such manner as the Trustee in its discretion may determine. In either event, each portion of \$5,000 principal amount shall be counted as one Bond for such purpose.

If any of the Series 1996B Bonds or portions thereof are called for redemption, the Trustee shall send notice of the call for redemption, identifying the Series 1996B Bonds or portions thereof to be redeemed, by registered or certified mail, not less than 30 nor more than 60 days prior to the redemption date, to the Holder of each Series 1996B Bond to be redeemed at his address as it appears on the registration books maintained by the Trustee. Provided funds for their redemption are on deposit at the place of payment on the redemption date, all Series 1996B Bonds or portions thereof so called for redemption shall cease to bear interest on such date, shall no longer be secured as set forth in the Trust

Agreement and shall not be deemed to be outstanding under the provisions of the Trust Agreement. If a portion of this Series 1996B Bond shall be called for redemption, a new Series 1996B Bond in principal amount equal to the unredeemed portion hereof will be issued to the Holder upon the surrender hereof.

The Holder shall have no right to enforce the provisions of the Trust Agreement or to institute action to enforce the covenants therein or to take any action with respect to any Event of Default under the Trust Agreement or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Trust Agreement. Modifications or alterations of the Trust Agreement, or of any supplement thereto, may be made only to the extent and in the circumstances permitted by the Trust Agreement.

The Series 1996B Bonds are issuable as registered bonds in denominations of \$5,000 or integral multiples thereof. Upon surrender for transfer or exchange of this Bond at the principal corporate trust office of the Trustee, together with an assignment duly executed by the Holder or his duly authorized attorney or legal representative in such form as shall be satisfactory to the Trustee, the Board shall execute, and the Trustee shall authenticate and deliver in exchange, a new Series 1996B Bond or Series 1996B Bonds in the manner and subject to the limitations and conditions provided in the Trust Agreement, having an equal aggregate principal amount, in authorized denominations, of the same series, form and maturity, bearing interest at the same rate, and registered in the name or names as requested by the then registered owner hereof or his duly authorized attorney or legal representative. Any such exchange shall be at the expense of the Board, except that the Trustee may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

The Trustee shall treat the Holder as the person exclusively entitled to payment of principal, premium, if any, and interest and the exercise of all other rights and powers of the Holder, except that interest payments shall be made to the person shown as Holder on the first day of the month in which the interest payment date occurs.

All acts, conditions and things required to happen, exist or be performed precedent to and in the issuance of this Series 1996B Bond have happened, exist and have been performed.

This Series 1996B Bond shall not be valid or be entitled to any security or benefit under the Trust Agreement until the Trustee shall have executed the Certificate of Authentication appearing hereon and inserted the date of authentication hereon.

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IN WITNESS WHEREOF, the Commonwealth Transportation Board has caused this Series 1996B Bond to be signed by the [facsimile signature of the] Commonwealth Transportation Commissioner, [a facsimile of] its seal to be [printed] [affixed] hereon and attested by [the facsimile signature of] its Secretary, and this Series 1996B Bond to be dated November 1, 1996.

COMMONWEALTH TRANSPORTATION BOARD

(SEAL)

By _____
Commonwealth Transportation
Commissioner

Attest:

Secretary

CERTIFICATE OF AUTHENTICATION

Date Authenticated: _____

This Series 1996B Bond is one of the Series 1996B Bonds described in the within-mentioned Trust Agreement.

**FIRST UNION NATIONAL BANK
OF VIRGINIA**

By _____
Authorized Officer

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s) unto _____

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

(Please print or type Name and Address, including postal zip code of Transferee)

the within Bond and all rights thereunder, hereby irrevocably constituting and appointing

_____, Attorney to transfer said Bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: _____

Registered Owner

NOTICE: The signature above must correspond with the name of the Registered Owner as it appears on the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature guarantee

The signature of the transferor of this Bond must be guaranteed by an institution participating in the Securities Transfer Agent Medallion Program ("STAMP") or similar program.)

Please affix signature guarantee ink stamp below with appropriate signature, title of officer and date:

45 jlj

NOTICE OF FAILURE TO FILE ANNUAL REPORT
- [AUDITED ANNUAL FINANCIAL STATEMENTS]

COMMONWEALTH TRANSPORTATION BOARD

in connection with
Commonwealth Transportation Board's
Transportation Revenue Bonds, Series 1996B
(U.S. Route 58 Corridor Development Program)

CUSIP NO. _____

Dated Date: _____/ _____

NOTICE IS HEREBY GIVEN that the Commonwealth Transportation Board (the "Board") has not provided an Annual Report [Audited Annual Financial Statements] as required by Article VII of the Fourth Supplemental Agreement of Trust, dated as of November 1, 1996, between the Board and First Union National Bank of Virginia, as trustee (the "Agreement of Trust") pursuant to which the above-referenced bonds were issued. The Board anticipates that the Annual Report [Audited Annual Financial Statements] will be filed by _____.

Dated: _____.

FIRST UNION NATIONAL BANK
OF VIRGINIA

By _____

Its _____

DRAFT OF 9/13/96

NEW ISSUE
BOOK-ENTRY ONLY

Rating:
Moody's:
Standard & Poor's:
(See "RATINGS" herein)

In the opinion of Bond Counsel, under current law and subject to conditions described in the section "Tax Matters", interest on the Series 1996 Bonds (1) will not be included in gross income for federal income tax purposes, (2) will not be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, and (3) will be exempt from income taxation by the Commonwealth of Virginia. Such interest may be included in the calculation of a corporation's alternative minimum income tax, and a holder may be subject to other federal tax consequences as described in the section "Tax Matters."

Commonwealth Transportation Board
\$198,000,000*
Commonwealth of Virginia
Transportation Revenue Bonds

\$82,000,000*
Series 1996A

(Northern Virginia Transportation District Program)

\$116,000,000*
Series 1996B

(U.S. Route 58 Corridor Development Program)

Date: November 1, 1996

Date: May 15, as shown on the inside front cover

The Transportation Revenue Bonds, Series 1996A (Northern Virginia Transportation District Program) (the "Series 1996A Bonds") and the Transportation Revenue Bonds, Series 1996B (U.S. Route 58 Corridor Development Program) (the "Series 1996B Bonds"), (collectively, the "Series 1996 Bonds") will be issued only in book-entry form, initially registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Series 1996 Bonds. Investors will not receive certificates representing the Series 1996 Bonds purchased by them. Individual purchases will be in principal amounts of \$3,000 or any integral multiple of \$3,000. Interest on the Series 1996 Bonds will be payable beginning on May 15, 1997, and semiannually thereafter on each May 15 and November 15. The Series 1996 Bonds will be subject to redemption prior to maturity as provided herein.

The Series 1996A Bonds will be issued pursuant to a Master Agreement of Trust dated as of August 13, 1993, as previously supplemented, and a Third Supplemental Agreement of Trust dated as of November 1, 1996, each between the Commonwealth Transportation Board and First Union National Bank of Virginia, Richmond, Virginia, as the trustee (the "Trustee"). The proceeds of the Series 1996A Bonds will be used to finance a portion of the costs of the Northern Virginia Transportation District Program and to pay issuance costs and other financing expenses of the Series 1996A Bonds. The Series 1996A Bonds will be payable solely from the revenues, receipts and funds appropriated for such purpose by the General Assembly of the Commonwealth of Virginia, or allocated by the Commonwealth Transportation Board for such purpose from revenues, receipts and funds appropriated to it by the General Assembly from (1) the Northern Virginia Transportation District Fund, (2) to the extent required, funds appropriated and allocated, pursuant to the highway allocation formula as provided by law, to the Northern Virginia Highway Construction District or the city or county in which the project or projects to be financed are located, (3) to the extent required, legally available revenues of the Transportation Trust Fund, (4) such other funds which may be appropriated by the General Assembly for such purpose, as more fully described in this Official Statement, and (5) from sweeps held by the Trustee in certain funds established under the Master Agreement of Trust.

The Series 1996B Bonds will be issued pursuant to a Master Agreement of Trust dated as of November 1, 1989, as previously supplemented, and a Fourth Supplemental Agreement of Trust dated as of November 1, 1996, each between the Commonwealth Transportation Board and the Trustee. The proceeds of the Series 1996B Bonds will be used to finance a portion of the costs of the U.S. Route 58 Corridor Development Program and to pay issuance costs and other financing expenses of the Series 1996B Bonds. The Series 1996B Bonds are payable solely from funds appropriated for such purpose by the General Assembly of the Commonwealth of Virginia, or allocated by the Commonwealth Transportation Board for such purpose from revenues, receipts and funds appropriated to it by the General Assembly, from (1) the Route 58 Corridor Development Fund, (2) to the extent required, revenues legally available in the Transportation Trust Fund, and (3) to the extent required, other legally available funds which may be appropriated by the General Assembly for such purpose, all as more fully described in this Official Statement.

The Series 1996 Bonds will be limited obligations of the Commonwealth of Virginia and the Commonwealth Transportation Board payable solely from the revenues, receipts and funds appropriated for such purpose by the General Assembly or allocated by the Commonwealth Transportation Board for such purpose from the revenues, receipts and funds appropriated to it by the General Assembly, and are not a debt, nor is there a pledge of the faith and credit of the Commonwealth of Virginia or any of its political subdivisions.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Prospective investors must read this entire Official Statement to obtain information essential to the making of an informed investment decision.

Bids will be taken for the Series 1996 Bonds as described in the Notice of Sale dated _____, 1996.

The Series 1996 Bonds are offered when, as and if issued, subject to the approval of their legality by Christian & Barton, L.L.P., Richmond, Virginia, Bond Counsel, and to certain other conditions. Certain legal matters will be passed upon for the Commonwealth of Virginia by the Office of the Attorney General of Virginia. It is expected that the Series 1996 Bonds will be available for delivery to DTC in New York, New York, on or about November 26, 1996.

Date: _____, 1996

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Preliminary, subject to change.

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COMMONWEALTH TRANSPORTATION BOARD

5198,000,000*

**Commonwealth of Virginia
Transportation Revenue Bonds**

582,000,000* Series 1996A (Northern Virginia Transportation District Program)				5116,000,000* Series 1996B (U.S. Route 58 Corridor Development Program)			
Maturity	Principal Amount	Interest Rate	Price/ Yield	Maturity	Principal Amount	Interest Rate	Price/ Yield
1997				1997			
1998				1998			
1999				1999			
2000				2000			
2001				2001			
2002				2002			
2003				2003			
2004				2004			
2005				2005			
2006				2006			
2007				2007			
2008				2008			
2009				2009			
2010				2010			
2011				2011			
2012				2012			
2013				2013			
2014				2014			
2015				2015			
2016				2016			
2017				2017			
2018				2018			
2019				2019			
2020				2020			
2021				2021			

(Accrued interest to be added)

COMMONWEALTH TRANSPORTATION BOARD

Robert E. Martínez, *Chairman and Secretary of Transportation*
David R. Gehr, *Vice Chairman*

William W. Prettyman	Max B. Porter
John H. Grubb, Jr.	L.C. Martin
Roy Parrish Byrd	James E. Rich
John V. Cogbill, III	William S. Roudabush
Lorinda G. Lionberger	Harold E. Neale
H. Carter Myers, III	Robert T. Lee
Zeanious L. Newcomb	Ulysses X. White

VIRGINIA DEPARTMENT OF TRANSPORTATION

David R. Gehr, *Commissioner*
James W. Atwell, *Assistant Commissioner for Finance*

TREASURY BOARD

Susan F. Dewey, *Chair and State Treasurer*

Diana F. Cantor	William E. Landside
John H. Clemens	Danny M. Payne
Spencer H. Elmore	Charles D. Whyte

SECRETARY OF FINANCE

Ronald L. Tillet

OFFICE OF THE ATTORNEY GENERAL

James S. Gilmore, III, *Attorney General*
Richard L. Walton, Jr., *Senior Assistant Attorney General*
Mary G. Morris, *Senior Assistant Attorney General*

TRUSTEE AND PAYING AGENT
First Union National Bank of Virginia
Richmond, Virginia

BOND COUNSEL
Christian & Barton, L.L.P.
Richmond, Virginia

FINANCIAL ADVISOR
Public Resources Advisory Group
New York, New York

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy the Series 1996 Bonds in any jurisdiction to any person to whom it is unlawful to make such offer in such jurisdiction. No dealer, salesperson or any other person has been authorized by the Transportation Board or the underwriters to give any information or make any representation with respect to the Transportation Board, the Commonwealth of Virginia or the Series 1996 Bonds, other than those contained in this Official Statement, in connection with the offering of the Series 1996 Bonds, and if given or made, such information or representation must not be relied upon as having been authorized by the Transportation Board or the underwriters. Neither the delivery of this Official Statement nor the sale of any of the Series 1996 Bonds implies that there has been no change in the affairs of the Transportation Board or the other matters described herein since the date of this Official Statement.

TABLE OF CONTENTS

INTRODUCTION	
SOURCES AND USES OF FUNDS	
THE SERIES 1996 BONDS	
Description of the Series 1996 Bonds	
Optional Redemption	
Mandatory Sinking Fund Redemption	
Selection of Series 1996 Bonds for Redemption	
Notice of Redemption	
Book-Entry Only System	
DEBT SERVICE REQUIREMENTS	
FOR THE NORTHERN VIRGINIA TRANSPORTATION DISTRICT PROGRAM BONDS	
U.S. ROUTE 58 CORRIDOR DEVELOPMENT BONDS	
SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 1996 BONDS	
Additional Debt	
AUTHORIZED, ISSUED AND UNISSUED BONDS	
Transportation Revenue Bonds	
Transportation Program Revenue Bonds	
Transportation Contract Revenue Bonds	
Other Bonds	
COMMONWEALTH TRANSPORTATION BOARD AND	
VIRGINIA DEPARTMENT OF TRANSPORTATION	
Commonwealth Transportation Board	
Virginia Department of Transportation	
NORTHERN VIRGINIA TRANSPORTATION DISTRICT PROGRAM	
NORTHERN VIRGINIA TRANSPORTATION DISTRICT FUND	
General	
State Recordation Tax Collections	
U.S. ROUTE 58 CORRIDOR DEVELOPMENT PROGRAM	
General	
Program Costs	
U.S. ROUTE 58 CORRIDOR DEVELOPMENT FUND	
General	45 000
STATE RECORDATION TAX COLLECTIONS	

TRANSPORTATION TRUST FUND	
General	
Highway Maintenance and Operating Fund	
Highway Allocation Formula	
Sources of Revenues	
BUDGETARY PROCESS	
Biennium Budget Procedures	
Biennium Budget Reduction Transfers	
SUMMARY OF THE NORTHERN VIRGINIA TRANSPORTATION DISTRICT PROGRAM TRUST AGREEMENT	
SUMMARY OF THE NORTHERN VIRGINIA TRANSPORTATION DISTRICT PROGRAM PAYMENT AGREEMENT	
SUMMARY OF THE METRO CAPITAL IMPROVEMENTS AGREEMENT	
SUMMARY OF THE U.S. ROUTE 58 CORRIDOR DEVELOPMENT PROGRAM TRUST AGREEMENT	
SUMMARY OF THE U.S. ROUTE 58 CORRIDOR DEVELOPMENT PROGRAM PAYMENT AGREEMENT	
TAX MATTERS	
Opinion of Bond Counsel	
Original Discount Bonds	
Other Tax Matters	
LEGALITY FOR INVESTMENT	
CERTAIN LEGAL MATTERS	
LITIGATION	
CONTINUING DISCLOSURE	
RATINGS	
SALE AT COMPETITIVE BIDDING	
FINANCIAL ADVISOR	
MISCELLANEOUS	
APPENDIX A: Financial Statements of the Commonwealth of Virginia for the Fiscal Year ended June 30, 1995	A-1
APPENDIX B: Commonwealth of Virginia, Financial and Other Information	B-1
APPENDIX C: Commonwealth of Virginia, Demographic and Economic Information	C-1
APPENDIX D: Form of Bond Counsel Opinion	D-1
APPENDIX E: Form of Continuing Disclosure Agreement	E-1
APPENDIX F: Notice of Sale	F-1

OFFICIAL STATEMENT
Commonwealth Transportation Board
\$198,000,000*
Commonwealth of Virginia
Transportation Revenue Bonds
consisting of the combined offering of
\$82,000,000* Series 1996A (Northern Virginia Transportation District Program)
and
\$116,000,000* Series 1996B (U.S. Route 58 Corridor Development Program)

INTRODUCTION

This Official Statement is provided by the Commonwealth Transportation Board (the "Transportation Board"), a board created pursuant to the laws of the Commonwealth of Virginia (the "Commonwealth"), to furnish information with respect to the offering of \$198,000,000* aggregate principal amount of the Commonwealth of Virginia Transportation Revenue Bonds consisting of the combined offering of (a) \$82,000,000* Series 1996A (Northern Virginia Transportation District Program) (the "Series 1996A Bonds") and (b) \$116,000,000* Series 1996B (U.S. Route 58 Corridor Development Program) (the "Series 1996B Bonds" and collectively, with the Series 1996A Bonds, the "Series 1996 Bonds"). The Series 1996 Bonds are expected to be offered for sale at competitive bidding on November 4, 1996, see the section "Sale at Competitive Bidding."

This Introduction contains certain information for summary purposes only. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision. The information contained in this Official Statement is as of the date stated on the front cover.

Series 1996A Bonds

The issuance of the Series 1996A Bonds is authorized by the provisions of the State Revenue Bond Act, §§ 33.1-267 *et seq.* (the "Revenue Bond Act") of the Code of Virginia of 1950, as amended (the "Virginia Code"); Chapter 391 of the Acts of the General Assembly of Virginia, 1993 General Session, as amended by Chapters 470 and 597 of the Acts of the General Assembly of Virginia, 1994 General Session (the "NVTD Bond Legislation"); a resolution adopted by the Transportation Board on September 19, 1996 (the "Series 1996 Bond Resolution"); and a resolution adopted by the Treasury Board of the Commonwealth (the "Treasury Board") on October 16, 1996. The Series 1996A Bonds are being issued pursuant to a Master Agreement of Trust dated as of August 15, 1993 (the "NVTD Master Trust Agreement"), as supplemented and amended by a Third Supplemental Agreement of Trust dated as of November 1, 1996, (the "Series 1996A Third Supplemental Trust Agreement" and collectively, with the NVTD Master Trust Agreement, the "NVTD Trust Agreement"), each between the Transportation Board and First Union National Bank of Virginia, Richmond, Virginia, as trustee (the "Trustee"). The Trustee is also the initial paying agent for the Series 1996A Bonds (the "Paying Agent").

The Series 1996A Bonds are the third series of bonds issued by the Transportation Board to finance costs related to the Northern Virginia Transportation District Program (the "NVTD Program"). See the section "Northern Virginia Transportation District Program." In 1993, the Transportation Board issued its \$134,060,000 Commonwealth of Virginia Transportation Revenue Bonds, Series 1993C (Northern Virginia Transportation District Program) (the "Series 1993C Bonds"). In 1995, the Transportation Board issued its \$60,810,000 Commonwealth of Virginia Transportation Revenue Bonds, Series 1995A (Northern Virginia Transportation District Program) (the "Series 1995A Bonds"). The Series 1993C Bonds, the Series 1995A Bonds, the Series 1996A Bonds and any additional bonds issued under the NVTD Trust Agreement are referred to in this Official Statement as the "NVTD Bonds". The total amount of NVTD Bonds currently authorized for the NVTD Program is \$271,000,000, plus additional amounts for issuance costs, capitalized interest, reserve funds and other financing expenses of the NVTD Program.

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Preliminary, subject to change.

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The NVTB Bonds are secured by and payable from the revenues, receipts and funds appropriated for such purpose by the General Assembly of the Commonwealth of Virginia (the "General Assembly"), or allocated by the Transportation Board for such purpose from revenues, receipts and funds appropriated to it by the General Assembly from (1) the Northern Virginia Transportation District Fund, (2) to the extent required, funds appropriated and allocated, pursuant to the highway allocation formula as provided by law, to the Northern Virginia Highway Construction District or the city or county in which the project or projects to be financed are located, (3) to the extent required, legally available revenues of the Transportation Trust Fund, and (4) such other funds which may be appropriated by the General Assembly for such purpose, as more fully described in this Official Statement, and from moneys held by the Trustee in certain funds established under the Trust Agreement. See the section "Sources of Payment and Security for the Series 1996 Bonds."

Series 1996B Bonds

The issuance of the Series 1996B Bonds is authorized by the provisions of the Revenue Bond Act of the Code of Virginia, Chapter 12 of the Acts of the General Assembly of Virginia, 1989 Special Session II (the "Route 58 Bond Legislation"), the Series 1996 Bond Resolution, and a resolution adopted by the Treasury Board on October 16, 1996. The Series 1996B Bonds are being issued pursuant to a Master Agreement of Trust dated as of November 1, 1989 (the "Route 58 Master Trust Agreement"), as previously supplemented, and a Fourth Supplemental Agreement of Trust dated as of November 1, 1996 (the "Series 1996B Fourth Supplemental Trust Agreement" and collectively, with the Route 58 Master Trust Agreement, the "Route 58 Trust Agreement"), each between the Transportation Board and the Trustee. The Trustee is also the initial paying agent for the Series 1996B Bonds.

The Series 1996B Bonds are the fourth series of Bonds issued by the Transportation Board to finance costs related to the U.S. Route 58 Corridor Development Program (the "Route 58 Program"). In 1989, the Transportation Board issued its \$200,000,000 Commonwealth of Virginia Transportation Revenue Bonds, Series 1989 (U.S. Route 58 Corridor Development Program) (the "Series 1989 Bonds") to finance the initial costs of the Route 58 Program. In 1993, the Transportation Board issued its \$91,455,000 Commonwealth of Virginia Transportation Revenue Refunding Bonds, Series 1993A (U.S. Route 58 Corridor Development Program) (the "Series 1993A Bonds") to refund a portion of the Series 1989 Bonds. Simultaneously with the issuance of the Series 1993A Bonds, the Transportation Board issued its \$98,715,000 Commonwealth of Virginia Transportation Revenue Bonds, Series 1993B (U.S. Route 58 Corridor Development Program) (the "Series 1993B Bonds") to finance additional costs of the Route 58 Program. Outstanding Series 1989 Bonds, Series 1993A Bonds, Series 1993B Bonds, Series 1996B Bonds and any additional bonds issued in the future under the Route 58 Trust Agreement are referred to in this Official Statement as the "Route 58 Bonds."

The Route 58 Bonds are secured by and payable from funds appropriated for such purpose by the General Assembly, or allocated by the Transportation Board for such purpose from revenues, receipts and funds appropriated to it by the General Assembly, from (1) the Route 58 Corridor Development Fund (the "Route 58 Corridor Development Fund"), (2) to the extent required, revenues legally available in the Transportation Trust Fund, and (3) to the extent required, other legally available funds. See the section "Sources of Payment and Security for the Series 1996 Bonds."

General

If the Treasury Board or the Transportation Board fails to make any payment on the NVTB Bonds or the Route 58 Bonds under the NVTB or Route 58 Trust Agreement when due, the Trustee and the owners of the NVTB Bonds and the Route 58 Bonds will have no right to take possession of any transportation facilities or to exclude the Commonwealth or the Transportation Board from possession of them.

The NVTB Bonds and Route 58 Bonds are limited obligations of the Commonwealth and the Transportation Board payable solely from the revenues, receipts and funds appropriated for such purpose by the General Assembly, or allocated by the Transportation Board for such purpose from the revenues, receipts and funds appropriated to it by the General Assembly, and are not a debt, nor is there a pledge of the faith and credit of the Commonwealth or of any of its political subdivisions.

All financial and other data included in this Official Statement have been provided by the Commonwealth, except that which is attributed to other sources.

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SOURCES AND USES OF FUNDS

The estimated sources and uses for the Series 1996 Bonds are as follows:

Sources:	
Principal Amount of Series 1996A Bonds	\$
Series 1996A Original Issue Discount	
Series 1996A Accrued Interest	
Principal Amount of Series 1996B Bonds	
Series 1996B Original Issue Discount	
Series 1996B Accrued Interest	
Total	\$ _____
 Uses:	
Deposits to the Construction Fund:	
Fairfax County Parkway	\$
Route 234 Bypass	
Metro Capital Improvements	
Route 7 Improvements	
Route 50/Courthouse Road	
U.S. Route 58 Corridor Development	
Subtotal	\$ _____
Cost of Issuance	
Underwriters' Discount	
Deposit to the Interest Account of the Bond Fund ¹	
Total	\$ _____

¹ Accrued interest on the Series 1996 Bonds.

THE SERIES 1996 BONDS

Description of Series 1996 Bonds

The Series 1996 Bonds will be issued as fully registered bonds in book-entry form. The Series 1996 Bonds will be dated November 1, 1996, will be issued in denominations of \$5,000 or integral multiples of \$5,000, and will bear interest from November 1, 1996, payable semiannually on each May 15 and November 15, beginning May 15, 1997, at the rates and will mature on the dates and in the amounts set forth on the inside front cover of this Official Statement. Principal of, premium, if any, and interest on the Series 1996 Bonds will be paid by the Paying Agent to DTC for distribution as described in the subsection "Book-Entry Only System" below.

Optional Redemption - Series 1996A Bonds

The Series 1996A Bonds maturing on or before May 15, 2006 will not be subject to optional redemption. The Series 1996A Bonds maturing on and after May 15, 2007 will be subject to redemption before maturity at the Transportation Board's option on and after May 15, 2006, from any money available for such purpose, in whole or in part in increments of \$5,000 or any integral multiple of \$5,000, at any time during the following redemption periods, upon payment of the following redemption prices, which are expressed as percentages of the principal amount of the Series 1996A Bonds to be redeemed, plus accrued interest to the date fixed for redemption:

<u>Redemption Period</u> <u>(both dates inclusive)</u>	<u>Redemption Price</u>	
May 15, 2006 through May 14, 2007	101 %	45 sss
May 15, 2007 through May 14, 2008	100 1/2	
May 15, 2008 and thereafter	100	

Optional Redemption - Series 1996B Bonds

The Series 1996B Bonds maturing on or before May 15, 2006 will not be subject to optional redemption. The Series 1996B Bonds maturing on and after May 15, 2007 will be subject to redemption before maturity at the Transportation Board's option on and after May 15, 2006, from any money available for such purpose, in whole or in part in increments of \$5,000 or any integral multiple of \$5,000, at any time during the following redemption periods, upon payment of the following redemption prices, which are expressed as percentages of the principal amount of the Series 1996B Bonds to be redeemed, plus accrued interest to the date fixed for redemption:

Redemption Period (both dates inclusive)	Redemption Price
May 15, 2006 through May 14, 2007	101 %
May 15, 2007 through May 14, 2008	100 1/2
May 15, 2008 and thereafter	100

Mandatory Sinking Fund Redemption

[Mandatory Redemption provisions will be included in the final Official Statement only if the successful bidder elects to combine, in accordance with the Notice of Sale, serial maturities into term bonds.]

Series 1996A Bonds

Series 1996A Bonds maturing on May 15, _____, are required to be redeemed in part before maturity on May 15 in the years and in the amounts set forth below, upon payment of a redemption price equal to 100 percent of their principal amount, plus accrued interest to the date fixed for redemption.

\$ _____ Term Bonds Maturing May 15, _____

Year	Amount

The Series 1996A Third Supplemental Trust Agreement provides for a credit against payments required to be made on any mandatory redemption date in an amount equal to the principal amount of any Series 1996A Bonds subject to mandatory redemption on such date that have been redeemed (other than by mandatory redemption) before such mandatory redemption date, that have been defeased or that have been purchased and delivered to the Trustee for cancellation at least 70 days before such date, provided such Series 1996A Bonds have not previously been applied as a credit against any mandatory redemption payment.

Series 1996B Bonds

Series 1996B Bonds maturing on May 15, _____, are required to be redeemed in part before maturity on May 15 in the years and in the amounts set forth below, upon payment of a redemption price equal to 100 percent of their principal amount, plus accrued interest to the date fixed for redemption.

\$ _____ Term Bonds Maturing May 15, _____

Year	Amount

The Series 1996B Third Supplemental Trust Agreement provides for a credit against payments required to be made on any mandatory redemption date in an amount equal to the principal amount of any Series 1996B Bonds subject to mandatory redemption on such date that have been redeemed (other than by mandatory redemption) before such mandatory redemption date, that have been defeased or that have been purchased and delivered to the Trustee for cancellation at least 70 days before such date, provided such Series 1996B Bonds have not previously been applied as a credit against any mandatory redemption payment.

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Selection of Series 1996 Bonds for Redemption

If less than all of the Series 1996 Bonds are called for optional redemption, the maturities of the Series 1996 Bonds to be redeemed will be called in such order as the Transportation Board may determine. If less than all of the Series 1996 Bonds of any maturity are called for optional or mandatory redemption, the Series 1996 Bonds to be redeemed will be selected by DTC, as hereafter defined, or any successor securities depository pursuant to its rules and procedures or, if the book-entry system is discontinued, will be selected by the Trustee by lot in such manner as the Trustee in its discretion may determine. In either event, each portion of \$3,000 principal amount shall be counted as one Series 1996 Bond for such purpose.

Notice of Redemption

Notice of redemption will be given by the Paying Agent by registered or certified mail not less than 30 nor more than 60 days before the redemption date to DTC, or, if DTC is no longer serving as securities depository for the Series 1996 Bonds, to the substitute securities depository, or if none, to the registered owners of the Series 1996 Bonds to be redeemed at their addresses shown on the registration books maintained by the Paying Agent. Such notice of redemption also will be given to certain securities depositories and certain national information services which disseminate such redemption notices. During the period that DTC or its nominee is the registered owner of the Series 1996 Bonds, the Paying Agent will not be responsible for mailing notices of redemption to the Beneficial Owners.

Book-Entry Only System

The description which follows of the procedures and record keeping with respect to beneficial ownership interests in the Series 1996 Bonds, payments of principal, premium if any, and interest on the Series 1996 Bonds to DTC, its nominee, Participants (as defined herein) or Beneficial Owners, confirmation and transfer of beneficial ownership interest in the Series 1996 Bonds and other bond-related transactions by and between DTC, Participants and Beneficial Owners is based solely on information furnished by DTC and is not, and should not be construed as, a representation by the Transportation Board, the Trustee, the Paying Agent or Bond Counsel as to its accuracy, completeness or otherwise.

The Depository Trust Company, New York, New York ("DTC"), will act as securities depository for the Series 1996 Bonds. The Series 1996 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. as DTC's nominee. One fully-registered Series 1996 Bond certificate will be issued for each maturity of the Series 1996 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds securities that its participants (the "Direct Participants") deposit with DTC. DTC also facilitates the settlement among Direct Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in Direct Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc., and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as securities brokers and dealers, banks, and trust companies, that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (the "Indirect Participants"). The Rules applicable to DTC and its Direct and Indirect Participants are on file with the Securities and Exchange Commission.

Purchases of Series 1996 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 1996 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 1996 Bond (a "Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction.

Transfers of ownership interests in the Series 1996 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 1996 Bonds, except in the event that use of the book-entry system for the Series 1996 Bonds is discontinued.

To facilitate subsequent transfers, all Series 1996 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of Series 1996 Bonds with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 1996 Bonds. DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 1996 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to Cede & Co. If less than all of the Series 1996 Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. will consent or vote with respect to the Series 1996 Bonds. Under its usual procedures, DTC mails an Omnibus Proxy to the Transportation Board as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 1996 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal of and interest payments on the Series 1996 Bonds will be made to DTC. DTC's practice is to credit Direct Participants' accounts on the payable date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the payable date. Payments by Direct and Indirect Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Direct or Indirect Participant and not of DTC, the Trustee, the Paying Agent or the Transportation Board, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Transportation Board and the Paying Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 1996 Bonds at any time by giving reasonable notice to the Transportation Board or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, Series 1996 Bond certificates are required to be printed and delivered.

The foregoing information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Transportation Board believes to be reliable, but the Transportation Board takes no responsibility for its accuracy.

The Trustee or the Transportation Board (with the Trustee's consent) may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Series 1996 Bond certificates will be printed and delivered.

The Transportation Board, the Commonwealth, the Treasury Board and the Trustee have no responsibility or obligation to the Direct Participants, the Indirect Participants or the Beneficial Owners with respect to (a) the accuracy of any records maintained by DTC or any Direct Participant or Indirect Participant; (b) the payment by any Direct Participant or Indirect Participant of any amount due to any Beneficial Owner in respect of the principal of, redemption premium, if any, and interest on the Series 1996 Bonds; (c) the delivery or timeliness of delivery by any Direct Participant or Indirect Participant of any notice to any Beneficial Owner which is required or permitted under the terms of the resolution pursuant to which the Series 1996 Bonds are issued to

be given to Bondholders or (d) any other action taken by DTC, or its nominee, Cede & Co., as Bondholder, including the effectiveness of any action taken pursuant to an Omnibus Proxy.

So long as Cede & Co. is the Registered Owner of the Series 1996 Bonds, as nominee of DTC, references in this Official Statement to the Owners of the Series 1996 Bonds or the Bondholders shall mean Cede & Co. and shall not mean the Beneficial Owners, and Cede & Co. will be treated as the only Bondholder of the Series 1996 Bonds for all purposes under the Trust Agreement.

The Transportation Board may enter into amendments to the agreement with DTC, or successor agreements with a successor securities depository, relating to the book-entry system to be maintained with respect to the Series 1996 Bonds without the consent of Beneficial Owners.

DEBT SERVICE REQUIREMENTS FOR THE NVTD BONDS AND ROUTE 58 BONDS

The following table sets forth for the fiscal years ending each June 30 the amounts needed in each annual period for payment of principal of and interest on the NVTD Bonds.

Total Fiscal Year	Outstanding Debt Service ¹	Series 1996A Bonds			
		Principal	Interest	Fiscal Year Debt Service	Fiscal Year Debt Service
1997					
1998					
1999					
2000					
2001					
2002					
2003					
2004					
2005					
2006					
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2008					
2009					
2010					
2011					
2012					
2013					
2014					
2015					
2016					
2017					
2018					
2019					
2020					
2021					

¹ Outstanding Debt Service reflects the amounts needed in each annual period for payment of principal of and interest on the NVTD Bonds outstanding as of the date of this Official Statement.

² Includes accrued interest.

Figures may not add due to rounding.

The following table sets forth for the fiscal years ending each June 30 the amounts needed in each annual period for payment of principal of and interest on the Route 58 Bonds.

Series 1996B Bonds

Total Fiscal Year	Outstanding Debt Service¹	Principal	Interest	Fiscal Year Debt Service	Fiscal Year Debt Service
1997					
1998					
1999					
2000					
2001					
2002					
2003					
2004					
2005					
2006					
2007					
2008					
2009					
2010					
2011					
2012					
2013					
2014					
2015					
2016					
2017					
2018					
2019					
2020					
2021					

1 Outstanding Debt Service reflects the amounts needed in each annual period for payment of principal of and interest on the Route 58 Bonds outstanding as of the date of this Official Statement.

2 Includes accrued interest.

Figures may not add due to rounding.

SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 1996 BONDS

Series 1996A Bonds

The NVTB Trust Agreement provides that the Series 1996A Bonds are secured by and payable solely from the revenues, receipts and funds appropriated by the General Assembly for such purpose, or allocated by the Transportation Board for such purpose from revenues, receipts and funds appropriated to it by the General Assembly from (1) the Northern Virginia Transportation District Fund, (2) to the extent required, funds appropriated and allocated, pursuant to the highway allocation formula as provided by law, to the Northern Virginia Highway Construction District or the city or county in which the project or projects to be financed are located, (3) to the extent required, legally available revenues in the Transportation Trust Fund (4) such other funds which may be appropriated by the General Assembly for such purposes, and (5) from moneys held by the Trustee in certain funds established under the NVTB Trust Agreement. See the sections "Northern Virginia Transportation District Fund," "Transportation Trust Fund" and "Summary of the NVTB Trust Agreement."

The Transportation Board will enter into a Second Supplemental Payment Agreement, dated as of November 1, 1996 (the "NVTB Supplemental Payment Agreement"), with the Treasury Board and the Secretary of Finance of the Commonwealth (the "Secretary of Finance"), supplementing and amending the Payment Agreement dated as of August 15, 1993, previously supplemented and amended by a Supplemental Payment Agreement, dated as of January 15, 1995, (collectively the "NVTB Original Payment Agreement"), with the Treasury Board and the Secretary of Finance. The NVTB Supplemental Payment Agreement and the NVTB Original Payment Agreement will be referred to collectively as the "NVTB Payment Agreement." The NVTB Payment Agreement provides, among other things, the procedures for requesting appropriations of funds sufficient to pay debt service on the NVTB Bonds and for the payment of such debt service. If no appropriation is made to the Northern Virginia Transportation District Fund, as described in the section "Northern Virginia Transportation District Fund," or if any such appropriation is insufficient in amount, the Payment Agreement requires the Transportation Board to apply to the payment of debt service on the NVTB Bonds funds appropriated by the General Assembly and allocated, pursuant to the highway allocation formula as provided by law, to the Northern Virginia Highway Construction District or the city or county in which the project or projects to be financed are located; however, the General Assembly could amend the statutory authority requiring the Transportation Board to make this allocation. See the section "Summary of the Payment Agreement for the Northern Virginia Transportation District Program."

Series 1996B Bonds

The Route 58 Trust Agreement provides that the Series 1996B Bonds are secured by and payable from funds appropriated by the General Assembly for such purpose, or allocated by the Transportation Board for such purpose from revenues, receipts and funds appropriated to it by the General Assembly, from (1) the Route 58 Corridor Development Fund, (2) to the extent required, revenues legally available in the Transportation Trust Fund, and (3) to the extent required, other legally available funds. See the sections "Route 58 Corridor Development Fund," "Transportation Trust Fund" and "Summary of Route 58 Trust Agreement."

The Transportation Board entered into a Payment Agreement, dated as of November 1, 1989 (the "Route 58 Payment Agreement"), with the Treasury Board and the Secretary of Finance. The Route 58 Payment Agreement provides, among other things, the procedures for requesting appropriations of funds sufficient to pay debt service on the Route 58 Bonds, and for the payment of such debt service. The Payment Agreement requires the Transportation Board and the Treasury Board to use their best efforts to have (a) the Governor include, among other things, the amount so certified in each biennial or any supplemental budget of the Commonwealth and (b) the General Assembly appropriate the amount requested by the Governor. Once the amounts for debt service on the Route 58 Bonds are appropriated by the General Assembly, the Transportation Board and the Treasury Board are required under the Route 58 Payment Agreement to process the necessary requisitions and documents for payment to the Trustee of debt service on the Route 58 Bonds and any other amounts required by the Route 58 Trust Agreement. See the section "Summary of the Route 58 Payment Agreement."

The Series 1996 Bonds are limited obligations of the Commonwealth and the Transportation Board payable solely from the revenues, receipts and funds appropriated for such purpose by the General Assembly, or allocated by the Transportation Board for such purpose from the revenues, receipts and funds appropriated to it by the

General Assembly, and are not a debt, nor is there a pledge of the faith and credit of the Commonwealth or of any of its political subdivisions.

Additional Debt

The Transportation Board may issue one or more series of additional bonds under the NVTB Trust Agreement on a parity with the NVTB Bonds and one or more series of additional bonds under the Route 58 Trust Agreement on a parity with the Route 58 Bonds upon satisfaction of various conditions. The NVTB Trust Agreement and Route 58 Trust Agreement provide that additional bonds may be issued only (1) to pay costs of all or any portion of the NVTB Program or Route 58 Program, (2) to refund any NVTB Bonds or Route 58 Bonds issued under the NVTB Trust Agreement or Route 58 Trust Agreement, and (3) for a combination of such purposes.

All NVTB Bonds issued under the NVTB Trust Agreement must be authorized by the General Assembly. The NVTB Bond Legislation currently limits the amount of bonds which may be issued for the NVTB Program to \$271,000,000, plus an additional amount for issuance costs, capitalized interest, reserve funds and other financing expenses. This limit could be changed by the General Assembly.

All Route 58 Bonds issued under the Route 58 Trust Agreement must be authorized by the General Assembly. The Route 58 Bond Legislation currently limits the amount of bonds which may be issued for the Route 58 Program to \$600,000,000, plus an additional amount for issuance costs, capitalized interest, reserve funds and other financing expenses. This limit could be changed by the General Assembly. After the issuance of the Series 1996B Bonds, approximately \$196 million of the Route 58 Bonds authorized for the Route 58 Program will remain unissued. The Transportation Board expects to issue approximately \$139 million of Route 58 Bonds in a subsequent fiscal year to the extent that revenues are available in the Route 58 Corridor Development Fund for debt service and that debt service for additional bonds is anticipated to be appropriated by the General Assembly.

In addition to the NVTB Bonds and Route 58 Bonds authorized by the NVTB Bond Legislation and Route 58 Bond Legislation, the General Assembly may authorize the issuance of other bonds by the Transportation Board to pay the costs of other transportation improvements in the Commonwealth. Such bonds could be payable from amounts which may be appropriated by the General Assembly from the Northern Virginia Transportation District Fund, the Route 58 Corridor Development Fund, other legally available funds in the Transportation Trust Fund, and other legally available funds of the Commonwealth. See the section "Authorized, Issued and Unissued Bonds."

AUTHORIZED, ISSUED AND UNISSUED BONDS

The General Assembly has enacted from time to time legislation providing for the issuance of revenue bonds for transportation facilities with credit structures similar to the credit structure for the Series 1996 Bonds. Descriptions of these financing programs and the authorized, issued and unissued bonds are set forth below.

Transportation Revenue Bonds

U.S. Route 58 Corridor Development Program. The Revenue Bond Act permits the Transportation Board to issue Transportation Revenue Bonds payable from (1) appropriations made from the U.S. Route 58 Corridor Development Fund, (2) to the extent required, revenues legally available from the Transportation Trust Fund, and (3) other legally available funds to finance projects authorized by the General Assembly. In its 1989 Special Session II, the General Assembly enacted legislation which authorizes the Transportation Board to issue Transportation Revenue Bonds in an amount not to exceed \$600,000,000, plus an amount for issuance costs, reserve funds and other financing expenses, to finance a portion of the costs of the Route 58 Program. In 1989, the Transportation Board issued \$200,000,000 of Transportation Revenue Bonds, Series 1989 to finance a portion of the costs of the Route 58 Program. In June 1993, the Transportation Board issued its Transportation Revenue Refunding Bonds, Series 1993A, in the principal amount of \$91,455,000 to refund a portion of the Series 1989 Bonds and its Transportation Revenue Bonds, Series 1993B, in the principal amount of \$98,715,000 to finance additional costs of the Route 58 Program. The Series 1996B Bonds are the fourth series of Route 58 Bonds to be issued by the Transportation Board under the Route 58 Corridor Program. See the sections "U.S. Route 58 Corridor Development Program" and "U.S. Route 58 Corridor Development Fund."

Northern Virginia Transportation District Program and Commonwealth of Virginia Revenue Bond Acts of 1993 and 1994. The NVTB Board Legislation authorizes the Transportation Board to sell Transportation Revenue Bonds, pursuant to the Revenue Bond Act, as amended, in the amount of \$271,000,000, plus an additional amount for issuance costs, capitalized interest, reserve funds and other financing expenses for the NVTB Program. The NVTB Program currently includes the following projects: the Fairfax County Parkway, Route 234 Bypass, Metro Capital Improvements, including the Franconia-Springfield Metrorail Station, Route 7 improvements in Loudoun County between Route 15 and Route 28, and the Route 50/Courthouse Road interchange improvements in Arlington County. It is expected that revenue for payment of the debt service on the Bonds will be provided from the Northern Virginia Transportation District Fund. The General Assembly also amended the Virginia Code to provide \$20,000,000 in fiscal year 1993-94 and \$40,000,000 in each fiscal year thereafter to be distributed to localities from the state recordation taxes. This annual distribution of \$40,000,000 of state recordation taxes to all cities and counties is based on their respective fractional share of the recordation tax collected attributable to each city and county. The legislation establishing the Northern Virginia Transportation District Fund provides that the quarterly payments of recordation taxes attributable to the Cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park and the counties of Arlington, Fairfax, Loudoun and Prince William shall be transferred to the Fund for the Program. In 1993, the Transportation Board issued the \$134,060,000 Series 1993C Bonds for the Program. In 1995, the Transportation Board issued the \$60,810,000 Series 1995A Bonds. The Series 1996A Bonds are the third series of NVTB Bonds to be issued by the Transportation Board under the NVTB Program. See the sections "Northern Virginia Transportation District Program" and "Northern Virginia Transportation District Fund."

Transportation Program Revenue Bonds

Transportation Improvement Program Set-aside Fund. The 1993 Session of the General Assembly also authorized the creation of Transportation Improvement Program Set-aside Fund (the "Set-aside Fund") for transportation improvements endorsed by the requesting local jurisdiction or jurisdictions affected and to provide for the issuance of Transportation Program Revenue Bonds to finance those improvements. The jurisdiction or jurisdictions requesting participation in the Set-aside Fund and the issuance of bonds must agree that certain distributions of state recordation taxes attributable to them be deposited in the Set-aside Fund by the State Treasurer and used to pay debt service on any Transportation Program Revenue Bonds issued by the Transportation Board to finance the cost of the program. Before any bonds may be issued, the project or projects to be financed must be approved by the General Assembly. No bonds have been issued by the Transportation Board under this program.

The Transportation Program Revenue Bonds authorized by the 1994 Session of the General Assembly, described below, are the only bonds authorized to utilize the Set-aside Fund.

Oak Grove Connector, City of Chesapeake. The 1994 Session of the General Assembly authorized the issuance of \$32,500,000 Transportation Program Revenue Bonds, plus an additional amount for issuance costs, reserve funds and other financing expenses, to finance the cost of the Oak Grove Connector project. This project consists of a four lane divided highway connecting Dominion Boulevard (Route 104) and the Great Bridge Bypass (Route 168) in the City of Chesapeake and includes costs of environmental and engineering studies, right-of-way acquisition, improvements to all modes of transportation, construction and related improvements. The security structure for the bonds would be provided through the participation in the Set-aside Fund and the debt service would be paid from (i) the annual distribution, attributable to the City, of \$40 million of state recordation taxes to be dedicated to the Set-aside Fund, (ii) to the extent required, local revenues received pursuant to a contract or other financing mechanism acceptable to the Transportation Board, (iii) from funds appropriated and allocated pursuant to the allocation formula to the city in which the project to be financed is located, (iv) to the extent required, from legally available revenues of the Transportation Trust Fund, and (v) from other funds as may be appropriated by the General Assembly. At this time, the Transportation Board has not entered into an agreement with the City of Chesapeake to issue any bonds. However, effective July 1, 1995 the City enacted an ordinance dedicating its annual distribution of state recordation taxes to the set-aside Fund to pay future debt service.

Transportation Contract Revenue Bonds

Route 28 Transportation Contract Revenue Bonds, Series 1988. In the 1988 Session, the General Assembly enacted legislation which authorized the Transportation Board to issue Transportation Contract Revenue Bonds in an amount not to exceed \$160,700,000 to finance the costs of Phase I of the Route 28 project, plus an amount for issuance

costs, reserve funds and other financing expenses. Due to a subsequent reduction in the estimated Phase I cost, the Transportation Board issued \$138,483,372.25 of Transportation Contract Revenue Bonds, Series 1988 (the "Series 1988 Bonds"). The balance of the authorization was not required to complete Phase I of the Route 28 project. In the 1990 Session, the General Assembly amended the legislation to permit any proceeds of the Series 1988 Bonds remaining after the completion of Phase I and any of the unissued Transportation Contract Revenue Bonds authorized under the legislation to be applied to Phase II of the Route 28 project. No other bonds have been authorized for Phase II. In 1992, the Transportation Board refunded all of the outstanding Series 1988 Bonds by issuing \$111,680,000 of Transportation Contract Revenue Refunding Bonds, Series 1992 (the "Series 1992 Bonds"). At this time, the Transportation Board does not anticipate issuing any additional Transportation Contract Revenue Bonds pursuant to the remaining authorization. Series 1992 Bonds are payable from funds appropriated by the General Assembly for such purpose from the following three sources in the Transportation Trust Fund: (1) special tax revenues collected from a tax levied on commercial and industrial property in the Route 28 Transportation Improvement District, (2) money appropriated and allocated, pursuant to the highway allocation formula as provided by law, to the Northern Virginia Highway Construction District or to the counties of Fairfax or Loudoun, and (3) other legally available money in the Transportation Trust Fund. The 1993 Session of the General Assembly provided for the rezoning of commercial and industrial property within the Route 28 Transportation Improvement District to residential property provided the property owner makes a one-time payment equal to the projected tax revenues over the life of the Series 1992 Bonds as if the property had remained zoned for commercial or industrial use.

Route 234 Bypass Transportation Contract Revenue Bonds. The 1990 Session of the General Assembly authorized the issuance of \$95,000,000, plus an additional amount for issuance costs, reserve funds and other financing expenses, of Transportation Contract Revenue Bonds to provide funds to support the construction of the State Route 234 Bypass in Prince William County. A Transportation Improvement District in Prince William County has been created to carry out this financing. The authorization to issue the Transportation Contract Revenue Bonds is contingent upon the fulfillment of certain preconditions stipulated in the legislation. Among the preconditions is the requirement for a finding by an independent consultant that the anticipated district tax proceeds along with other local revenues are adequate to support the debt issued for the project. To date this precondition, along with several of the other preconditions, has not been met. Therefore, no Transportation Contract Revenue Bonds have been issued pursuant to this act although the issuance authorization remains. The 1993 Session of the General Assembly amended the bond authorization to permit the Transportation Board to finance the project in phases and prioritized the phases of the project, as applicable preconditions are met. The State Route 234 Bypass is being financed in part with proceeds of the Series 1995A Bonds.

COMMONWEALTH TRANSPORTATION BOARD AND VIRGINIA DEPARTMENT OF TRANSPORTATION

Commonwealth Transportation Board

The Transportation Board was created pursuant to Chapter 1, Title 33.1 of the Virginia Code, and is responsible for general policies for the construction and use of Virginia's highway system and for the efficient and economic development of transportation. The powers and duties of the Transportation Board include, among other things, the allocation of funds in the Transportation Trust Fund.

The Transportation Board consists of sixteen members from various areas of the Commonwealth appointed by the Governor, subject to confirmation by the General Assembly. One member is chosen from each of the Commonwealth's nine highway construction districts, three members are selected as urban at-large members and two members are selected as rural at-large members. In addition to representing rural and urban transportation needs, the at-large members represent the interests of seaport, airport, railway and mass transit users. The Chairman of the Transportation Board is the Secretary of Transportation of the Commonwealth. The Vice Chairman is the Commonwealth Transportation Commissioner, who is also the chief executive officer of the Virginia Department of Transportation (the "Department"). The current membership of the Transportation Board, the expiration dates of their terms and the constituency represented by each member are as follows:

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<u>Member</u>	<u>Term Expires</u>	<u>Constituency</u>
Robert E. Martínez	At the Pleasure of the Governor	Chairman, Transportation Board; Secretary of Transportation
David R. Gehr	At the Pleasure of the Governor	Vice Chairman, Transportation Board; Commonwealth Transp. Commissioner
William W. Prettyman	June 30, 1997	Suffolk District
John H. Grubb, Jr.	June 30, 2000	Rural At-Large
Roy Parrish Byrd	June 30, 1999	Lynchburg District
John V. Cogbill, III	June 30, 1999	Richmond District
Lorinda G. Lionberger	June 30, 1997	Salem District
H. Carter Myers, III	June 30, 1998	Urban At-Large
Zeanous L. Newcomb	June 30, 1998	Fredericksburg District
Max B. Porter	June 30, 1998	Rural At-Large
L.C. Martin	June 30, 2000	Bristol District
James E. Rich	June 30, 1998	Urban At-Large
William S. Roundbush	June 30, 1998	Culpeper District
Harold E. Neale	June 30, 2000	Staunton District
Robert T. Lee	June 30, 2000	Northern Virginia District
Ulysses X. White	June 30, 1997	Urban At-Large

Robert E. Martínez has served as Secretary of Transportation and Chairman of the Commonwealth Transportation Board since being appointed to these positions by Governor George Allen effective January 16, 1994. Prior to his appointment, Secretary Martínez was a Manager of Strategic Planning at Norfolk Southern Corporation. Before joining Norfolk Southern, Dr. Martínez was with the U.S. Department of Transportation. He was Deputy Administrator of the Maritime Administration and later appointed by President Bush as Associate Deputy Secretary of Transportation and Director of the Office of Intermodalism. This Office, established by Dr. Martínez, was authorized under the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA). Prior to joining the U.S. Department of Transportation, he served as Assistant Executive Director of the Business Roundtable. Dr. Martínez is a native of Havana, Cuba. He holds a B.A. from Columbia University, and a M.A. in International Relations and a Ph.D. in Political Science from Yale University.

Virginia Department of Transportation

The Department has the responsibility for construction, maintenance and operation of the Commonwealth highway system under legislation enacted by the General Assembly and in accordance with policies and procedures adopted by the Transportation Board.

The Department's budget for the fiscal year ending June 30, 1997, is approximately \$2.1 billion. The highway construction budget for the Department for such fiscal year is approximately \$900 million. As of June 30, 1996 the Department had 544 construction projects underway for an aggregate amount of approximately \$1.26 billion, with an outstanding balance of construction costs to be paid of approximately \$616 million.

The Commonwealth has the nation's third largest system of state-maintained highways with a system totaling approximately 55,400 miles of Interstate, primary and secondary roads. The system includes more than 12,500 bridges. In addition, independent cities and towns maintain about 9,800 miles of local streets and receive funds from the Transportation Board for such purpose.

The Commonwealth is divided geographically into nine construction districts for highway purposes as follows:

Bristol District	Lynchburg District	Salem District
Culpeper District	Northern Virginia District	Staunton District
Fredericksburg District	Richmond District	Suffolk District

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These districts are divided into 45 residencies, each typically consisting of one to four counties. The field organization is further subdivided into approximately 212 area maintenance headquarters. About 90 percent of the Department's 10,154 employees are assigned to the field organization. The remainder are assigned to the central office in Richmond or to units associated with the central office.

At the senior management level, the Commonwealth Transportation Commissioner is the chief executive officer of the Department. The senior management staff of the Department consists of the Chief Engineer, the Assistant Commissioner for Administration, the Assistant Commissioner for Operations and the Assistant Commissioner for Finance. The resumes of the persons currently filling these positions follow:

David R. Gehr has served as the Commonwealth Transportation Commissioner since being appointed to the position by Governor George Allen in 1994. Mr. Gehr had served as the Assistant Commissioner for Operations for the Department since 1986. His 23-year career with the Department has included positions as Assistant Division Administrator and District Engineer in the Northern Virginia District and District Traffic Engineer in the Fredericksburg District and as Director of Operations for the Department. Mr. Gehr, a native of Rochester, New York, holds a Civil Engineering Degree from Virginia Military Institute and has done graduate work in transportation planning at George Washington University. He is a member of the Virginia Section of the Institute of Transportation Engineers, the American Society of Civil Engineers and the American Association of State Highway and Transportation Officials.

James W. Atwell has served as the Assistant Commissioner for Finance for the Department since 1985. His career with the Department began in 1960 and has included various financial management and auditing positions. In 1973, he became Assistant Management Services Officer and in 1980 was named Director of the Management Services Division. In 1981, Mr. Atwell was appointed Administrator of the newly created Budget Division and remained in that capacity until appointment to his present position. A native of Richmond, he earned an Accounting Degree from the University of Richmond. He is a member of the American Society for Public Administration and the American Association of State Highway and Transportation Officials.

James G. Browder, Jr. was appointed on January 1, 1996 as the Department's Chief Engineer. A native of Brunswick County, Mr. Browder graduated from Virginia Military Institute in 1966 with a Bachelor of Science Degree in Civil Engineering. He has served the Department as Fredericksburg District, Resident Engineer in the Richmond District, and as Assistant District Administrator. Among other career accomplishments, Mr. Browder has worked closely with the contracting industry, overseeing major highway construction contracts for large segments of Virginia's Interstate System. Mr. Browder has a distinguished career in the U.S. Army Reserve and in 1995 was named Brigadier General. Currently, he is the Assistant Division Commander for the 80th Division.

Peter R. Kolakowski has served as the Assistant Commissioner for Administration for the Department since 1996. Previously, he served the Department as the Financial Planning & Debt Management Director from 1993 and prior to that the Department's Budget Director from 1985. Mr. Kolakowski's previous positions include four years as City Manager as well as Assistant City Manager and Director of Planning & Community Development for Fredericksburg, Virginia. A native of New York, Mr. Kolakowski holds a Bachelor's Degree from Ripon College and Master's Degree in Public Administration from the American University. He is a member of the American Association of State Transportation and Highway Officials and the International City/County Management Association.

Claude D. Garver has served as the Assistant Commissioner for Operations for the Department since 1994. Previously, Mr. Garver had served as Assistant Commissioner for Planning and Programming for the Department since 1992. His career with the Department began in 1963 as an Engineer Trainee and he served in the positions of Assistant Resident Engineer in Chesterfield and Powhatan Counties, Resident Engineer in Prince William County, Assistant District Engineer for Richmond District, State Construction Engineer, and Northern Virginia District Administrator. Mr. Garver, a native of Virginia, holds a Civil Engineering Degree from Virginia Polytechnic Institute and State University. He is a member of the American Association of State Highway and Transportation Officials.

NORTHERN VIRGINIA TRANSPORTATION DISTRICT PROGRAM

The NVTDP Program includes projects located in the Northern Virginia Highway Construction District which are to be developed over several years depending upon the availability of funding. The projects are to be funded from

several different sources, including federal, state and local money and the proceeds of NVTB Bonds issued pursuant to the NVTB Bond Legislation. The projects, the total amount of NVTB Bonds authorized to be issued for each project, and the amount allocated to each project from the proceeds of the Series 1996A Bonds are as follows:

Allocation of the Series 1996A Bond Proceeds

<u>Project</u>	<u>Total Bond Authorization*</u>	<u>Amount Allocated from Series 1996A Bonds*</u>
Fairfax County Parkway	\$ 87,000,000	\$
Route 234 Bypass	73,400,000	
Metro Capital Improvements	85,600,000	
Route 7 Improvements	15,000,000	
Route 50/Courthouse Road	<u>10,000,000</u>	
Total	<u>\$271,000,000</u>	<u>\$</u>

* These figures do not include costs of issuance and other financing expenses.

Fairfax County Parkway. The Fairfax County Parkway (the "Parkway") extends 34.6 miles from Route 7 (Leeburg Pike) to Route 1 (Jefferson Davis Highway) with interchanges at the Dulles Toll Road (Hirst-Brant Expressway), Route 50, Interstate 66, Route 29 and Interstate 95 (High Occupancy Vehicle access only). Additional interchanges are currently planned. The Parkway is a four-lane facility with sufficient right-of-way for six lanes. When completed, the Parkway will cost an estimated \$544 million and will provide for future interchanges at Route 7, Frontier Drive, Telegraph Road and Route 1.

Route 234 Bypass. The Route 234 Manassas Bypass is proposed to be a four-lane facility constructed on a six-lane right-of-way extending from approximately 0.4 miles east of existing Route 649 (Brentsville Road) in a northwesterly direction for approximately 10 miles to an interchange with Interstate 66. When completed, the facility will cost an estimated \$147 million to include interchanges at Brentsville Road, Clover Hill Road, Route 28, Sudley Manor Drive, Balls Ford Road and Interstate 66. The interim facility will provide four lanes extending from Route 28 to Interstate 66 with partial interchanges at Route 28 and Interstate 66.

Metro Capital Improvements. The Northern Virginia Transportation District Commission, comprised of Arlington County, Fairfax County, Loudoun County, City of Alexandria, City of Fairfax, and City of Falls Church, (the "Localities"), among other things, coordinates financing for the Localities' portion of the Washington Metropolitan Area Transit Authority ("WMATA") capital improvements. The WMATA capital improvements are divided into two programs, the Rail Construction Program and the Capital Improvements Program (collectively, the "Metro Capital Improvements Program").

The Rail Construction Program is intended to complete the remaining 103-mile Metrorail system. The major activity in the jurisdiction of the Localities is the construction of the Franconia-Springfield segment, estimated to cost approximately \$230 million. This project includes continued construction on the line sections, construction of the Franconia - Springfield Metrorail Station and parking structure, procurement and installation of trackwork, and completion of design for train control, traction power and communications.

The Capital Improvements Program is a six-year, \$823 million program of capital replacement and rehabilitation to enhance quality of service and maintain the Metro system in a state of good repair and safety. This program will include the overhaul of 300 railcars, the purchase of 700 replacement buses, the construction of a new Metrobus garage, and other related capital improvements.

Route 7 Improvements. The Route 7 Improvements were added to the Program by the 1994 amendments (Chapters 470 and 597 of the 1994 Acts of Assembly) and consist of improvements to Route 7 in Loudoun County between Route 15 and Route 28.

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The planned improvement projects for Route 7 will widen the current 4 lane facility to a 6 lane roadway from Leesburg to west of Route 28, a distance of approximately 5.4 miles. The widening of this vital link to western Loudoun County will relieve congestion during peak hours and improve air quality for the region. This improvement will create a safer traveling environment for the commuters and residents of this locality. Economic development will also be facilitated through improved access to the market area.

Route 50/Courthouse Road. The Route 50/Courthouse Road Interchange project is located in Arlington County and will provide for needed improvements to reduce congestion and improve traffic safety. The project has been included in the Fiscal Year 1996-97 Six-Year Improvement Program adopted by the Transportation Board. Preliminary engineering work has been initiated.

NORTHERN VIRGINIA TRANSPORTATION DISTRICT FUND

General

The Northern Virginia Transportation District Fund (the "NVTDFund") was established by the General Assembly in 1993, § 58.1-815.1 of the Virginia Code, as a special nonreverting fund of the Transportation Trust Fund which is held by the Department of Treasury. The legislation creating the NVTDFund currently provides that commencing on October 1, 1993 and annually thereafter on July 1, there is to be transferred to the NVTDFund, subject to appropriation by the General Assembly, a portion of the collections of the state recordation taxes which is attributable to the Cities of Alexandria, Fairfax, Falls Church, Manassas and Manassas Park and the Counties of Arlington, Fairfax, Loudoun, and Prince William as described below. The General Assembly has previously provided for prior appropriations from state recordation tax collections to pay debt service on other Transportation Revenue Bonds issued by the Transportation Board to finance the Route 58 Program. See the Section "U.S. Route 58 Corridor Development Program" and "U.S. Route 58 Corridor Development Fund."

In the fiscal year ending June 30, 1996, there was distributed a total of \$40.0 million of the collections of the state recordation taxes among the counties and cities in Virginia based on the portion of the recordation tax collections attributable to each county or city as provided by the legislation creating the NVTDFund. The portion of this amount attributable to the Cities of Alexandria, Fairfax, Falls Church, Manassas and Manassas Park and the Counties of Arlington, Fairfax, Loudoun and Prince William is to be transferred to the NVTDFund. This amount was approximately \$16.3 million for fiscal year 1995-96 and estimated to be approximately \$17.0 million for fiscal year 1996-97 and each subsequent fiscal year. The NVTDFund will include such other amounts, if any, as may be appropriated from time to time by the General Assembly and all interest, dividends and appreciation which may accrue to amounts in the NVTDFund. For Fiscal Year 1998 the General Assembly has provided an additional \$3 million from General Funds to the NVTDFund. See the section "State Recordation Tax Collection" for the actual and projected Commonwealth recordation tax collections and the amounts appropriated to the NVTDFund.

Amounts in the NVTDFund may be used to pay the costs of the NVTDFund Program, including debt service on the outstanding Series 1993C Bonds, the Series 1995A Bonds and Series 1996A Bonds. The amended legislation creating the NVTDFund provides that once the bond authority for all Category I projects has been used, \$10,000,000 of bond authorization remaining may be used to finance the costs of Category II projects. Once all bond authority has been utilized, excess money in the NVTDFund in any fiscal year not needed to pay debt service on the NVTDFund Bonds issued for Category I or Category II project may be used to pay the costs of Category III projects. These Category III projects are unspecified as of this date and will require concurrence by the local jurisdictions participating in the NVTDFund Program subject to guidelines and conditions established by the Transportation Board.

The Transportation Board makes no representation that the General Assembly will maintain or continue to make transfers to the NVTDFund or that the General Assembly will not repeal or materially modify the legislation creating the Northern Virginia Transportation District Fund or imposing the recordation taxes.

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U.S. ROUTE 58 CORRIDOR DEVELOPMENT PROGRAM

General

The Route 58 Program contemplates the development of a modern, safe and efficient highway system generally along the U.S. Route 58 Corridor (the "Corridor"). This Corridor extends approximately 500 miles from Cumberland Gap in Lee County in the west and runs generally along the southern border of the Commonwealth to the ocean front in Virginia Beach in the east, connecting the communities, businesses, places of employment and residents of the southwestern-most portion of the Commonwealth to those of the southeastern-most portion. The Route 58 Program is intended to enhance economic development potential, employment opportunities, mobility and quality of life along the Corridor.

About 256 miles of the highway system are already four or more lanes. The Route 58 Program encompasses about 559 miles of highway in the Bristol, Lynchburg, Richmond, Salem and Suffolk highway construction districts. It includes planning, environmental and engineering studies, the acquisition of right-of-way, highway widening and improvement projects, the construction and improvement of by-passes, new highway construction and the construction and improvement of connector roads. To the maximum extent possible the Corridor will conform to the existing arterial highway network and will utilize existing four-lane divided highways and available rights-of-way. The most expensive alternatives being considered would cost an estimated \$1.2 billion, while the least expensive would cost \$638 million, both in 1988 dollars. The final location of the highway system will depend on a number of factors including engineering and environmental considerations, cost and economic developmental benefits.

Route 58 Program Costs

The Route 58 Program is a multi-year effort. Portions of the Route 58 Program have been completed or are under construction. The Transportation Board anticipates major segments will be completed by about 1998. The funding for the Route 58 Program is expected to be derived from (1) the proceeds of the Series 1989 Bonds, the Series 1993B Bonds and the Series 1996B Bonds, (2) additional borrowings up to the aggregate \$600 million limit imposed by the Route 58 Bond Legislation (3) the amount, if any, of recordation taxes deposited to the Route 58 Corridor Development Fund which is not used to pay debt service on the Route 58 Bonds, (4) investment earnings on funds held by the Trustee and on balances in the Route 58 Corridor Development Fund held by the State Treasurer, and (5) money allocated to the Route 58 Program from the Transportation Trust Fund under the Transportation Board's six-year highway improvements program.

The Transportation Board presently forecasts that the cost of completing the Route 58 Program may exceed available and future funding sources. As the Route 58 Program is adjusted to reflect the results of engineering studies and alignment decisions, the capital outlay requirements will be better defined. At that time the Transportation Board may seek additional or alternative sources of funds to complete the Route 58 Program.

The Transportation Board presently anticipates issuing additional debt to meet Route 58 Program expenditures. The Transportation Board expects to issue approximately \$139 million of Route 58 Bonds in a subsequent fiscal year to the extent that revenues are available in the Route 58 Corridor Development Fund for debt service and that debt service for additional bonds are anticipated to be appropriated by the General Assembly. The size and timing of any additional future borrowing will be determined by the Route 58 Program's needs for cash, market conditions and available revenues.

U.S. ROUTE 58 CORRIDOR DEVELOPMENT FUND

The U.S. Route 58 Corridor Development Fund was established by the General Assembly in 1989 by Virginia Code Section 58.1-815 as a special nonreverting fund of the Transportation Trust Fund which is held by the Department of Treasury. Although Section 58.1-815 directs that the first \$40 million of annual collections of the state recordation taxes imposed on deeds, deeds of trust, mortgages and certain other instruments be transferred to the U.S. Route 58 Corridor Development Fund, the 1990-92 and 1992-94 biennial budgets adopted by the General Assembly only provided for the appropriation of amounts needed to pay debt service on the bonds outstanding under the Route 58 Program. The 1994 session of the General Assembly appropriated the full \$40 million for each year of the 1994-96 biennium. The 1996 session of the General Assembly appropriated the full \$40 million for the first year of the 1996-98 biennium and \$42

million for the second year. The Route 58 Corridor Development Fund also includes such other funds as may be appropriated and designated for it from time to time by the General Assembly and all interest, dividends and appreciation which may accrue to money in the Route 58 Corridor Development Fund. See the section "State Recordation Tax Collections" for the actual and projected Commonwealth recordation tax collections and the amounts appropriated to the Route 58 Corridor Development Fund.

The Transportation Board makes no representation that the General Assembly will maintain or continue to make transfers to the Route 58 Corridor Development Fund or that the General Assembly will not repeal or materially modify the legislation creating the U.S. Route 58 Corridor Development Fund or imposing the recordation taxes.

STATE RECORDATION TAX COLLECTIONS

Recordation taxes are imposed on every deed and deed of trust (mortgage) admitted to record in the Commonwealth subject to certain exceptions and exemptions. The taxes are collected by the clerks of the courts where the instruments are admitted to record. The current rate of tax on deeds is 15 cents on every \$100 or fraction thereof of the consideration for or the actual value of the property conveyed, whichever is greater, payable by the transferee, and 50 cents on each \$500 or fraction thereof of the consideration for or the actual value of the property exclusive of the value of any lien or encumbrance on the property, payable by the transferor. The current rate of tax on deeds of trust (mortgages) is 15 cents on every \$ 100 or fraction thereof of the amount of the obligation secured.

The following table shows the actual and projected Commonwealth recordation tax collections and the amounts applied to, or anticipated to be applied to, the payment of debt service on Transportation Revenue Bonds.

Fiscal Year Ending, June 30	Commonwealth of Virginia State Recordation Tax Collections 1988-1998 (in millions)		
	Total Tax	Appropriated U.S. Route 58 Corridor Development Fund ¹	Appropriated Northern Virginia Transportation District Fund ²
1988	\$92.3	\$ 0.0	\$ 0.0
1989	98.2	0.0	0.0
1990	88.5	0.0	0.0
1991	68.6	40.0 ⁴	0.0
1992	80.3	16.2 ⁵	0.0
1993	96.1	15.2 ⁵	0.0
1994	111.2	22.2 ⁶	9.3 ⁶
1995	81.3	40.0 ⁶	19.0 ⁶
1996	91.4	40.0 ⁶	19.0 ⁶
1997	91.5 ⁷	40.0 ⁶	17.0 ⁶
1998	94.1 ⁷	42.0 ⁶	20.0 ⁶

¹ Fund was established in fiscal year 1990 and funded in fiscal year 1991.

² Fund was established in fiscal year 1994.

³ Projected amounts.

⁴ Appropriation by General Assembly. The appropriation was not used for debt service and the total appropriation reverted to the General Fund.

⁵ Amount necessary for debt service was appropriated from the General Fund of the Commonwealth.

⁶ Appropriation by General Assembly.

Source: Department of Taxation and Department of Planning and Budget.

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TRANSPORTATION TRUST FUND

General

The Transportation Trust Fund was established by the General Assembly in Chapters 11, 12, 13 and 15 of the Acts of the Assembly, 1986 Special Session (the "1986 Special Session Acts") as a special nonreverting fund administered and allocated by the Transportation Board for the purpose of increased funding for construction and other capital needs of state highways, airports, mass transportation and ports. The Transportation Trust Fund is funded primarily from additional revenues generated by increases in the retail sales tax, motor fuel tax and motor vehicle related taxes and fees effected by the 1986 Special Session Acts and designated for deposit in the Transportation Trust Fund. The 1986 Special Session Acts allocated 85 percent of these additional revenues to highway purposes with the balance being divided among airports (2.4 percent), mass transit (3.4 percent) and ports (4.2 percent). The investment of money in the Transportation Trust Fund is administered by the State Treasurer under guidelines adopted by the Transportation Board. The Transportation Board has adopted the same guidelines as the Treasury Board for the investment of public funds.

At the 1993 General Assembly session, the Department reported on a study of the financing of transportation and allocation formula for all modes of transportation. The recommendations of this study included a one-year interim allocation formula which provided for use of additional federal revenues. The Transportation Trust Fund allocation formula enacted in the 1986 Special Session was not changed. Senate Joint Resolution 240, also enacted in the 1993 Session, established a Joint Legislative Select Committee to review the Department's funding and report on the sufficiency of private, federal, state and local revenue sources to meet long-term maintenance and construction needs of the state highways, public transit, rail, ports and airports transportation systems. The Joint Legislative Select Committee reported to the 1994 General Assembly on its review. They study has been continued as a result of Senate Joint Resolution 143 of the 1994 Session.

The Transportation Board makes no representation that the General Assembly will maintain the Transportation Trust Fund or that the General Assembly will not repeal or materially modify the 1986 Special Session Acts.

Highway Maintenance and Operating Fund

Until January 1, 1987, both construction and maintenance of the Commonwealth's highway system were funded through the Highway Maintenance and Construction Fund. Upon the enactment of the 1986 Special Session Acts, money for construction and maintenance was separated into two funds; the Transportation Trust Fund became the source of funds for new construction, while the Highway Maintenance and Operating Fund (the "HMO Fund") was created as successor to the Highway Maintenance and Construction Fund for maintenance.

The HMO Fund receives certain motor vehicle related taxes and fees (principally the fuel tax, vehicle tax, vehicle sales tax, vehicle registration fees and vehicle license fees) at the rates in effect before the 1986 Special Session Acts, while the increase in these taxes and fees is directed to the Transportation Trust Fund. See the subsection below "Sources of Revenues." In the fiscal year ending June 30, 1996, the HMO Fund received \$1,008,920,000 in such taxes and fees.

At the end of each fiscal year, the balance remaining in the HMO Fund is transferred to the Transportation Trust Fund. The Department anticipates that the year-end balance in the HMO Fund may diminish if maintenance costs rise faster than such taxes and fees available for such purpose. As a consequence, the year-end transfer of the HMO Fund balance may not be a long-term source of revenue to the Transportation Trust Fund. If maintenance expenditures rise to the level of HMO Fund taxes and fees, any additional maintenance costs will have to be funded from other sources, one of which may be the Transportation Trust Fund.

Highway Allocation Formula

The Transportation Board is required by Virginia Code §33.1-23.1 to allocate each year all funds made available for highway purposes in accordance with the priorities established by §33.1-23.1. Highway funds are allocated first for maintenance of interstate, primary, secondary and certain local roads and highways, administrative and general expenses and certain other payments. Then certain funds are allocated for interstate matching funds and for the paving of certain

unpaved secondary roads. Of the remaining funds, forty (40) percent are allocated for the needs of the primary system and thirty (30) percent each to the urban and secondary systems

Primary system funds are apportioned among the nine highway construction districts based on a formula taking into account the following factors weighted as indicated: vehicle miles traveled on primary routes (70 percent), primary road lane mileage (25 percent), and need as determined by the Transportation Board (5 percent). Funds for urban systems are distributed based on population, and secondary system funds are distributed based on population (80 percent) and area (20 percent). The Transportation Board determines the projects on which primary, urban and Interstate system funds are spent. Secondary system funds are distributed to the counties and not designated by the Transportation Board for specific projects.

The allocation formula was most recently changed in 1977 and 1985. There is currently underway a study on the allocation formula. The Commission on the Future of Transportation in Virginia, created by SJR 110/HJR 160 of the 1996 Session of the General Assembly, was established to review future transportation needs in Virginia, including funding sources for such needs. The General Assembly may, in the Appropriation Act, permit the Governor to make changes in the allocation formula set forth in Virginia Code §33.1-23.1 to increase amounts allocated to highway maintenance or highway construction or both.

Sources of Revenues

The following tables summarize the actual revenues for the fiscal years ending June 30, 1991 through 1996, and the projected revenues for fiscal years ending June 30, 1997 and 1998, received or to be received in the Transportation Trust Fund.

Historical Transportation Trust Fund Revenues (in millions)

Fiscal Year Ending June 30:	1991	1992	1993	1994	1995	1996 ¹
Retail Sales and Use Tax	\$223.4	\$225.4	\$238.3	\$256.1	\$277.3	\$288.4
Motor Vehicle Sales and Use Tax ²	85.6	88.8	99.2	116.5	132.4	140.5
Motor Fuel Taxes ³	82.8	84.2	87.2	93.3	91.0	93.4
Motor Vehicle Registration Fees	14.7	15.6	13.3	14.3	16.1	16.8
Total Transportation Trust Fund Revenues ⁴	\$406.5	\$414.0	\$440.0	\$480.4	\$512.0	\$539.1
Highway Construction Amount ⁵	\$341.3	\$351.6	\$372.3	\$373.6	\$439.5	\$458.2
HMO Fund Transfer ⁶	50.6	6.1	52.6	63.0	113.8	28.0
Total Highway Portion of Transportation Trust Fund	\$391.9	\$357.7	\$424.9	\$436.6	\$553.3	\$486.2

Projected Transportation Trust Fund Revenue (in millions)

Fiscal Year Ending June 30:	1997	1998
Retail Sales and Use Tax	\$298.0	\$311.0
Motor Vehicle Sales and Use Tax ²	136.3	135.4
Motor Fuel Taxes ³	97.7	98.5
Motor Vehicle Registration Fees	16.0	16.2
Total Transportation Trust Fund Revenues ⁴	\$548.1	\$561.1
Highway Construction Amount ⁵	\$465.9	\$477.0
HMO Fund Transfer ⁶	29.2	15.9
Total Highway Portion of Transportation Trust Fund	\$495.6	\$493.0

1 Motor Vehicle Sales and Use Tax and Motor Vehicle Rental Tax.

2 Motor Fuel Tax, Special Fuel Tax, Aviation Special Fuel Tax and Road Tax.

3 Does not reflect investment income on the Transportation Trust Fund, all of which is credited to the Transportation Trust Fund.

4 Eighty-five percent of total Transportation Trust Fund revenues less certain estimated expenses.

5 Fiscal year-end transfer from HMO Fund. See subsection "Highway Maintenance and Operating Fund."

6 Preliminary figures, subject to audit.

Sources: Department of Accounts and Department of Motor Vehicles for fiscal years 1991 through 1996. Department of Motor Vehicles, Department of Taxation and Department of Transportation for revenue estimates for fiscal years 1997 and 1998.

The following is a brief description of the taxes and fees that were increased by the 1986 Special Session Acts and designated for deposit into the Transportation Trust Fund.

Retail Sales and Use Tax. The retail sales tax is imposed on every transaction involving (1) the business of selling at retail or distributing tangible personal property in the Commonwealth; (2) the leasing or rental of tangible personal property as part of an established business; (3) the storing for use or consumption in the Commonwealth of any item or article of tangible personal property or leasing or renting such property within the Commonwealth; (4) the furnishing of transient accommodations; or (5) the selling of certain services. The tax on sales is based on the gross sales price of each item or article of tangible personal property. The seller collects the tax from the customer by separately stating the amount of the tax and adding it to the sales price or charge. The tax on accommodations, leases and rentals, which is based upon the lessor's gross proceeds from the leases and rentals, is collected by the lessor by separately stating the amount of tax and adding it to the charge made to the lessee. The tax on items or articles of tangible personal property stored in the Commonwealth for use or consumption in the Commonwealth is based on the cost price of each item or article. The tax on taxable services is based on the gross sales of services.

The use tax is imposed on the use or consumption of tangible personal property in the Commonwealth, or the storage of such property outside the Commonwealth for use or consumption in the Commonwealth. This tax applies to (1) tangible personal property purchased outside the Commonwealth that would have been subject to sales tax if purchased in the Commonwealth and (2) purchases, leases or rentals made in the Commonwealth if the sales tax was not paid at the time of purchase, lease or rental. In general, the tax is based on the cost price of each item or article of tangible personal property used or consumed in the Commonwealth or the cost price of each item or article of tangible personal property stored outside the Commonwealth for use or consumption in the Commonwealth. The Virginia Code provides various exclusions and exemptions to the retail sales and the use tax.

The retail sales and use taxes were increased from 3.0 percent to 3.5 percent by the 1986 Special Session Acts, effective January 1, 1987. Since then, the General Assembly has appropriated the net additional revenues generated by the increase to the Transportation Trust Fund.

Motor Vehicle Sales and Use Tax. A tax based on the gross sales price or gross proceeds is levied upon the sale or use of motor vehicles in the Commonwealth, other than a sale to or use by a person for rental as an established business or part of an established business or incidental or germane to such business.

The tax applies to the sale price of motor vehicles, mobile homes and mobile offices sold in the Commonwealth, with the exceptions noted above, and to the sale price of motor vehicles, mobile homes and mobile offices not sold in the Commonwealth but used or stored for use in the Commonwealth. Under Commonwealth law, certain motor vehicles are exempt from the sales and use tax. In general, the minimum tax levied on the sale of any motor vehicle in the Commonwealth is \$35.00.

The tax on the sale or use of a motor vehicle is paid by the purchaser or user of the new motor vehicle and collected by the Commissioner of the Department of Motor Vehicles at the time the owner applies to that Department for, and obtains, a certificate of title. No tax is levied or collected upon the sale or use of a motor vehicle for which no certificate is required by the Commonwealth.

As a result of the 1986 Special Session Acts, this tax increased from 2 percent to 3 percent, effective January 1, 1987. Since then, the General Assembly has appropriated the net additional revenues generated by the increase to the Transportation Trust Fund.

Motor Fuel Tax. A tax is levied on all motor fuel sold and delivered or used in the Commonwealth. Fuel for the exclusive use by the United States government is excepted from this provision. The motor fuel tax is collected by and paid to the Commonwealth only once in respect to any motor fuel. All aviation motor fuel that is sold and delivered or used in the Commonwealth is taxed. Synthetic motor fuel produced in the Commonwealth from coal is subject to an incremental tax. Likewise, motor fuel refined in the Commonwealth exclusively from crude oil produced in the Commonwealth in a refinery meeting certain specifications is subject to an incremental tax. Certain motor fuels are exempt from the motor fuel tax.

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Each dealer or limited dealer in motor fuel must file monthly a report with the Commissioner of the Department of Motor Vehicles showing, among other things, the quantity of motor fuel and aviation fuel used, sold, or delivered during the preceding month. The tax must be paid at the time the report is rendered to the Commissioner.

These motor fuel taxes increased 2.5 cents per gallon as a result of the 1986 Special Session Acts. The motor fuel tax on gasoline increased from 15 to 17.5 cents per gallon. The increase took effect on January 1, 1987. Since then, the General Assembly has appropriated the net additional revenues generated by the increase to the Transportation Trust Fund.

Motor Vehicle Annual Registration Fees. The annual registration fee collected by the Commissioner of the Department of Motor Vehicles for all motor vehicles, trailers and semi-trailers was increased \$3 per vehicle by the 1986 Special Session Acts. The increase took effect January 1, 1987. Since then, the General Assembly has appropriated the net additional revenues from this fee increase to the Transportation Trust Fund.

Other Taxes. The General Assembly increased certain other taxes and appropriated the net additional revenues generated from the increase to the Transportation Trust Fund. These taxes include a motor vehicle rental tax, a special fuel tax, an aviation special fuel tax and a road tax.

There is no assurance that any of these taxes or fees will remain in effect or that they will continue at their current levels. The General Assembly is under no obligation to continue the appropriation of the net additional revenues generated by the 1986 Special Session Acts to the Transportation Trust Fund.

BUDGETARY PROCESS

Biennial Budget Procedures

[To be updated by Treasury]

While the Virginia Constitution places the ultimate responsibility and authority for levying taxes and appropriating revenue upon the General Assembly, the Governor is provided with the authority, typically associated with a "strong Governor" concept, to ensure that the constitutional requirements of a balanced budget are met. The Governor is the chief planning and budget officer of the Commonwealth and has the responsibility for preparing and submitting to the General Assembly a budget to cover the financial operations of the Commonwealth for each biennium.

For each even-numbered year session, the Governor's biennial budget bill is prepared, and it is presented to the General Assembly by the preceding December 20. The budget bill is then submitted to public hearings. After approval by the General Assembly's budget committees and passage by the House of Delegates and the Senate of the General Assembly, any differences between the House and Senate versions are reconciled. The Governor may suggest alternatives to, or veto any appropriations contained in the budget bill. The signing of the budget bill by the Governor before the beginning of the biennium on July 1 completes the procedure for passage, and the budget bill becomes the Appropriations Act. In the odd-year sessions of the General Assembly, the Governor submits a budget bill including proposed amendments to the previous year's Appropriations Act, and that bill is considered in the same manner as the regular budget bill. The Appropriation Act enacted in the odd-year session is effective upon signing, while the regular biennial Appropriation Act is effective on July 1 of the year beginning the biennium (see Appendix B: Commonwealth of Virginia Financial and Other Information).

Legislative appropriations for a particular purpose are made available for expenditure by the appropriate state agency at the beginning of each fiscal year. The Department of Planning and Budget and the Secretary of Finance monitor revenue collections and expenditures to ensure that a balanced budget (as required by the Virginia Constitution) is maintained. The Appropriations Act requires that if projected revenue collections in the General Fund or in any non-General Fund, such as the Transportation Trust Fund, fall below amounts appropriated, the Governor must reduce agency expenditures and withhold allotments of appropriations among the General Fund and non-General Funds to the extent necessary to prevent any expenditure in excess of estimated revenue. To that end, up to 15 percent of a General Fund or non-General Fund appropriation may be withheld if required to ensure a balanced budget. Certain specified expenditures, including those of payment of debt service on the "bonded debt or other bonded obligations of the Commonwealth, its agencies and its authorities" and payment in fulfillment of any contract respecting, among other things, construction and furnishing of any state building, have historically been protected by the Appropriation Act from reduction in the event of a shortfall of revenues.

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Biennium Budget Reduction Transfers

Due to a decline in revenues during the 1990-92 biennium, the Governor acted, pursuant to the Appropriation Act, to reduce expenditures to the extent necessary to prevent any expenditures in excess of the estimated revenues. As a result of general economic conditions, these reductions in revenue estimates affected both General Fund and non-General Fund revenue sources. The 1991 Session of the General Assembly amended and reenacted the Appropriation Act to provide budget reductions in order not to exceed the revised revenue estimates for the biennium.

During this process, the official revenue estimates for the Commonwealth Transportation Funds (the HMO Fund and the Transportation Trust Fund) were revised downward and the amounts budgeted for the Department for each year were reduced accordingly.

In addition, the General Assembly provided in the 1990-92 Appropriation Act for additional reductions in the Commonwealth Transportation Funds with the savings generated to be transferred to the General Fund to help offset the shortfall in General Fund revenue sources. For the fiscal year ending June 30, 1991, the amount of the transfer made from the Transportation Trust Fund was \$11,819,593. A transfer of \$19,233,679 was made from the Transportation Trust Fund for the fiscal year ending June 30, 1992, and an additional transfer of \$2,563,333 was made from the HMO Fund for the fiscal year ending June 30, 1993.

The Appropriation Act also directed the submission by the Secretaries of Finance and Transportation of a plan for the restoration of the transportation funds that were transferred to the General Fund in the 1990-92 biennium. A plan identifying the options for restoring transportation funds was submitted in December of 1991. The General Assembly has taken no action on the plan. The 1992-94 biennial budget adopted by the General Assembly was amended in 1993 to require a transfer from the Transportation Trust Fund of \$4,243,743 for the fiscal year ending June 30, 1994. No such transfers were made in the fiscal year ending June 30, 1995 or June 30, 1996, and no future transfers are contemplated at this time.

SUMMARY OF THE NVTD TRUST AGREEMENT

The following, in addition to the information present in the sections "The Series 1996 Bonds" and "Sources of Payment and Security for Series 1996 Bonds," summarizes certain provisions of the NVTD Trust Agreement. This summary does not purport to be comprehensive or definitive and is qualified by reference to the NVTD Trust Agreement. This summary does not purport to be comprehensive or definitive and is qualified by reference to the NVTD Trust Agreement and any additional supplemental agreements in their entirety, copies of which may be obtained at the office of the Treasury Board or the office of the Transportation Board.

Definitions. In addition to the terms previously defined in this Official Statement, the following words used in this summary will have the following meanings unless a different meaning clearly appears from the context:

"Cost" or "Cost of the NVTD Program" means the cost of construction, the cost of all lands, properties, rights, easements, and franchises acquired which are deemed necessary for such construction, the cost of all machinery and equipment, financing charges, interest on the NVTD Bonds before and during construction and for one year after completion of construction, cost of traffic estimates and of engineering data, engineering and legal expenses, cost of plans, specifications and surveys, estimates of cost and of revenues, administrative expense, and such other expenses necessary or incident to the financing of all or any portion of the NVTD Program, the construction of all or any portion of the NVTD Program, the placing of all or any portion of the NVTD Program in operation and the condemnation of property necessary for such construction and operation and issuance costs, reserve funds and other financing expenses. Any obligation or expense incurred in connection with any of the foregoing items of Cost may be regarded as a part of such Cost and reimbursed to the Transportation Board out of the proceeds of the NVTD Bonds issued to finance all or any portion of the NVTD Program, including, but not limited to, any such obligation or expense incurred prior to the issuance of the NVTD Bonds.

"Government Certificates" means certificates representing proportionate ownership of Government Obligations, which Government Obligations are held by a bank or trust company reasonably acceptable to the Trustee. Such bank or trust company holding Government Obligations shall be organized under the laws of the United States of America or any of its states and shall hold such Government Obligations in the capacity of custodian of such certificates.

"Government Obligations" means (1) bonds, notes and other obligations of the United States of America, (2) securities unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, or (3) bonds, notes and other obligations of any agency of the United States of America unconditionally guaranteed as to the timely payment of principal and interest by the United States of America. Government Obligations may be held directly by the Trustee, or in the form of securities of any open-end or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, provided that the portfolio of such investment company or investment trust is limited to Government Obligations.

"NVTB Bonds" shall mean any outstanding bonds, including the Series 1993C Bonds, Series 1995A Bonds and Series 1996A Bonds, issued from time to time pursuant to the NVTB Trust Agreement, and pending the issuance of such bonds, any notes issued in anticipation thereof.

"NVTB Bonds Outstanding" or "NVTB Bonds then Outstanding" means, at any date, the aggregate of all NVTB Bonds authorized, issued, authenticated and delivered under the NVTB Trust Agreement, except: (1) NVTB Bonds canceled or surrendered to the paying agent for cancellation; (2) NVTB Bonds deemed to have been paid as provided in the NVTB Trust Agreement; and (3) NVTB Bonds in lieu of or in substitution for which other bonds have been authenticated and delivered pursuant to the NVTB Trust Agreement unless proof satisfactory to the Paying Agent is presented that any such NVTB Bond is held by a bona fide holder.

In determining whether registered owners of NVTB Bonds of a requisite aggregate principal amount of the Outstanding NVTB Bonds have concurred in any request, demand, authorization, direction, notice, consent or waiver under the NVTB Trust Agreement, words referring to or connoting "principal of" or "principal amount of" Outstanding NVTB Bonds will be deemed also to be references to, to connote and to include the secreted value of NVTB Bonds of any series as of the immediately preceding compounding date of such bonds. NVTB Bonds which are owned by the Transportation Board will be disregarded and deemed not to be Outstanding for the purpose of any such determination.

Revenues. The NVTB Bonds are limited obligations of the Commonwealth and the Transportation Board. Principal of and premium, if any, and interest on the NVTB Bonds are payable solely from the revenues, receipts and funds which have been appropriated by the General Assembly for such purpose, or allocated by the Transportation Board for such purpose from the revenues, receipts and funds appropriated to it by the General Assembly, from (1) the Northern Virginia Transportation District Fund, (2) to the extent required, funds appropriated and allocated, pursuant to the highway allocation formula as provided by law, to the Northern Virginia Highway Construction District or the city or county in which the project or projects to be financed are located, (3) to the extent required, legally available revenues in the Transportation Trust Fund, and (4) such other funds which may be appropriated by the General Assembly for such purpose (the "Revenues"). The NVTB Bonds are further secured by the Funds, in the manner and to the extent provided in the NVTB Trust Agreement. The NVTB Trust Agreement pledges the Revenues and money held in the Funds under it for the benefit of the owners of the NVTB Bonds, subject only to the provisions of the NVTB Trust Agreement permitting the application of such amounts for the purposes and on the terms and conditions set forth in the NVTB Trust Agreement.

Provisions for Series 1996A Bonds. The NVTB Trust Agreement provides for the issuance of the Series 1996A Bonds, the redemption of the Series 1996A Bonds and all other terms pertaining to the Series 1996A Bonds, as described in the section "The Series 1996 Bonds" in this Official Statement.

Funds and accounts. The following Funds and Accounts are established under the NVTB Trust Agreement:

- (1) Construction Fund in which there is established an account for each NVTB Project.
- (2) Bond Fund, in which there are established an Interest Account, a Principal Account and a Sinking Fund Account.

Construction Fund. Money on deposit in the Construction Fund will be used to pay the Cost of the NVTB Program. The Trustee will make payments from the Construction Fund upon receipt of a requisition signed by a representative of the Transportation Board providing information with respect to the use of the amounts requisitioned. Excess money after completion of the NVTB Program will be applied, subject to the terms and limitations set forth in the NVTB Trust Agreement, to redeem or purchase NVTB Bonds, or to pay principal of or interest on NVTB Bonds.

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Application of Revenues. The Trustee will deposit in the Bond Fund the following: (1) all amounts transferred from the Construction Fund after completion of the part of the Program to be financed with the NVTB Bonds; (2) all payments received by the Trustee under the Payment Agreement (excluding any payments of Trustee's fees and expenses and the Rebate Amount, as defined in the NVTB Trust Agreement); and (3) all other amounts authorized to be deposited in the Bond Fund under any supplemental trust agreement. The Trustee will use the money deposited in the Bond Fund to pay when due the principal of and premium, if any, and interest on the NVTB Bonds then outstanding and to redeem or purchase NVTB Bonds in accordance with the provisions of the NVTB Bonds and the NVTB Trust Agreement.

Permitted Investments. The NVTB Trust Agreement permits the Trustee, as directed by the Treasurer of the Commonwealth after consultation with an authorized representative of the Transportation Board, to invest money held under the NVTB Trust Agreement in the following investments:

- (1) Government Obligations;
- (2) Government Certificates;
- (3) bonds, notes and other evidences of indebtedness of the Commonwealth and securities unconditionally guaranteed as to the timely payment of principal and interest by the Commonwealth;
- (4) bonds, notes and other evidences of indebtedness that are direct general obligations of any county, city, town, district, authority or other public body of the Commonwealth upon which there is no default, and revenue bonds issued by agencies or authorities of the Commonwealth or its political subdivisions upon which there is no default, which in any case are rated within the two highest rating categories by the rating agencies rating the Bonds from time to time (the "Rating Agencies");
- (5) bonds, notes and other evidences of indebtedness of any state of the United States of America other than the Commonwealth upon which there is no default and which comply with the requirements of Virginia Code §26-40(3) or any successor provision of law which are rated within the two highest rating categories by the Rating Agencies;
- (6) bonds, notes and other evidences of indebtedness of any city, county, town or district situated in any one of the states of the United States other than the Commonwealth upon which there is no default and which comply with the requirements of Virginia Code §26-40(3) or any successor provision of law which are rated within the two highest rating categories by the Rating Agencies;
- (7) commercial paper with a maturity of 270 days or less, which complies with the requirements of Virginia Code §2.1-328.1 or any successor provision of law;
- (8) bankers acceptances which comply with the requirements of Virginia Code §2.1-328.4 or any successor provision of law;
- (9) time deposits, certificates of deposit or other interest bearing accounts of any commercial bank within the Commonwealth that is approved for the deposit of funds of the Commonwealth or any of its political subdivisions, provided that such investments are secured in the manner required by Virginia Code §2.1-329 or any successor provision of law;
- (10) savings accounts and certificates of savings and loan associations which are under the supervision of the Commonwealth and are approved for the deposit of funds of the Commonwealth or any of its political subdivisions, or Federal associations organized under the laws of the United States which are under Federal supervision and are approved for deposit of funds of the Commonwealth or any of its political subdivisions, provided that such investments are secured in the manner required by Virginia Code §2.1-329 or any successor provision of law; and
- (11) repurchase agreements for obligations described in subparagraphs (1) and (2) above and otherwise qualifying under the NVTB Trust Agreement.

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The NVTB Trust Agreement contain certain other provisions and limitations with respect to investments, including provisions related to open-end and closed-end investment companies or trusts, repurchase agreements and limitations on the maturity of investments held in certain funds.

Redemption. For a description of the redemption provisions of the Series 1996A Bonds, see the subsections "Optional Redemption" and "Mandatory Sinking Fund Redemption" in the section "The Series 1996 Bonds."

Additional Bonds. For a description of the provisions relating to the issuance of Additional Bonds, see the subsection "Additional Debt" in the section "Sources of Payment and Security for the NVTB Bonds."

Use of Funds in Northern Virginia Transportation District Fund. The Board will not expend any money in the Northern Virginia Transportation District Fund for any purpose other than payment of principal of or premium, if any, or interest on any NVTB Bonds for such period of time as the Board (1) fails to pay principal of or premium, if any, or interest on any NVTB Bonds when due or (2) fails to allocate funds to the payment of principal of or premium, if any, or interest on any NVTB Bonds at least 90 days prior to the date it is payable, if the General Assembly has not appropriated funds for such purpose.

Covenants with Credit Banks, Insurers, etc. The Transportation Board may make such covenants and agreements as it may determine to be appropriate with any credit bank, insurer or other financial institution that will agree to insure or to provide credit or liquidity support that enhances the security or the value of NVTB Bonds of any one or more series of NVTB Bonds and thereby reduce the principal or interest requirements for the NVTB Bonds, provided that such covenants or agreements do not affect adversely the owners of NVTB Bonds then Outstanding. Such covenants and agreements may be set forth in the applicable supplement to the NVTB Trust Agreement and shall be binding on the Transportation Board and all the registered owners of NVTB Bonds the same as if such covenants were set forth in full in the NVTB Trust Agreement.

Events of Default and Remedies upon Default. Events of Default specified in the NVTB Trust Agreement are (1) failure to pay interest on any NVTB Bond when due, (2) failure to pay principal of or premium, if any, on any NVTB Bond when due, (3) failure of the Transportation Board to observe or perform any other covenants, agreements or conditions under the NVTB Trust Agreement or the NVTB Bonds for a period of 60 days after written notice from the Trustee or the owners of 25 percent in principal amount of NVTB Bonds then Outstanding, or in the case of any such default that cannot with due diligence be cured within such 60 day period, failure of the Transportation Board to proceed promptly to cure the default, (4) appointment by a court of competent jurisdiction of a receiver for all or any substantial part of the Revenues and the funds established under the NVTB Trust Agreement or approval by a court of competent jurisdiction of any petition for reorganization of the Transportation Board or rearrangement or readjustment of the obligations of the Transportation Board under applicable bankruptcy law.

Upon the occurrence and continuation of any such Event of Default, the Trustee may, and if requested by the owners of not less than 25 percent in principal amount of NVTB Bonds then Outstanding will, by notice to the Transportation Board, declare the entire unpaid principal of and accrued interest on such NVTB Bonds then Outstanding due and payable, but only from the Revenues and from the Funds held by the Trustee under the NVTB Trust Agreement. Pursuant to the conditions set forth in the NVTB Trust Agreement, such declaration may be rescinded upon payment of all principal of all NVTB Bonds that have matured or been called for redemption pursuant to any sinking fund provision and of all arrears of interest. Upon the occurrence and continuation of an Event of Default the Trustee may, and if requested by the holders of not less than 25 percent in principal amount of NVTB Bonds then Outstanding and if indemnified as to expenses and liability will, proceed to protect its rights and the rights of the owners of the NVTB Bonds by mandamus or other suit, action or proceeding at law or in equity.

If an Event of Default occurs and has not been remedied, the Trustee (1) is entitled, upon the filing of a suit or other commencement of judicial proceedings, to have a receiver of the Revenues and the funds held under the NVTB Trust Agreement appointed, and (2) may, and if requested by the owners of not less than 25 percent in principal amount of NVTB Bonds then Outstanding and if indemnified as to expenses and liability will, take such steps as the Trustee deems most expedient in the interests of the owners of the NVTB Bonds.

Except to enforce certain rights set forth in the NVTB Trust Agreement, no owner of any Bond will have any right to institute any action, suit or proceeding at law or in equity for the enforcement of the NVTB Trust Agreement or any remedy under it, subject to certain exceptions set forth in the NVTB Trust Agreement.

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Defeasance of Bonds. If all NVTB Bonds secured by the NVTB Trust Agreement have been paid in accordance with their terms or have been called for redemption, or if irrevocable instructions to call the NVTB Bonds or pay them at maturity have been given by the Transportation Board to the Trustee and the Trustee holds in cash or noncallable Government Obligations or noncallable Government Certificates the principal of and the interest on which at maturity will be sufficient (1) to redeem in accordance with the NVTB Trust Agreement and any supplemental trust agreement, all NVTB Bonds that have been called for redemption on the date set for such redemption or for which irrevocable instructions for call for redemption have been given, on the date set for such redemption, (2) to pay at maturity all Bonds not irrevocably called for redemption, (3) to pay interest accruing on all NVTB Bonds prior to their redemption or payment at maturity, (4) to make all payments to the United States of America required by any supplemental trust agreement, and (5) to pay to the Trustee its reasonable fees and expenses, and all other fees and expenses for which the Transportation Board is responsible, then the Trustee will cancel and discharge the NVTB Trust Agreement and execute and deliver to the Transportation Board such instruments in writing as are necessary to cancel its lien and assign and deliver to the Transportation Board any property at the time subject to the NVTB Trust Agreement which may then be in its possession, except funds or securities in which such funds are invested which are held by the Trustee for the payment of principal of and premium if any, and interest on the NVTB Bonds and other fees and expenses described above.

NVTB Bonds will be deemed to be paid and no longer Outstanding provided that cash, noncallable Government Obligations or noncallable Government Certificates the principal of and premium, if any, and interest on which will be sufficient therefor have been deposited with the Trustee; provided, however, if such NVTB Bonds are to be redeemed prior to their maturity, notice of such redemption shall have been given or arrangements satisfactory to the Trustee will have been made for such notice to be given.

Amendments and Supplemental NVTB Trust Agreements. The Transportation Board and the Trustee may, without the consent of or notice to any owners of NVTB Bonds, enter into supplemental trust agreements (1) to cure any ambiguity, formal defect or omission in the NVTB Trust Agreement, (2) to grant to or confer upon the Trustee for the benefit of the owners of NVTB Bonds any additional rights, remedies, powers or authority that may lawfully be granted to or conferred on the owners of NVTB Bonds or the Trustee or either of them, (3) to add to the covenants and agreements of the Transportation Board in the NVTB Trust Agreement additional covenants and agreements, (4) to modify, supplement or amend the NVTB Trust Agreement as may be required by or to permit qualification under the Trust Indenture Act of 1939, as amended, or any similar federal statute or any state securities law, (5) to modify, supplement or amend the NVTB Trust Agreement to comply with any provisions relating to rebates to the United States of America of earnings derived from the investment of proceeds of NVTB Bonds, (6) to modify, amend or supplement the NVTB Trust Agreement in such manner as may be required by the Rating Agencies to maintain their respective ratings on the NVTB Bonds, (7) to authorize the issuance of one or more series of NVTB Bonds pursuant to the provisions of the NVTB Trust Agreement, (8) to modify, amend or supplement the NVTB Trust Agreement to implement any covenants or agreements contemplated by credit banks, insurers, or similar entities provided such modification, amendment or supplement does not materially adversely affect the rights of the owners of any bonds then Outstanding, and (9) to make any other change in the NVTB Trust Agreement that in the opinion of the Trustee will not prejudice in any material respect the rights of the owners of NVTB Bonds then Outstanding.

Any of the provisions of the NVTB Trust Agreement may be amended by the Transportation Board by a supplemental trust agreement upon the consent of the owners of a majority in aggregate principal amount of NVTB Bonds then Outstanding in accordance with the provisions of the NVTB Trust Agreement, provided that no such supplemental trust agreement will permit (1) an extension of the maturity of the principal of or the interest on any Bond, (2) a reduction in the principal amount of or premium, if any, on any Bond or its rate of interest, (3) an extension of time or a reduction in amount of any payment required by any sinking fund that may be applicable to any Bond, (4) a privilege or priority of any NVTB Bond or NVTB Bonds over any NVTB Bond or NVTB Bonds, or (5) a reduction in the aggregate principal amount of NVTB Bonds required for consent to such supplemental trust agreement, without the consent of the owners of all the NVTB Bonds then Outstanding.

SUMMARY OF THE NVTB PAYMENT AGREEMENT

The following, in addition to the information presented in the section "Sources of Payment and Security for the Series 1996 Bonds", summarizes certain provisions of the Payment Agreement dated as of August 15, 1993 (the "NVTB Original Payment Agreement"), the Supplemental Payment Agreement dated as of January 15, 1995, and the Second Supplemental Payment Agreement dated as of November 1, 1996 (the "NVTB Supplemental Payment Agreement")

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(together, the "NVTB Payment Agreement"). This summary does not purport to be comprehensive or definitive and is qualified by reference to the NVTB Payment Agreement in its entirety, copies of which may be obtained at the office of the Treasury Board or the office of the Transportation Board.

The NVTB Payment Agreement requires the Transportation Board to submit annually by December 1 to the Governor and the Director of the Department of Planning and Budget of the Commonwealth the following:

- (a) A request that the Governor include in the budget to be delivered to the next session of the General Assembly a provision that there be deposited in the Northern Virginia Transportation District Fund the collections of state recodulation taxes as set forth in Virginia Code § 58.1-815.1 or any successor provision and to retain in such Fund the unexpended amounts on deposit in such fund.
- (b) A statement of the amount of principal and interest coming due on the NVTB Bonds and all other amounts required to be paid under the NVTB Trust Agreement during the next succeeding fiscal or biennial period, as applicable, and a request that the Governor include in the budget to be delivered to the next session of the General Assembly a provision that there be appropriated such amount for such purpose (1) from the Northern Virginia Transportation District Fund, (2) to the extent required, funds appropriated and allocated, pursuant to the highway allocation formula as provided by law, to the Northern Virginia Highway Construction District or the city or county in which the project or projects to be financed are located, (3) to the extent required, legally available revenues of the Transportation Trust Fund, or (4) such funds which may be appropriated by the General Assembly for such purpose.
- (c) A request that the Governor include in the budget to be delivered to the next session of the General Assembly a provision that the balance remaining in the Northern Virginia Transportation District Fund, after the appropriation, if any, described in paragraph (b) above is made, be appropriated for Costs of the NVTB Program.

The Transportation Board shall use its best efforts to have (1) the Governor include in each biennial or any supplemental budget presented to the General Assembly the amounts so requested and (2) the General Assembly deposit, appropriate and reappropriate, as applicable, such amounts.

The Treasury Board and the Secretary of Finance shall use their best efforts to have (i) the Governor include in each biennial or any supplemental budget presented to the General Assembly the amounts described in paragraph (b) the above, and (ii) the General Assembly appropriate such amounts.

If no appropriation is made for the amount of principal and interest coming due on the NVTB Bonds and all other amounts required to be paid under the NVTB Trust Agreement from the Northern Virginia Transportation District Fund, or if any such appropriation is insufficient in amount, the Transportation Board shall take all action necessary to (1) have such amounts set aside from funds appropriated and allocated, to the extent required, and pursuant to the highway allocation formula as provided by law, to the Northern Virginia Highway Construction District or to the city or county in which the project or projects to be financed are located, and (2) cause the amounts set aside to be paid by the Treasury Board to the Trustee. Notwithstanding the provisions of the NVTB Payment Agreement, the General Assembly could change the statute so that the Transportation Board would not be authorized or permitted to set aside funds so appropriated and allocated to pay debt service on the NVTB Bonds.

The Transportation Board will provide to the Treasury Board, by May 1 and November 1 of each year, all requisitions and documents and take all actions necessary to have paid to the Treasury Board from funds appropriated from the sources described in paragraph (b) above or from funds set aside by the Transportation Board from funds appropriated and allocated, pursuant to the highway allocation formula as provided by law, to the Northern Virginia Highway Construction District or to the city or county in which the project or projects to be financed are located, all amounts due under the Payment Agreement for the payment of principal and interest payments due under the NVTB Trust Agreement, and to direct the Treasury Board to make such payments to the Trustee. The Transportation Board will take all action necessary to have such payments charged against the proper appropriation made by the General Assembly.

The Treasury Board will use its best efforts to obtain by May 1 and November 1 of each year the appropriate requisitions and documents needed from the Transportation Board to make all payments due under the NVTB Trust

Agreement to the Trustee. The Treasury Board will make all principal and interest payments on the NVTB Bonds to the Trustee solely from amounts available to it for such purpose.

The Trustee is a third party beneficiary of the NVTB Payment Agreement and is entitled to enforce, on behalf of the holders of the NVTB Bonds, all of the obligations of the Transportation Board and the obligations and the rights of the parties thereto to the same extent as if the Trustee were one of the contracting parties.

SUMMARY OF THE METRO CAPITAL IMPROVEMENTS AGREEMENT

The following, in addition to the information presented in the section "Northern Virginia Transportation District Program," summarizes certain provisions of the Metro Capital Improvements Agreement (the "Metro Agreement") between the Transportation Board and the Northern Virginia Transportation District Commission (the "Commission"). This summary does not purport to be comprehensive or definitive and is qualified by reference to the Metro Agreement in its entirety, copies of which may be obtained at the office of the Transportation Board.

Under the terms of the Metro Agreement, the Transportation Board is transferring portions of the proceeds of the NVTB Bonds to the Commission to be used by the Commission on the Localities' behalf and in their direction to pay the Localities' share of the costs of the Metro Capital Improvements Project. The Metro Agreement provides for the creation with the Commission of a project fund to be maintained by it as a trust fund separate and apart from all other funds and accounts of the Commission (the "Project Fund"). The Transportation Board will cause to be paid to the Commission for deposit in the Project Fund the portion of the proceeds of the NVTB Bonds allocated to the Metro Capital Improvements Project. Such proceeds, pending their disbursement, shall be invested by the Commission as directed by the State Treasurer in certain specified investments which are the same types of investments permitted under the Master NVTB Trust Agreement for money held by the Trustee in the Construction Fund. Any money in the Project Fund not needed to pay costs of the Metro Capital Improvements Project will be returned by the Commission to the Trustee.

The Trustee is a third party beneficiary of the Metro Agreement and is entitled to enforce, on behalf of the holders of the NVTB Bonds, all of the obligations and the rights of the parties thereto, except for the Transportation Board's right to withhold payment of certain funds to the Commission, to the same extent as if the Trustee were one of the contracting parties.

SUMMARY OF THE U.S. ROUTE 58 CORRIDOR DEVELOPMENT PROGRAM TRUST AGREEMENT

The following, in addition to the information presented in the sections "The Series 1996 Bonds" and "Sources of Payment and Security for Series 1996 Bond," summarizes certain provisions of the Route 58 Trust Agreement. This summary does not purport to be comprehensive or definitive and is qualified by reference to the Route 58 Trust Agreement and all supplemental agreements in their entirety, copies of which may be obtained at the office of the Treasury Board or the office of the Transportation Board.

Definitions. In addition to the terms previously defined in this Official Statement, the following words used in this summary will have the following meanings unless a different meaning clearly appears from the context:

"Cost" or "Cost of the Route 58 Program" means the cost of construction, the cost of all lands, properties, rights, easements and franchises acquired which are deemed necessary for such construction, the cost of all machinery and equipment, financing charges, interest on the Route 58 Bonds before and during construction and for one year after completion of construction, cost of traffic estimates and of engineering data, engineering and legal expenses, cost of plans, specifications and surveys, estimates of cost and of revenues administrative expense, other expenses necessary or incident to the financing of all or any portion of the Route 58 Program, the construction of all or any portion of the Route 58 Program, the placing of all or any portion of the Route 58 Program in operation and the condemnation of property necessary for such construction and operation and issuance costs, reserve funds and other financing expenses. Any obligation or expense incurred in connection with any of the foregoing items of Cost may be regarded as a part of such Cost and reimbursed to the Transportation Board out of the proceeds of the Route 58 Bonds issued to finance all or any portion of the Route 58 Program, including, but not limited to, any such obligation or expense incurred prior to the issuance of the Route 58 Bonds.

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"Government Certificates" means certificates representing proportionate ownership of Government Obligations, which Government Obligations are held by a bank or trust company reasonably acceptable to the Trustee. Such bank or trust company holding Government Obligations shall be organized under the laws of the United States of America or any of its states and shall hold such Government Obligations in the capacity of custodian of such certificates.

"Government Obligations" means (a) bonds, notes and other obligations of the United States of America, (b) securities unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, or (c) bonds, notes and other obligations of any agency of the United States of America unconditionally guaranteed as to the timely payment of principal and interest by the United States of America. Government Obligations may be held directly by the Trustee, or in the form of securities of any open-end or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, provided that the portfolio of such investment company or investment trust is limited to Government Obligations.

"Route 58 Bonds" shall mean any outstanding bonds, including the Series 1989 Bonds, the Series 1993A Bonds, the Series 1993B Bonds and the Series 1996B Bonds, issued from time to time pursuant to the Route 58 Trust Agreement, and pending the issuance of such Route 58 Bonds, any notes issued in anticipation thereof.

"Route 58 Bonds Outstanding" or "Route 58 Bonds then Outstanding" means, at any date, the aggregate of all Route 58 Bonds authorized, issued, authenticated and delivered under the Route 58 Trust Agreement; except: (1) Route 58 Bonds canceled or surrendered to the paying agent for cancellation; (2) Route 58 Bonds deemed to have been paid as provided in the Route 58 Trust Agreement; and (3) Route 58 Bonds in lieu of or in substitution for which other Route 58 Bonds have been authenticated and delivered pursuant to the Route 58 Trust Agreement unless proof satisfactory to the Paying Agent is presented that any such Route 58 Bond is held by a bona fide holder.

In determining whether registered owners of Route 58 Bonds of a requisite aggregate principal amount of the Outstanding Route 58 Bonds have concurred in any request, demand, authorization, direction, notice, consent or waiver under the Route 58 Trust Agreement, words referring to or connoting "principal of" or "principal amount of" Outstanding Route 58 Bonds will be deemed also to be references to, to connote and to include the accreted value of Route 58 Bonds of any series as of the immediately preceding compounding date of such Route 58 Bonds. Route 58 Bonds which are owned by the Transportation Board will be disregarded and deemed not to be Outstanding for the purpose of any such determination.

Revenues. The Route 58 Bonds are limited obligations of the Commonwealth. Principal of and premium, if any, and interest on the Route 58 Bonds are payable solely from the revenues, receipts and funds which have been appropriated by the General Assembly for such purpose, or allocated by the Transportation Board for such purpose from the revenues, receipts and funds appropriated to it by the General Assembly, (1) from the U.S. Route 58 Corridor Development Fund, (2) to the extent required, from revenues legally available from the Transportation Trust Fund, and (3) to the extent required, from other legally available funds (the "Revenues") and money in the funds, in the manner and to the extent provided in the Route 58 Trust Agreement. The Route 58 Trust Agreement pledges the Revenues and money held in the funds under it for the benefit of the owners of the Route 58 Bonds, subject only to the provisions of the Route 58 Trust Agreement permitting the application of such amounts for the purposes and on the terms and conditions set forth in the Route 58 Trust Agreement.

Provisions for Series 1996B Bonds. The Route 58 Trust Agreement provides for the issuance of the Series 1996B Bonds, the redemption of the Series 1996B Bonds and all other terms pertaining to the Series 1996B Bonds, as described in the section "The Series 1996 Bonds" in this Official Statement.

Funds and Accounts. The following funds and accounts are established under the Route 58 Trust Agreement:

- (1) Construction Fund;
- (2) Bond Fund, in which there are established an Interest Account, a Principal Account and a Sinking Fund Account.

Construction Fund. Money on deposit in the Construction Fund will be used to pay the Cost of the Route 58 Program. The Trustee will make payments from the Construction Fund upon receipt of a requisition signed by a representative of the Transportation Board providing information with respect to the use of the amounts requisitioned. Excess money after completion of the Route 58 Program will be applied, subject to the terms and limitations set forth in

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the Route 58 Trust Agreement, to pay the Cost of other projects to the extent needed, to redeem or purchase Route 58 Bonds, to pay principal of or interest on Route 58 Bonds or to fund other funds created under the Route 58 Trust Agreement, to the extent such funds are not fully funded in accordance with the requirements of the Route 58 Trust Agreement.

Application of Revenues. The Trustee will deposit in the Bond Fund the following: (1) all amounts transferred from the Construction Fund after completion of the part of the Route 58 Program to be financed with the Route 58 Bonds; (2) all payments received by the Trustee under the Route 58 Payment Agreement (excluding any payments of Trustee's fees and expenses and the Rebate Amount, as defined in the Route 58 Trust Agreement); and (3) all other amounts authorized to be deposited in the Bond Fund under any supplemental trust agreement. The Trustee will use the money deposited in the Bond Fund to pay when due the principal of a premium, if any, and interest on the Route 58 Bonds then outstanding and to redeem or purchase Route 58 Bonds in accordance with the provisions of the Route 58 Bonds and the Route 58 Trust Agreement.

Permitted Investments. The Route 58 Trust Agreement permits the Trustee, as directed by the Treasurer of the Commonwealth after consultation with an authorized representative of the Transportation Board, to invest money held under the Route 58 Trust Agreement in the following investments:

- (1) Government Obligations;
- (2) Government Certificates;
- (3) bonds, notes and other evidences of indebtedness of the Commonwealth and securities unconditionally guaranteed as to the timely payment of principal and interest by the Commonwealth;
- (4) bonds, notes and other evidences of indebtedness that are direct general obligations of any county, city, town, district, authority or other public body of the Commonwealth upon which there is no default, and revenue bonds issued by agencies or authorities of the Commonwealth or its political subdivisions upon which there is no default, which in any case are rated within the two highest rating categories by the rating agencies rating the Route 58 Bonds from time to time (the "Rating Agencies");
- (5) bonds, notes and other evidences of indebtedness of any state of the United States of America other than the Commonwealth upon which there is no default and which comply with the requirements of Virginia Code §26-40 (3) or any successor provision of law which are rated within the two highest rating categories by the Rating Agencies;
- (6) bonds, notes and other evidences of indebtedness of any city, county, town or district situated in any one of the states of the United States other than the Commonwealth upon which there is no default and which comply with the requirements of Virginia Code §26-40 (3) or any successor provision of law which are rated within the two highest rating categories by the Rating Agencies;
- (7) commercial paper with a maturity of 270 days or less, which complies with the requirements of Virginia Code §2.1-328.1 or any successor provision of law;
- (8) bankers acceptances which comply with the requirements of Virginia Code §2.1-328.4 or any successor provision of law;
- (9) time deposits, certificates of deposit or other interest bearing accounts of any commercial bank within the Commonwealth that is approved for the deposit of funds of the Commonwealth or any of its political subdivisions, provided that such investments are secured in the manner required by Virginia Code §2.1-329 or any successor provision of law;
- (10) savings accounts and certificates of savings and loan associations which are under the supervision of the Commonwealth and are approved for the deposit of funds of the Commonwealth or any of its political subdivisions, or Federal associations organized under the laws of the United States which are under Federal supervision and approved for deposit of funds of the Commonwealth or any of its political subdivisions.

provided that such investments are secured in the manner required by Virginia Code §2.1-329 or any successor provision of law; and

- (11) repurchase agreements for obligations described in subparagraphs (1) and (2) above and otherwise qualifying under the Route 58 Trust Agreement.

The Route 58 Trust Agreement contains certain other provisions and limitations with respect to investments, including provisions related to open-end and closed-end investment companies or trusts, repurchase agreements and limitations on the maturity of investments held in certain funds.

Redemption. For a description of the redemption provisions of the Series 1996B Bonds, see the subsections "Optional Redemption" and "Mandatory Sinking Fund Redemption" in the section "The Series 1996 Bonds."

Additional Bonds. For a description of the provisions relating to the issuance of additional bonds, see the subsection "Additional Debt" in the section "Sources of Payment and Security for the Series 1996 Bonds."

Operation and Maintenance. The Transportation Board will cause the Route 58 Program to be maintained and operated in an efficient and economical manner, will cause the Route 58 Program to be maintained in good repair and sound operating condition, and will cause all necessary repairs, replacements and renewals to be made.

Insurance. The Transportation Board will continuously maintain insurance with recognized responsible commercial insurance companies to the extent that similar insurance is usually carried by public bonds operating highways and associated bridges against accidents, casualties or negligence, including insurance against liability for bodily injury, including resulting death, and for damage to property, including loss of its use, arising out of the ownership or operation of the Route 58 Program.

In lieu of insurance written by commercial insurance companies, the Transportation Board may maintain a program of self insurance or participate in group risk financing programs; provided, however, that the Transportation Board will obtain and maintain on file a favorable written opinion of either the Division of Risk Management of the Commonwealth or qualified independent insurance consultant that such alternative is reasonable acceptable under all the circumstances.

Sale or Encumbrance of the Route 58 Program. If no Event of Default exists, the Transportation Board may sell, transfer, lease or otherwise encumber all or any portion of the Route 58 Program if the Transportation Board has determined by resolution that such sale, transfer, lease or encumbrance is necessary or desirable. The Transportation Board will not create or suffer to be created any lien or charge upon all or any portion of the Route 58 Program except such liens or charges created in the ordinary course of business of the Transportation Board. The Transportation Board will pay or cause to be discharged, or will make adequate provision to satisfy and discharge, all lawful claims and demands for labor, materials and supplies within 60 days after they become due which, if unpaid, might by law become a lien upon the Route 58 Program subject to certain exceptions as set forth in the Route 58 Trust Agreement.

Use of Funds in U.S. Route 58 Corridor Development Fund. The Board will not expend any money in the U.S. Route 58 Corridor Development Fund for any purpose other than payment of principal of or premium, if any, or interest on any Route 58 Bonds for such period of time as the Board (1) fails to pay principal of or premium, if any, or interest on any Route 58 Bonds when due or (2) fails to allocate funds to the payment of principal of or premium, if any or interest on any Route 58 Bonds at least 90 days prior to the date it is payable, if the General Assembly has not appropriated funds for such purpose.

Covenants with Credit Banks, Insurers, etc. The Transportation Board may make such covenants and agreements as it may determine to be appropriate with any credit bank, insurer or other financial institution that will agree to insure or to provide credit or liquidity support that enhances the security or the value of Route 58 Bonds of any one or more series of Route 58 Bonds and thereby reduce the principal or interest requirements for the Route 58 Bonds, provided that such covenants or agreements do not affect adversely the owners of Route 58 Bonds then Outstanding. Such covenants and agreements may be set forth in the applicable supplement to the Route 58 Trust Agreement and shall be binding on the Transportation Board and all the registered owners of Route 58 Bonds the same as if such covenants were set forth in full in the Route 58 Trust Agreement.

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Events of Default and Remedies upon Default. Events of Default specified in the Route 58 Trust Agreement include (1) failure to pay interest on any Route 58 Bond when due, (2) failure to pay principal of or premium, if any, on any Route 58 Bond when due, (3) failure of the Transportation Board to observe or perform any other covenants, agreements or conditions under the Route 58 Trust Agreement or the Route 58 Bonds for a period of 60 days after written notice from the Trustee or the owners of 25% in principal amount of Route 58 Bonds then Outstanding, or in the case of any such default that cannot with due diligence be cured within such 60 day period, failure of the Transportation Board to proceed promptly to cure the default, (4) appointment by a court of competent jurisdiction of a receiver for all or any substantial part of the Revenues and the funds established under the Route 58 Trust Agreement or approval by a court of competent jurisdiction of any petition for reorganization of the Transportation Board or rearrangement or adjustment of the obligations of the Transportation Board under applicable bankruptcy law.

Upon the occurrence and continuation of any such Event of Default the Trustee may, and if requested by the owners of not less than 25% in principal amount of Route 58 Bonds then Outstanding will, by notice to the Transportation Board, declare the principal of and accrued interest on such Route 58 Bonds then Outstanding due and payable, but only from the Revenues and other funds of the Transportation Board available and appropriate for such payment and from the funds held by the Trustee under the Route 58 Trust Agreement. Pursuant to the conditions set forth in the Route 58 Trust Agreement, such declaration may be rescinded upon payment of all principal of all Route 58 Bonds that have matured or been called for redemption pursuant to any sinking fund provision and of all arrears of interest. Upon the occurrence and continuation of an Event of Default the Trustee may, and if requested by the Holders of not less than 25% in principal amount of Route 58 Bonds then Outstanding and if indemnified as to expenses and liability will, proceed to protect its rights and the rights of the Owners of the Route 58 Bonds by mandamus or other suit, action or proceeding at law or in equity.

If an Event of Default occurs and has not been remedied, the Trustee (a) is entitled, upon the filing of a suit or other commencement of judicial proceedings, to have a receiver of the Revenues and the funds held under the Route 58 Trust Agreement appointed, and (b) may, and if requested by the owners of not less than 25% in principal amount of Route 58 Bonds then Outstanding and if indemnified as to expenses and liability will, take such steps as the Trustee deems most expedient in the interests of the owners of the Route 58 Bonds.

Except to enforce certain rights set forth in the Route 58 Trust Agreement, no owner of any Route 58 Bond will have any right to institute any action, suit or proceeding at law or in equity for the enforcement of the Route 58 Trust Agreement or any remedy under it, subject to certain exceptions set forth in the Route 58 Trust Agreement.

Defiance of Route 58 Bonds. If all Route 58 Bonds secured by the Route 58 Trust Agreement have been paid in accordance with their terms or have been called for redemption, or if irrevocable instructions to call the bonds or pay them at maturity have been given by the Transportation Board to the Trustee and the Trustee holds in cash or noncallable Government Obligations or noncallable Government Certificates the principal of and the interest on which at maturity will be sufficient (1) to redeem in accordance with the Route 58 Trust Agreement and any supplemental trust agreement, all Route 58 Bonds that have been called for redemption on the date set for such redemption or for which irrevocable instructions for call for redemption have been given, on the date set for such redemption, (2) to pay at maturity all Route 58 Bonds not irrevocably called for redemption, (3) to pay interest accruing on all Route 58 Bonds prior to their redemption or payment at maturity, (4) to make all payments to the United States of America required by any supplemental trust agreement, and (5) to pay to the Trustee its reasonable fees and expenses, and all other fees and expenses for which the Transportation Board is responsible, then the Trustee will cancel and discharge the Route 58 Trust Agreement and execute and deliver to the Transportation Board such instruments in writing as are necessary to cancel its lien and assign and deliver to the Transportation Board any property at the time subject to the Route 58 Trust Agreement which may then be in its possession, except funds or securities in which such funds are invested which are held by the Trustee for the payment of principal of and premium if any, and interest on the Route 58 Bonds and other fees and expenses described above.

Route 58 Bonds will be deemed to be paid and no longer Outstanding provided that cash, noncallable Government Obligations or noncallable Government Certificates the principal of and premium, if any, and interest on which will be sufficient therefore have been deposited with the Trustee; provided, however, if such Route 58 Bonds are to be redeemed prior to their maturity, notice of such redemption shall have been given or arrangements satisfactory to the Trustee will have been made for such notice to be given.

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Amendments and Supplemental Route 58 Trust Agreements. The Transportation Board and the Trustee may, without the consent of or notice to any owners of Route 58 Bonds, enter into supplemental trust agreements (1) to cure any ambiguity, formal defect or omission in the Route 58 Trust Agreement, (2) to grant to or confer upon the Trustee for the benefit of the owners of Route 58 Bonds any additional rights, remedies, powers or authority that may lawfully be granted to or conferred on the owners of Route 58 Bonds or the Trustee or either of them, (3) to add to the covenants and agreements of the Transportation Board in the Route 58 Trust Agreement additional covenants and agreements, (4) to modify, supplement or amend the Route 58 Trust Agreement as may be required by or to permit qualification under the Trust Indenture Act of 1939, as amended, or any similar federal statute or any state securities law, (5) to modify, supplement or amend the Route 58 Trust Agreement to comply with any provisions relating to rebate to the United States of America of earnings derived from the investment of proceeds of Route 58 Bonds, (6) to modify, amend or supplement the Route 58 Trust Agreement in such manner as may be required by Moody's or Standard & Poor's to maintain their respective ratings on the Route 58 Bonds, (7) to authorize the issuance of one or more series of Route 58 Bonds pursuant to the provisions of the Route 58 Trust Agreement, (8) to modify, amend or supplement the Route 58 Trust Agreement to implement any covenants or agreements contemplated by credit banks, insurers, or similar entities provided such modification, amendment or supplement does not materially adversely affect the rights of the owners of any Route 58 Bonds then Outstanding, and (9) to make any other change in the Route 58 Trust Agreement that in the opinion of the Trustee will not prejudice in any material respect the rights of the owners of Route 58 Bonds then Outstanding.

Any of the provisions of the Route 58 Trust Agreement may be amended by the Transportation Board by a supplemental trust agreement upon the consent of the owners of a majority in aggregate principal amount of Route 58 Bonds then Outstanding in accordance with the provisions of the Route 58 Trust Agreement, provided that no such supplemental trust agreement will permit (1) an extension of the maturity of the principal of or the interest on any Route 58 Bond, (2) a reduction in the principal amount of or premium, if any, on any Route 58 Bond or its rate of interest, (3) an extension of time or a reduction in amount of any payment required by any sinking fund that may be applicable to any Route 58 Bond, (4) a privilege or priority of any Route 58 Bond or Route 58 Bonds over any other Route 58 Bond or Route 58 Bonds, or (5) a reduction in the aggregate principal amount of Route 58 Bonds required for consent to such supplemental trust agreement, without the consent of the holders of all the Route 58 Bonds then Outstanding.

SUMMARY OF THE U.S. ROUTE 58 CORRIDOR DEVELOPMENT PROGRAM PAYMENT AGREEMENT

The following, in addition to the information presented in the section "Sources of Payment and Security for the Series 1996 Bonds" summarizes certain provisions of the Route 58 Payment Agreement. This summary does not purport to be comprehensive or definitive and is qualified by reference to the Route 58 Payment Agreement in its entirety, copies of which may be obtained at the office of the Treasury Board or the office of the Transportation Board.

The Route 58 Payment Agreement requires the Transportation Board to submit annually by December 1 to the Governor and the Director of the Department of Planning and Budget of the Commonwealth the following:

(1) A request that the Governor include in his budget to be delivered to the next session of the General Assembly a provision that there be deposited in the U.S. Route 58 Corridor Development Fund the amounts set forth in Virginia Code §58.1-815 or any successor provision and to retain in such Fund the unexpended amounts on deposit in such Fund.

(2) A statement of the amount of principal and interest coming due to the Route 58 Bonds and all other amounts required to be paid under the Route 58 Trust Agreement during the next succeeding fiscal or biennial period, as applicable, and a request that the Governor include in his budget to be delivered to the next session of the General Assembly a provision that there be appropriated such amount for such purpose (i) from the U.S. Route 58 Corridor Development Fund (ii) to the extent required, from other legally available funds in the Transportation Trust Fund, and (iii) to the extent required, from other legally available funds.

(3) A request that the Governor include in his budget to be delivered to the next session of the General Assembly a provision that the balance remaining in the U.S. Route 58 Corridor Development Fund, after the appropriation, if any, described in paragraph (2) above is made, be appropriated for Costs of the Route 58 Program.

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The Transportation Board will use its best efforts to have (i) the Governor include in each biennial or any supplemental budget he presents to the General Assembly the amounts so requested and (ii) the General Assembly deposit, appropriate and reappropriate, as applicable, such amounts.

The Treasury Board will use its best efforts to have (i) the Governor include in each biennial or any supplemental budget he presents to the General Assembly the amounts described in section (2) above and (ii) the General Assembly appropriate such amounts.

The Transportation Board will provide to the Treasury Board, by May 1 and November 1 of each year, all requisitions and documents and take all actions necessary to have paid to the Treasury Board (1) from the U.S. Route 58 Corridor Development Fund, (2) to the extent required, from other legally available funds in the Transportation Trust Fund, and (3) to the extent required, from other legally available funds, all amounts due under the Route 58 Payment Agreement for the payment of principal and interest payments due under the Route 58 Trust Agreement, and to request the Treasury Board to make such payments to the Trustee. The Transportation Board will take all action necessary to have such payments which are made from the U.S. Route 58 Corridor Development Fund, other legally available funds in the Transportation Trust Fund and other legally available funds charged against the proper appropriation made by the General Assembly.

The Treasury Board will use its best efforts to obtain by May 1, and November 1 of each year the appropriate requisitions and documents needed from the Transportation Board to make all payments due under the Route 58 Trust Agreement to the Trustee. The Treasury Board will make all principal and interest payments on the Route 58 Bonds to the Trustee solely from amounts available to it for such purpose.

So long as treasury loans are authorized by Virginia Code §33.1-221.1:2 or any successor provision, the Secretary of Finance has agreed in the Payment Agreement that, if there is appropriated in any fiscal year to the U.S. Route 58 Corridor Development Fund, all or any portion of the amount set forth in Virginia Code §58.1-815, or any successor provision, he will authorize and cause to be made a treasury loan from the general fund of the Commonwealth in an amount not less than the debt service due on the Route 58 Bonds in each fiscal year to the U.S. Route 58 Corridor Development Fund (or such lesser amount equal to the amount appropriated to such fund) on the first day of such fiscal year or as soon thereafter as the appropriation is made.

The Trustee is a third party beneficiary of the Route 58 Payment Agreement and is entitled to enforce, on behalf of the holders of the Route 58 Bonds, all of the obligations of the Transportation Board and the obligations and the rights of the parties thereto the same extent as if the Trustee were one of the contracting parties.

CERTAIN LEGAL MATTERS

Certain legal matters relating to the authorization and validity of the Series 1996 Bonds will be subject to the approving opinion (the "Bond Opinion") of Christian & Barton, L.L.P., Richmond, Virginia, Bond Counsel, which will be furnished at the expense of the Transportation Board upon delivery of the Series 1996 Bonds substantially in the form set forth in *Appendix D*. The Bond Opinion will be limited to matters relating to authorization and validity of the Series 1996 Bonds and to the tax-exempt status of interest thereon as described in the section "Tax Matters." Bond Counsel has not been engaged to investigate the financial resources of the Transportation Board or its ability to provide for payment of the Series 1996 Bonds, and the Bond Opinion will make no statement as to such matters or as to the accuracy or completeness of this Official Statement or any other information that may have been relied on by anyone in making the decision to purchase the Series 1996 Bonds.

Certain legal matters will be passed upon for the Commonwealth by the Office of the Attorney General of Virginia.

TAX MATTERS

Opinion of Bond Counsel

Bond Counsel's opinion will state that, under current law and assuming compliance with the Covenants (as defined below), interest on the Series 1996 Bonds (including any accrued "original issue discount" ("OID") properly allocable

to the owners of the Series 1996 Bonds maturing on May 15 in the years _____ and _____ through _____ (the "OID Bonds") will not be included in gross income for purpose of federal income taxation and will not be a specific item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, with respect to corporations (as defined for federal income tax purposes), subject to the alternate minimum income tax, such interest is taken into account in determining adjusted current earnings for purposes of computing such tax. Bond Counsel's opinion also will state that interest on the Series 1996 Bonds is exempt from income taxation by the Commonwealth. No other opinion will be expressed by Bond Counsel regarding the tax consequences of the ownership of, or the receipt or accrual of interest, on the Series 1996 Bonds.

Bond Counsel's opinion will be given in reliance upon certifications of representatives of the Transportation Board as to facts material to the opinion. The Transportation Board has covenanted to comply with the provisions of the Code regarding, among other things, the use, expenditure and investments of proceeds of the Series 1996 Bonds, the arbitrage restrictions imposed by the Code and certain other actions which would cause interest on the Series 1996 Bonds to be includable in gross income of their owners (the "Covenants"). Failure of the Transportation Board to comply with the Covenants could cause interest on the Series 1996 Bonds to become includable in gross income for federal income tax purposes retroactively to their date of issue.

Original Issue Discount Bonds

The OID Bonds have been offered and sold to the public at an original issue discount. In the case of the OID Bonds, the difference between (a) the stated principal amount of each maturity of the OID Bonds and (b) the initial offering price to the public (excluding bond houses and brokers) at which a substantial amount of such maturity is sold will constitute OID. OID will accrue for federal income tax purposes on a constant-yield-to-maturity method based on a semi-annual compounding. A holder's basis in such an OID Bond will be increased by the amount of OID treated for federal income tax purposes as having accrued on the OID Bond while the holder holds the OID Bond.

Prospective purchasers of OID Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon sale or redemption of such OID Bonds and with respect to state and local tax consequences of owning OID Bonds.]

Other Tax Matters

In addition to the matters addressed above, prospective purchasers of the Series 1996 Bonds should be aware that the ownership of tax-exempt obligations may result in collateral federal income tax consequences to certain taxpayers, including without limitation, financial institutions, property and casualty insurance companies, subchapter S corporations, foreign corporations subject to the branch profits tax, corporations subject to the environmental tax, recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Series 1996 Bonds should consult their tax advisors as to the applicability and impact of such consequences.

Prospective purchasers of the Series 1996 Bonds should consult their own tax advisors as to the status of interest on the Series 1996 Bonds under the tax laws of any state other than Virginia.

LEGALITY FOR INVESTMENT

The NVTB Bond Legislation and Route 511 Bond Legislation provide that the Series 1996 Bonds are securities in which all public officers and bodies of the Commonwealth and its political subdivisions, all insurance companies and associations, all savings banks and savings institutions, including savings and loan associations, administrators, guardians, executors, trustees and other fiduciaries in the Commonwealth may properly and legally invest funds under their control.

No representation is made as to the eligibility of the Series 1996 Bonds for investment or for any other purpose under the laws of any other state.

LITIGATION

There is no litigation now pending or threatened to restrain or enjoin the issuance, sale, execution or delivery of the Series 1996 Bonds or in any way contest or affect the validity of the Series 1996 Bonds, any proceeding of the Transportation Board or the Treasury Board taken with respect to their issuance or sale, or any appropriation of funds to pay debt service on the Series 1996 Bonds.

See the section "Litigation of the Commonwealth" in *Appendix B* for a discussion of litigation pending against the Commonwealth.

CONTINUING DISCLOSURE

On November 10, 1994, the Securities and Exchange Commission adopted in final form certain amendments (the "Amendments") to Rule 15c2-12 under the Securities Exchange Act of 1934, as amended. In general, the Amendments will prohibit an underwriter from purchasing or selling municipal securities sold on or after July 3, 1995, unless it has determined that the issuer of such securities and/or other persons deemed to be "materially obligated persons" (hereinafter referred to as "MOPs" and each, a "MOP") have committed to provide (i) on an annual basis, certain financial information, including audited financial information and operating data ("Annual Reports"), to each Nationally Recognized Municipal Securities Information Repository ("NRMSIR") and the relevant state information repository (if any) and (ii) notice of various events described in the Amendments, if material ("Event Notices"), to each NRMSIR or the MSRB and to any such state information repository.

The State Treasurer of the Commonwealth, as dissemination agent for the Transportation Board, will covenant in a Continuing Disclosure Agreement to be executed prior to the issuance of the Series 1996 Bonds for the benefit of the holders of the Series 1996 Bonds to provide to each NRMSIR and to any Virginia information repository that has been formed Annual Reports with respect to the NVTB Program and the Route 58 Program and the Commonwealth, which the Transportation Board has determined to be a MOP for purposes of the Amendments. Similarly, the State Treasurer will provide Event Notices to each such NRMSIR or the MSRB and to any Virginia information repository. As of the date of this Official Statement, the Transportation Board has not been required to make any undertaking concerning the Amendments. The State Treasurer will represent that the Commonwealth is in compliance with its other undertakings regarding the Amendments.

RATINGS

Fitch Investors Service, Inc., Moody's Investors Service and Standard & Poor's Corporation have assigned the Series 1996 Bonds ratings of __, __ and __, respectively.

Such ratings reflect only the respective views of such organizations. Reference should be made to the individual rating agency for a fuller explanation of the significance of the rating assigned by such rating agency. There is no assurance that the ratings will remain in effect for any given period of time or that they will not be revised downward or withdrawn entirely by either or both of the rating agencies if, in the judgment of either or both, circumstances so warrant. Any such downward revision or withdrawal of ratings may have an adverse effect on the market price of the Series 1996 Bonds.

SALE AT COMPETITIVE BIDDING

The Series 1996 Bonds will be offered for sale at competitive bidding on November 14, 1996, unless postponed as described in the Notice of Sale contained in Appendix F to this Official Statement. This Preliminary Official Statement has been deemed final as of its date by the Transportation Board in accordance with the meaning and requirements of Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12"). After the Series 1996 Bonds have been awarded, the Transportation Board will deem the Official Statement final as of its date, and the Official Statement as so completed will be a final official statement within the meaning of Rule 15c2-12 (the "Final Official Statement"). The Final Official Statement will include, among other matters, the identity of the winning bidder and the managers of the syndicate, if any, submitting the winning bid, the expected selling compensation to the underwriters of the Series 1996 Bonds and other information on the interest rates and offering prices or yields of the Series 1996 Bonds, as supplied by the winning bidder.

FINANCIAL ADVISOR

Public Resources Advisory Group, Inc. ("PRAG"), New York, New York, is serving as financial advisor to the Transportation Board on the issuance of the Series 1996 Bonds. PRAM has assisted in the preparation of this Official Statement and in matters relating to the planning, structuring and issuance of the Series 1996 Bonds and has provided other advice. PRAM is a financial advisory and consulting organization and is not engaged in the business of underwriting, marketing or trading municipal or any other negotiable instruments.

MISCELLANEOUS

The references in this Official Statement to the NVTID Trust Agreement, the Route 58 Trust Agreement, the NVTID Payment Agreement, Route 58 Payment Agreement and other documents are brief outlines of certain of their provisions. These outlines do not purport to be complete and reference is made to such documents, copies of which will be furnished by the Transportation Board, upon request made to Mr. James W. Atwell, Assistant Commissioner for Finance, Virginia Department of Transportation, Room 305, 1401 East Broad Street, Richmond, Virginia 23219 (telephone: 804-786-5128).

The execution and delivery of this Official Statement has been duly authorized by the Transportation Board.

COMMONWEALTH TRANSPORTATION BOARD

By: /s/ Robert E. Martinez
Robert E. Martinez, Chairman

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NOTICE OF SALE
Commonwealth Transportation Board
\$198,000,000*
Commonwealth of Virginia
Transportation Revenue Bonds

DRAFT OF 9/13/96

<p>\$82,000,000* Series 1996A (Northern Virginia Transportation District Program)</p>	<p>\$116,000,000* Series 1996B (U.S. Route 58 Corridor Development Program)</p>
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Scaled bids for the purchase of \$198,000,000* preliminary aggregate principal amount of Commonwealth of Virginia Transportation Revenue Bonds consisting of (a) \$82,000,000* Series 1996A (Northern Virginia Transportation District Program) (the "Series 1996A Bonds") and (b) \$116,000,000* Series 1996B (U.S. Route 58 Corridor Development Program) (the "Series 1996B Bonds" and collectively, with the Series 1996A Bonds, the "Series 1996 Bonds") will be received by the Commonwealth Transportation Board (the "Transportation Board") until the following time at the following location:

Time: 11:00 a.m. (Richmond Time)
November 14, 1996
Unless postponed as described below

Location: Treasury Board Conference Room
James Monroe Building
3rd Floor
101 North 14th Street
Richmond, VA 23219

Such bids will be publicly opened at such time and such location.

Description of Bonds; Interest Payment Dates

The Series 1996 Bonds will be dated November 1, 1996 and will be issued only as fully registered bonds in book-entry form. Interest on the Series 1996 Bonds will be calculated on a 30/360 basis and will be payable semiannually on May 15 and November 15, commencing May 15, 1997.

Principal Amortization

Principal on the Series 1996 Bonds will be paid (subject to the right of prior redemption) through serial maturities and/or term maturities with annual sinking fund redemptions on the following dates and in the following amounts:

	Series 1996A Bonds*	Series 1996B Bonds*	Preliminary Annual Principal Amounts*		Series 1996A Bonds*	Series 1996B Bonds*	Preliminary Annual Principal Amounts*
May 15				May 15			
1997				2010			
1998				2011			
1999				2012			
2000				2013			
2001				2014			
2002				2015			
2003				2016			
2004				2017			
2005				2018			
2006				2019			
2007				2020			
2008				2021			
2009							

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* Preliminary, subject to adjustment both before and after award of the Series 1996 Bonds as described herein under "Adjustments to Principal Amounts".

Optional Redemption

The Series 1996 Bonds maturing on or before May 15, 2006 will not be subject to optional redemption. The Series 1996 Bonds maturing on and after May 15, 2007 will be subject to redemption before maturity at the Transportation Board's option on and after May 15, 2006, from any money available for such purpose, in whole or in part in increments of \$5,000 or any integral multiple of \$5,000, at any time during the following redemption periods, upon payment of the following redemption prices, which are expressed as percentages of the principal amount of the Series 1996 Bonds to be redeemed, plus accrued interest to the date fixed for redemption:

Redemption Period (both dates inclusive)	Redemption Price
May 15, 2006 through May 14, 2007	101 ³ / ₄
May 15, 2007 through May 14, 2008	100 ¹ / ₂
May 15, 2008 and thereafter	100

Serial Bonds, Term Bonds and Mandatory Sinking Fund Redemption

The successful bidder may provide in the bid form for all of the Series 1996 Bonds to be issued as serial bonds or may designate consecutive equal principal amounts of the Series 1996 Bonds to be combined into up to two term bonds. Each such term bond shall be subject to mandatory sinking fund redemption commencing on May 15 of the first year which has been combined to form such term bond and continuing on May 15 in each year thereafter until the stated maturity date of that term bond. The amount redeemed in any year shall be equal to the principal amount for such year set forth in the appropriate amortization schedule, as adjusted in accordance with the provisions described above under the caption "Adjustments to Principal Amount." Series 1996 Bonds to be redeemed in any year by mandatory sinking fund redemption shall be redeemed at par and shall be selected by lot from among the Series 1996 Bonds of the same maturity.

Selection of Series 1996 Bonds for Redemption

If less than all of the Series 1996 Bonds are called for optional redemption, the maturities of the Series 1996 Bonds to be redeemed will be called in such order as the Transportation Board may determine. If less than all of the Series 1996 Bonds of any maturity are called for optional or mandatory redemption, the Series 1996 Bonds to be redeemed will be selected by DTC, as hereafter defined, or any successor securities depository pursuant to its rules and procedures or, if the book-entry system is discontinued, will be selected by the Trustee by lot in such manner as the Trustee in its discretion may determine. In either event, each portion of \$5,000 principal amount shall be counted as one Series 1996 Bond for such purpose.

Notice of Redemption

Notice of redemption will be given by the Paying Agent by registered or certified mail not less than 30 nor more than 60 days before the redemption date to DTC, or, if DTC is no longer serving as securities depository for the Series 1996 Bonds, to the substitute securities depository, or if none, to the registered owners of the Series 1996 Bonds to be redeemed at their addresses shown on the registration books maintained by the Paying Agent. Such notice of redemption also will be given to certain securities depositories and certain national information services which disseminate such redemption notices. During the period that DTC or its nominee, or any substitute securities depository or its nominee, is the registered owner of the Series 1996 Bonds, the paying agent will not be responsible for mailing notices of redemption to the Beneficial Owners.

Book-Entry Only

Initially, one bond certificate for each maturity will be issued to The Depository Trust Company, New York, New York ("DTC") or its nominee, which will be designated as the securities depository for the Series 1996 Bonds. So long as DTC is acting as securities depository for the Series 1996 Bonds, a book-entry system will be employed, evidencing ownership of the Series 1996 Bonds in principal amounts of \$5,000 and multiples thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. Principal of, redemption premium, if any, and interest on the Series 1996 Bonds will be payable to DTC or its nominee as registered owner of the Series 1996 Bonds. Principal of, redemption premium, if any, and interest on the Series 1996 Bonds will be payable in lawful money of the United States of America by the Paying Agent. Transfer of

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principal, redemption premium, if any, and interest payments to beneficial owners (the "Beneficial Owners") will be the responsibility of such participants and other nominees of the Beneficial Owners. The Transportation Board will not be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

In the event that (a) DTC determines not to continue to act as securities depository for the Series 1996 Bonds, or (b) the Transportation Board in its sole discretion determines (1) that Beneficial Owners will be able to obtain certificated bonds or (2) to select a new securities depository the Transportation Board will discontinue the book-entry system with DTC. If the Transportation Board fails to identify another qualified securities depository to replace DTC, the Transportation Board will cause the execution and delivery of replacement bonds in the form of fully registered certificates.

Authorization and Security

The Series 1996 Bonds consist of the combined offering of (a) \$80,000,000* Series 1996A (Northern Virginia Transportation District Program) and (b) 113,000,000* Series 1996B (U.S. Route 58 Corridor Development Program).

The issuance of the Series 1996A Bonds has been authorized by the provisions of the State Revenue Bond Act, §§ 33.1-267 *et seq.* (the "Revenue Bond Act") of the Code of Virginia of 1950, as amended (the "Virginia Code"); Chapter 391 of the Acts of the General Assembly of Virginia, 1993 General Session, as amended by Chapters 470 and 597 of the Acts of the General Assembly of Virginia, 1994 General Session; a resolution adopted by the Transportation Board on September 19, 1996; and a resolution adopted by the Treasury Board of the Commonwealth (the "Treasury Board") on October 16, 1996. The Series 1996A Bonds are being issued pursuant to a Master Agreement of Trust dated as of August 15, 1993, as supplemented and amended by a Third Supplemental Agreement of Trust dated as of November 1, 1996, (the "Third Supplemental Agreement") each between the Transportation Board and First Union National Bank of Virginia, Richmond, Virginia, as trustee (the "Trustee").

The Series 1996A Bonds will be equally and ratably secured by and payable from the revenues, receipts and funds appropriated for such purpose by the General Assembly of the Commonwealth of Virginia (the "General Assembly"), or allocated by the Transportation Board for such purpose from revenues, receipts and funds appropriated to it by the General Assembly from (1) the Northern Virginia Transportation District Fund, (2) to the extent required, funds appropriated and allocated, pursuant to the highway allocation formula as provided by law, to the Northern Virginia Highway Construction District or the city or county in which the project or projects to be financed are located, (3) to the extent required, legally available revenues of the Transportation Trust Fund, and (4) such other funds which may be appropriated by the General Assembly for such purpose, as more fully described in the Official Statement, and from moneys held by the Trustee in certain funds established under the Trust Agreement.

The issuance of the Series 1996B Bonds is authorized by the provisions of the Revenue Bond Act of the Virginia Code, Chapter 12 of the Acts of the General Assembly of Virginia, 1989 Special Session II, the Series 1996 Bond Resolution, and a resolution adopted by the Treasury Board on October 16, 1996. The Series 1996B Bonds are being issued pursuant to a Master Agreement of Trust dated as of November 1, 1989, as previously supplemented, and a Fourth Supplemental Agreement of Trust dated as of November 1, 1996 (the "Fourth Supplemental Agreement"), each between the Transportation Board and the Trustee.

The Series 1996B Bonds will be secured by and payable from funds appropriated for such purpose by the General Assembly, or allocated by the Transportation Board for such purpose from revenues, receipts and funds appropriated to it by the General Assembly, from (1) Route 58 Corridor Development Fund, (2) to the extent required, revenues legally available in the Transportation Trust Fund, and (3) to the extent required, other legally available funds.

The Series 1996 Bonds are limited obligations of the Commonwealth and the Transportation Board payable solely from the revenues, receipts and funds appropriated for such purpose by the General Assembly, or allocated by the Transportation Board for such purpose from the revenues, receipts and funds appropriated to it by the General Assembly, and are not a debt, nor is there a pledge of the faith and credit of the Commonwealth or of any of its political subdivisions.

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* Preliminary, subject to adjustment as described herein under "Adjustments to Principal Amount".

Bid Specifications

Bidders are invited to name the rate or rates of interest that the Series 1996 Bonds are to bear, in multiples of 1/8 or 1/20 of one percent. Any number of rates may be named. Each bidder must specify in its bid a single rate for each maturity date. For maturities in the years 2007 to 2021, no interest rate named may exceed the interest rate in a subsequent year. Bids must be for not less than 99% or greater than 101% of the par value of the aggregate principal amount of the Series 1996 Bonds (based on the Revised Amounts as described below), plus accrued interest from the dated date (November 1, 1996) to the date of delivery of the Series 1996 Bonds. No bid for other than all of the Series 1996 Bonds will be considered.

All bids must be unconditional and must be on the official bid form which may be obtained from the Commonwealth Transportation Board or the office of the financial advisor at the addresses shown in the last paragraph of this Notice of Sale. Each bid should be enclosed in a sealed envelope, marked on the outside "Bid for Commonwealth of Virginia Transportation Revenue Bonds", addressed to the Commonwealth Transportation Board, Treasury Board Conference Room, James Monroe Building 101 North 14th Street, 3rd Floor, Richmond, VA 23219. A good faith deposit (the "Deposit"), in the form of a certified or bank cashier's check payable unconditionally to the order of the Transportation Board or a Financial Surety Bonds, in the amount of \$1,930,000 is required for each bid to be considered. If a check is used, it must be drawn upon an incorporated bank or trust company, and it must accompany the bid. If a Financial Surety Bond is used, it must be from an insurance company acceptable to the Transportation Board and licensed to issue such a bond in the Commonwealth of Virginia, and such Financial Surety Bond must be submitted to the Transportation Board prior to the opening of the bids and must be in the form and substance acceptable to the Transportation Board. The Financial Surety Bond must identify the bidder whose Deposit is guaranteed by such Financial Surety Bonds. If the Series 1996 Bonds are awarded to a bidder utilizing a Financial Surety Bond, then such successful bidder is required to submit its Deposit to the Transportation Board in the form of a wire transfer not later than 12:00 P.M. Richmond time on the next business day following the award. If such Deposit is not received by that time, the Financial Surety Bonds may be drawn by the Transportation Board to satisfy the Deposit requirement.

The Deposit of the successful bidder will be deposited and credited to the purchase price and no interest will be allowed thereon. Proceeds of the Deposit will be retained by the Transportation Board as liquidated damages in case the successful bidder fails to comply with the terms of its bid. Checks of unsuccessful bidders will be returned upon award of the Series 1996 Bonds to the successful bidder.

Adjustments to Principal Amount

Changes Prior to Bidding. The preliminary aggregate principal amount of the Series 1996 Bonds and the preliminary annual principal amounts as set forth in this Notice of Sale (the "Preliminary Aggregate Principal Amount" and the "Preliminary Annual Principal Amounts," respectively; collectively, the "Preliminary Amounts") may be revised before the opening of sealed bids for the purchase of the Series 1996 Bonds. Any such revisions (the "Revised Aggregate Principal Amount" and the "Revised Annual Principal Amounts," respectively; collectively, the "Revised Amounts") WILL BE ANNOUNCED ON MUNIFACTS NOT LATER THAN 1:00 P.M. (RICHMOND TIME) ON THE LAST BUSINESS DAY PRIOR TO ANY ANNOUNCED DATE FOR RECEIPT OF BIDS. In the event that no such revisions are made, the Preliminary Amounts will constitute the Revised Amounts. BIDDERS SHALL SUBMIT BIDS BASED ON THE REVISED AMOUNTS.

Changes to the Winning Bid. After selecting the winning bid, the Transportation Board will determine the final aggregate principal amount of the Series 1996 Bonds and each final annual principal amount (the "Final Aggregate Principal Amount" and the "Final Annual Principal Amounts," respectively; collectively, the "Final Amounts"). In determining the Final Amounts, the Transportation Board will not reduce or increase the Revised Aggregate Principal Amount by more than 10% of such amount or increase or reduce any Revised Annual Principal Amount by more than 10% of such amount or \$100,000, whichever is greater. THE SUCCESSFUL BIDDER MAY NOT WITHDRAW ITS BID OR CHANGE THE INTEREST RATES BID OR THE INITIAL REOFFERING PRICES (AS HEREIN DEFINED) AS A RESULT OF ANY CHANGES MADE TO THE REVISED AMOUNTS WITHIN THESE LIMITS. The dollar amount bid by the successful bidder will be adjusted to reflect any adjustments in the aggregate principal amount of the Series 1996 Bonds. Such adjusted bid price will reflect changes in the dollar amount of the underwriters discount and original issue discount/premium, if any, but will not change the selling compensation per \$1,000 of par amount of bonds from the selling compensation that would have been received based on the purchase price in the winning bid and the Initial Reoffering Prices. The interest rate specified by the successful bidder for each maturity as the Initial Reoffering Prices will not change. The Final Amounts and the adjusted bid price will be communicated to the successful bidder by 10:00 a.m. (Richmond Time) on the date following the sale.

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Basis of Award

ALL BIDS SHALL REMAIN FIRM UNTIL 3:00 P.M. (RICHMOND TIME) ON THE DATE OF THE SALE. An award of the Series 1996 Bonds, if made, will be made by the Transportation Board within such four hour period of time. Unless all bids are rejected, the Series 1996 Bonds will be awarded to the bidder whose bid results in the lowest true interest cost to the Transportation Board, based on the Revised Amounts described above. The true interest cost (expressed as an annual interest rate) will be determined as being twice that factor or discount rate, compounded semi-annually, which, when applied against each semi-annual debt service payment (interest, or principal and interest, as due, including any mandatory sinking fund payment) for the Series 1996 Bonds, will equate the sum of such discounted semi-annual payments to the total purchase price (exclusive of accrued interest). The true interest cost shall be calculated from the dated date of the Series 1996 Bonds (November 1, 1996). In case of a tie, the Transportation Board may select the successful bidder. THE TRANSPORTATION BOARD RESERVES THE RIGHT TO WAIVE IRREGULARITIES IN ANY BID AND TO REJECT ANY OR ALL BIDS.

Undertakings of the Successful Bidder

The successful bidder shall make a bona fide public offering of the Series 1996 Bonds and shall, within 30 minutes after being notified of the award of the Series 1996 Bonds, advise the Transportation Board in writing (via facsimile transmission) of the initial public offering prices of the Series 1996 Bonds (the "Initial Reoffering Prices"). The successful bidder must, by facsimile transmission or delivery received by the Transportation Board within 24 hours after notification of the Final Amounts, furnish the following information to the Transportation Board to complete the Official Statement in final form, as described below:

- A. Selling compensation (aggregate total anticipated compensation to the underwriters expressed in dollars, based on the expectation that all Series 1996 Bonds are sold at the prices or yields at which the successful bidder advised the Transportation Board that the Series 1996 Bonds were initially offered to the public).
- B. The identity of the other underwriters if the successful bidder is part of a group or syndicate.
- C. Any other material information that the Transportation Board determines is necessary to complete the Official Statement in final form.

Prior to the delivery of the Series 1996 Bonds, the successful bidder shall furnish to the Transportation Board a "Certificate Regarding Issue Price," substantially in a form acceptable to Bond Counsel, establishing that the successful bidder has made a bona fide public offering of the Series 1996 Bonds at the Initial Reoffering Prices set forth in such certificate and that a substantial amount of the Series 1996 Bonds of each maturity was sold to the public (excluding bond houses, brokers and other intermediaries) at such Initial Reoffering Prices.

Delivery of Bonds

The Series 1996 Bonds are expected to be delivered on or about November 25, 1996 (UNLESS A NOTICE OF A CHANGE IN THE DELIVERY DATE IS ANNOUNCED ON MUMIFACTS NOT LATER THAN 1:00 P.M. (RICHMOND TIME) ON THE LAST BUSINESS DAY PRIOR TO ANY ANNOUNCED DATE FOR RECEIPT OF BIDS) in New York City at DTC against payment of the purchase price therefor (less the amount of the good faith deposit) in Federal Funds.

There will also be furnished the usual closing papers, including (1) a certificate by the officials who signed the Series 1996 Bonds stating that no litigation of any kind is now pending or, to their information, knowledge or belief, threatened to restrain or enjoin the issuance or delivery of the Series 1996 Bonds or in any manner questioning the proceedings and authority under which the Series 1996 Bonds are issued, or affecting the validity of the Series 1996 Bonds and (2) a certificate signed by the Chairman of the Transportation Board relating to the Official Statement, each as described in the Preliminary Official Statement.

Legal Opinion

The approving opinion of Christian & Barton, L.L.P. Richmond, Virginia, Bond Counsel, in substantially the form set forth in the Preliminary Official Statement, will be furnished at no expense to the successful bidder. The Preliminary Official Statement contains a discussion of the effect of the Internal Revenue Code of 1986, as amended, on the exclusion

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from gross income of interest on the Series 1996 Bonds and a discussion of Bond Counsel's opinion insofar as it concerns such exclusion.

CUSIP Numbers

CUSIP numbers will be applied for with respect to the Series 1996 Bonds, but the Transportation Board will assume no obligation for the assignment or printing of such numbers on the Series 1996 Bonds or for the correctness of such numbers, and neither the failure to print such numbers on any Series 1996 Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the successful bidder to accept delivery of and make payment for the Series 1996 Bonds.

Official Statement

The Preliminary Official Statement dated the date hereof and the information contained therein have been deemed final by the Transportation Board as of its date within the meaning of the Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12") with permitted omissions, but is subject to change without notice and to completion or amendment in the Official Statement in final form (the "Final Official Statement").

The Transportation Board, at its expense, will make available to the successful bidder a reasonable number of Final Official Statements, for delivery to each potential investor requesting a copy of the Final Official Statement and to each person to whom such bidder and members of its bidding group initially sell the Series 1996 Bonds, within seven business days of the award of the Series 1996 Bond, provided that the successful bidder cooperates in a timely manner in providing the information required to complete the Final Official Statement.

The successful bidder shall comply with the requirements of Rule 15c2-12 and the rules of the Municipal Securities Rulemaking Board (the "MSRB"), including an obligation, if any, to update the Final Official Statement.

Continuing Disclosure

On November 10, 1994, the Securities and Exchange Commission adopted in final form certain amendments (the "Amendments") to Rule 15c2-12 under the Securities Exchange Act of 1934, as amended. In general, the Amendments prohibit an underwriter from purchasing or selling municipal securities, such as the Bonds, unless it has determined that the issuer of such securities and/or other persons deemed to be material "obligated persons" (hereinafter referred to as "MOPs") have committed to provide (i) on an annual basis, certain financial and operating data ("Annual Reports") and, if available, audited financial statements, to each Nationally Recognized Municipal Securities Information Repository (a "NRMSIR") and the relevant state information depository (if any) and (ii) notice of various events described in the Amendments, if material ("Event Notices"), to each NRMSIR or the MSRB and to any such state information depository.

The Transportation Board will covenant, as described in the Third Supplemental Agreement and the Fourth Supplemental Agreement, as applicable, for the benefit of the holders of the Series 1996 Bonds, to provide, to each NRMSIR and to any Virginia information depository that has been formed, Annual Reports with respect to itself, as issuer. Similarly, the Authority will provide Event Notices to the MSRB and to any Virginia information depository. The continuing disclosure undertaking of the Commonwealth, which the Authority has determined to be a MOP for purposes of the Amendments, will be evidenced by a Continuing Disclosure Agreement, for the benefit of the holders of the Series 1996 Bonds, to be executed and delivered prior to the delivery of the Series 1996 Bonds.

Change of Date and Time for Receipt of Bids

The Transportation Board expects to take bids on the Series 1996 Bonds on November 14, 1996. However, the Transportation Board reserves the right to change the date and time established for the receipt of bids, and will undertake to notify potential bidders of such changes in the date or time for the receipt of bids. Prospective bidders may request notification by facsimile transmission of any such change by so advising, and furnishing their telecopier numbers to, Public Resources Advisory Group at 212-566-7800 by 12 o'clock Noon on November 12, 1996.

If such revised date for receipt of bids is to be subsequent to November 14, 1996, the revised date and time for receipt of bids will be announced by Munifacts not later than 1:00 p.m. (Richmond Time), on the last business day prior to any announced date for receipt of bids, and an alternative sale date and time will be announced by Munifacts at least 48 hours prior to such alternative sale date.

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On any such alternative sale date and time, the Transportation Board will accept sealed bids for the purchase of the Series 1996 Bonds, such bids to conform in all respects to the provisions of this Notice of Sale, except for the changes in the date and time of sale and any other changes announced by Munifacts at the time the sale date and time are announced.

Additional Information

For further information relating to the Series 1996 Bonds, reference is made to the Preliminary Official Statement, dated the date hereof, prepared for and authorized by the Transportation Board. Bidders are required to use the Bid Form which, together with the Preliminary Official Statement, may be obtained from the undersigned at the Commonwealth Transportation Board, 1401 East Broad Street, Richmond, VA 23219 (telephone 804-786-5128; telecopy 804-786-6250) or from the financial advisor Public Resources Advisory Group, 40 Rector Street, Suite 1600, New York, NY 10006 (telephone 212-566-7800; telecopy 212-566-7816).

Dated: _____, 1996

Commonwealth Transportation Board

By: Robert E. Martínez, Chairman

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BID FORM
Commonwealth Transportation Board
\$198,000,000*
Commonwealth of Virginia
Transportation Revenue Bonds

\$82,000,000*
Series 1996A
(Northern Virginia Transportation District Program)

\$116,000,000*
Series 1996B
(U.S. Route 58 Corridor Development Program)

November 14, 1996*

Commonwealth Transportation Board
 Treasury Board Conference Room
 James Monroe Building, Third Floor
 101 North 14th Street
 Richmond, VA 23219

Dear Ladies and Gentlemen:

Subject to the provisions and in accordance with the terms of the official Notice of Sale, dated _____, 1996 which is hereby made a part of this bid, we hereby offer to purchase the \$198,000,000* Commonwealth of Virginia Transportation Revenue Bonds consisting of (a) \$82,000,000* Series 1996A (Northern Virginia Transportation District Program) (the "Series 1996A Bonds") and (b) \$116,000,000* Series 1996B (U.S. Route 58 Corridor Development Program) (the "Series 1996B Bonds") and collectively, with the Series 1996A Bonds, the "Series 1996 Bonds", described in said Notice of Sale and in the Preliminary Official Statement which has been furnished to us and as revised through Misprints no later than 1:00 P.M. (Richmond Time) on the day prior to today.

We offer to purchase the Series 1996 Bonds at a price of \$ _____, which is not less than 99% of the Revised Aggregate Principal Amount of \$ _____, at the interest rates set out below.

Serial Bonds

<u>Date</u>	<u>Interest Rate</u>	<u>Date</u>	<u>Interest Rate</u>	<u>Date</u>	<u>Interest Rate</u>
May 15, 1997	_____ %	May 15, 2006	_____ %	May 15, 2014	_____ %
May 15, 1998	_____	May 15, 2007	_____	May 15, 2015	_____
May 15, 1999	_____	May 15, 2008	_____	May 15, 2016	_____
May 15, 2000	_____	May 15, 2009	_____	May 15, 2017	_____
May 15, 2001	_____	May 15, 2010	_____	May 15, 2018	_____
May 15, 2002	_____	May 15, 2011	_____	May 15, 2019	_____
May 15, 2003	_____	May 15, 2012	_____	May 15, 2020	_____
May 15, 2004	_____	May 15, 2013	_____	May 15, 2021	_____
May 15, 2005	_____				

~~(CROSS OUT THE SERIAL BOND MATURITIES BEING BID AS TERM BONDS.)~~
Term Bonds (Optional) - No More Than Two Term Bonds

<u>First Year of Mandatory Redemption</u>	<u>Year of Maturity</u>	<u>Interest Rate</u>
_____	_____	_____ %
_____	_____	_____ %

(LEAVE BLANK IF NO TERM BONDS ARE SPECIFIED.)

If term bond(s) are included in this bid, the sinking fund installments and maturity of each term bond(s) shall correspond to the Revised Annual Principal Amounts, as defined in the Notice of Sale, for the applicable years as adjusted in accordance with the Notice of Sale.

We will pay accrued interest on the Series 1996 Bonds from November 1, 1996 to the date of delivery and will accept delivery of the Series 1996 Bonds at DTC in New York City on or about November 26, 1996.*

Please indicate (X) the appropriate choice regarding the good faith deposit:

- _____ We have posted a surety bond in the amount of \$1,930,000 in accordance with the detailed Notice of Sale
 _____ We enclose a certified or cashier's check for \$1,930,000 in accordance with the detailed Notice of Sale.

We, if the successful bidder, will, (a) within 30 minutes after being notified of the award of the Series 1996 Bonds, advise the Transportation Board of the initial Reoffering Prices of the Series 1996 Bonds, and (b) within 24 hours after notification of the Final Amounts of the Series 1996 Bonds, as defined in the Notice of Sale, furnish the Transportation Board the information described in the section of the Notice of Sale entitled "Undertakings of the Successful Bidder."

Attached is a list of the members of our account on whose behalf this bid is made.

By: _____
 Name of Firm _____ Address _____

 Signature _____ City, State, Zip _____

(No addition or alteration, except as provided above, is to be made to this bid.)

(NOTE: The following is stated for information only and is not a part of the above bid: The true interest cost for the above bid is _____%. If we are to be notified that we have been awarded the Series 1996 Bonds, you may contact and rely on the information provided by _____, whose telephone number is _____.)

The above good faith check, if applicable, has been returned and receipt thereof is hereby duly acknowledged.

By: _____
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* Subject to change, as described in the Notice of Sale.

9/19/96

Item 20:

Moved by Mr. Byrd, seconded by Mr. Martin, that

WHEREAS, the Commonwealth Transportation Board supports the use of innovative financing mechanisms for surface transportation infrastructure development; and

WHEREAS, Section 350 of the National Highway System Designation Act of 1995 provided for a State Infrastructure Bank (SIB) Pilot Program for up to 10 states to examine the potential for increasing investment in the nation's surface transportation infrastructure; and

WHEREAS, the Virginia Department of Transportation (VDOT) submitted an application to participate in the State Infrastructure Bank Pilot Program on March 6, 1996; and

WHEREAS, on April 4, 1996, VDOT was selected as one of the ten State Infrastructure Bank Pilot Program participants by the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA); and

WHEREAS, Pilot Program participants must enter into a Cooperative Agreement with FHWA and FTA to operate the proposed State Infrastructure Bank.

NOW, THEREFORE, BE IT RESOLVED that the Commonwealth Transportation Board hereby approves the execution of a Cooperative Agreement with the Federal Highway Administration and the Federal Transit Administration providing the framework for a State Infrastructure Bank in Virginia.

BE IT FURTHER RESOLVED that the Commonwealth Transportation Board authorizes the Commonwealth Transportation Commissioner to execute the Cooperative Agreement on behalf of the Board and to administer the State Infrastructure Bank Program.

Motion carried.

**COOPERATIVE AGREEMENT BETWEEN THE
FEDERAL HIGHWAY ADMINISTRATION AND
FEDERAL TRANSIT ADMINISTRATION
OF THE UNITED STATES DEPARTMENT OF TRANSPORTATION AND
THE VIRGINIA DEPARTMENT OF TRANSPORTATION**

1.1 INTRODUCTION

This Cooperative Agreement is entered into by and between the Federal Highway Administration (FHWA) and/or the Federal Transit Administration (FTA), agencies of the United States Department of Transportation (USDOT), the Virginia Department of Transportation (VDOT) and the Commonwealth Transportation Board (CTB), a board of the State of Virginia, (State) pursuant to section 350 of the National Highway System Designation Act of 1995 (NHS Act), Public Law 104-59, 23 U.S.C. § 101 note, and the Code of Virginia Section 33.1-23.03:4 and Sections 56 - 556 through 56 - 574 (State statute).

The Commonwealth Transportation Board with the Virginia Department of Transportation, 1401 E. Broad St., Richmond, VA 23219 (Name of agency and address) is the agency of the State capable of administering the State Infrastructure Bank (SIB) program and is lawfully authorized to administer the SIB in accordance with requirements of the NHS Act, the applicable guidelines, policies and procedures issued and adopted thereunder from time to time by FHWA/FTA (collectively, the NHS SIB Guidelines), and the Code of Virginia Section 33.1-23.03:4 and Sections 56 - 556 through 56 - 574, which is attached as Exhibit A of this Cooperative Agreement.

1.2 ESTABLISHMENT OF STATE INFRASTRUCTURE BANK

The State statute permits the CTB as the designated instrumentality of the State to participate in and administer certain SIB activities. The CTB represents and warrants that it has the legal, managerial, technical and operational capabilities to administer these SIB activities. The CTB hereby certifies that the State statute, and the powers it confers on the CTB, are consistent with the Constitution of the State and that the State, acting through the Commonwealth Transportation Commissioner, may legally bind itself to the terms of this Cooperative Agreement.

The State statute permits establishment of a Transportation Infrastructure financing program (SIB equivalent) with funds to be held by the State Treasurer or other responsible entity as custodian, and administered by the CTB. In addition to such other accounts as the SIB may establish, the CTB agrees to create within the SIB a separate account to be designated as the Highway Account and a separate account to be designated as the Transit Account, each of which shall be dedicated solely to providing loans and other forms of financial assistance consistent with the NHS Act and permitted under the State law. (The Highway Account and the Transit Account are sometimes hereinafter referred to individually as the Account and, collectively, as the Accounts.) Amounts on deposit in the Accounts shall be invested in accordance with the

provisions of subsection 350(e) of the NHS Act and the NHS SIB Guidelines; earnings on amounts deposited in the Accounts shall be applied in accordance with the provisions of subsection 350(e) of the NHS Act and the NHS SIB Guidelines.

1.3 FUNDING

(i) FHWA/FTA PAYMENTS

FHWA agrees to make payments to the VDOT for deposit in the SIB upon receipt of a properly completed request transmitted on the FHWA form within Exhibit B. Similarly, FTA agrees to make payments to the VDOT for deposit in the SIB upon receipt of a properly completed request transmitted on the FTA form within Exhibit B. Federal payments made under the Cooperative Agreement shall not exceed amounts authorized by subsection 350(b)(2) of the NHS Act or other legislation that may authorize such payment. The timing of deposits of Federal funds obligated pursuant to subsection 350(b)(2) and requested in the appropriate FHWA or FTA form of Exhibit B may be established by the U. S. DOT in order to ensure compliance with the requirements of subsection 350(g)(1) of the NHS Act relating to the historic disbursement rates of the Federal-aid highway program and the Federal transit program.

(ii) STATE MATCHING REQUIREMENT

As required by subsection 350(e)(1) of the NHS Act, on or before the date on which the VDOT receives a Federal payment, the VDOT shall deposit matching share funds (from non-Federal sources) into a subaccount of the Highway Account or the Transit Account, as applicable, in an amount equaling at least 25 percent of the amount of Federal payment unless such matching share may be at a lower percentage as otherwise provided in subsection 350(e)(1) of the NHS Act. Funds in the subaccount shall be used to fund public projects which meet the NHS Act criteria and the requirements of Code of Virginia Section 33.1-23.03:4.

1.4 FINANCIAL ASSISTANCE:

(i) TIMELY EMPLOYMENT

The CTB agrees to employ funds deposited in the SIB in an expeditious and a timely manner.

(ii) USE

The CTB shall only provide such financial assistance through the SIB that is authorized under section 350 of the NHS Act, the NHS SIB Guidelines, and Code of Virginia Section 33.1 - 23.03:4 of the State law. If the financial assistance is not in the form listed in subsection 350(c) or subsections 350(1)(3)(A) through 350(1)(3)(F) of the NHS Act, then the CTB shall request specific approval from FHWA or FTA or both, as applicable of the form of assistance consistent with subsection 350(1)(3)(G) of the NHS Act.

(iii) SPECIAL RULE FOR URBANIZED AREAS

The CTB and VDOT agree, as required by subsection 350(a)(4) of the NHS Act, that CTB will capitalize the Highway Account with Federal funds otherwise apportioned or allocated to a State under subsection 104(b)(3) or section 160 of Title 23, United States Code, or under subsection 1013(e) or section 1015 of the Intermodal Surface Transportation Efficiency Act of 1991, and attributed to urbanized areas of over 200,000 in population, only if the metropolitan planning organization concurs, in writing, with the provision of such assistance.

(iv) ADMINISTRATIVE: DIRECT AND INDIRECT COSTS

The CTB may use up to 2 percent of the aggregate amount of disbursements made in each of Federal fiscal year 1996 and 1997 to cover program administration costs of the SIB for each such Federal fiscal year. These monies will be used for the reasonable costs of administering the SIB, as described in subsection 350(j) of the NHS Act. To the extent permitted by the NHS Act, program administration funds may also be used for the costs of servicing loans, Federally capitalized SIB program start-up costs, financial, management and legal consulting fees, and reimbursement of costs for SIB-related support services from other State agencies to the extent such costs and services relate to the SIB.

(v) PROJECT AGREEMENTS WITH RECIPIENTS

Before providing financial assistance for a project, the CTB agrees to enter into a written project agreement (Project Agreement) to provide financial assistance through the SIB, such financial assistance shall be in a form permitted by subsection 350(c) of the NHS Act and the State enabling statute and shall be for a qualified project, as defined in subsection 350(d) of the NHS Act. The Project Agreement shall include interest rates, repayment terms, a disbursement schedule and any other fees, compensation, or other collateral offered by the recipient of the assistance and such other terms and provisions in accordance with the provisions of subsection 350(e) of the NHS Act and the NHS SIB Guidelines issued thereunder.

(vi) DISBURSEMENTS

The CTB agrees to disburse funds from the SIB as project costs are refinanced or incurred, as set forth in the Project Agreement, or as otherwise directed by the Commonwealth Transportation Commissioner consistent with Section 350 of the NHS Act.

(vii) FEDERAL AUTHORITIES

The CTB agrees that it and all recipients of financial assistance directly made available to the SIB pursuant to the provisions of the NHS Act will comply with all applicable Federal laws and regulations.

(a) SPECIAL REQUIREMENTS FOR FTA PROJECTS

For projects financed through the SIB's Transit account, the CTB agrees that it and all recipients of financial assistance directly made available to the SIB pursuant to the provisions of the NHS Act will also comply with all applicable requirements of the FTA Master Agreement to the extent permitted by State law (as long as such FTA Master Agreement is in effect) for the Fiscal Year in which financial assistance is made, except that any requirement of the NHS SIB Guidelines, including current or future requirements, or any Special Condition or Special Requirement to this Cooperative Agreement imposed by FTA that conflicts with a requirement of the FTA Master Agreement, shall supersede the conflicting requirement of the FTA Master Agreement.

(viii) USE OF REPAYMENT PROCEEDS

The CTB agrees that repayment proceeds and fees, compensation, or other collateral associated with SIB financial assistance derived from the Highway Account shall be used for projects eligible for assistance under provisions of Title 23 and Title 49 of the United States Code consistent with subsection 129(a)(7) of Title 23, United States Code, except to the extent the FHWA determines that such provisions are inconsistent with such requirements as provided by subsection 350(e)(4) of the NHS Act. FTA reserves the right to establish appropriate conditions concerning repayment proceeds and fees, compensation, or other collateral associated with SIB financial assistance derived from the Transit Account, consistent with the requirements of subsection 350(e)(4) of the NHS Act.

1.5 ACCOUNTING AND AUDIT PROCEDURES

(i) ACCOUNTING AND AUDIT PROCEDURES

The CTB will establish fiscal controls and accounting procedures sufficient to assure proper accounting for payments received and disbursements made through the SIB, and to provide SIB balances at the beginning and end of the accounting period and to demonstrate compliance with this Cooperative Agreement. The CTB agrees to use accounting, audit and fiscal procedures conforming to generally accepted accounting principles promulgated by the Governmental Accounting Standards Board.

(ii) SIB ASSISTANCE RECIPIENT ACCOUNTING AND AUDIT PROCEDURES

The CTB agrees that the Project Agreement will require each recipient to maintain project accounts in accordance with generally accepted accounting standards.

(iii) ANNUAL COMPLIANCE AUDIT

The CTB agrees to conduct an annual independent financial and compliance audit of the SIB and the operations of the SIB. This audit may be conducted in accordance with the Single Audit Act of 1984 (See Office of Management and Budget Circular A-128, "Audits of State and Local Governments"). The CTB agrees to complete the audit report within one year of the appropriate accounting period and submit it to the [Regional Office/Administrator] with a copy sent to DOT's Office of the Inspector General within 30 days of completion. FHWA or FTA will notify the CTB within 90 days as to the technical adequacy of the audit report and its findings.

(iv) ANNUAL REPORT

The CTB will submit an Annual Report to the FHWA and FTA Administrator at the Regional Office administering the project, and make such report available to recipients of SIB financial assistance no later than 90 days after the end of the Federal fiscal year. This report shall identify recipients of financial assistance, amounts of financial assistance, financial assistance interest and repayment terms, and project categories, with emphasis on how the State has met the goals set forth in its application and the financial condition of the Highway Account and the Transit Account.

(v) OTHER DOCUMENTS

In addition to the Annual Report and Annual Audit, the CTB agrees to provide promptly to FHWA, FTA, USDOT, or the Comptroller General of the United States (or representative thereof) any other records they may reasonably require in a timely fashion.

(vi) RECORDS RETENTION

The CTB agrees to maintain and retain all official project files relating to the SIB until all financial assistance has been repaid and necessary audits have been performed. Retention and ultimate disposition of SIB project files shall be in accordance with State laws unless such period for retention conflicts with the requirement above or the 3-year minimum requirement of 49 C.F.R. §18.42, in which event, the later period of retention shall prevail.

1.6 SANCTIONS AND COMPLIANCE

(i) CORRECTIVE ACTIONS

If either FHWA or FTA determines that the CTB has not complied with the terms of this Cooperative Agreement, the requirements of the NHS Act or the NHS SIB Guidelines, FHWA or FTA (as applicable) will notify the CTB and VDOT of the noncompliance and of the requested corrective action. The CTB agrees to take appropriate corrective action or submit a compliance plan to both FHWA and FTA within 60 days.

(ii) REMEDIES FOR FAILURE TO COMPLY WITH THIS COOPERATIVE AGREEMENT

If the CTB fails to take corrective action, or provide an acceptable plan to correct any noncompliance, FHWA or FTA (as applicable) may withhold from future grant moneys available to the State under the provisions of Titles 23 or 49 of the United States Code and the Regulations promulgated thereunder, an amount equal to the total amount in dispute until corrective action is taken or acceptable plan provided.

1.7 EXECUTION, AMENDMENT, AND TERMS OF THIS COOPERATIVE AGREEMENT

(i) DESIGNATED SIGNATORIES

The following officials are authorized to enter into amendments to this Cooperative Agreement

- (a) For the State: David R. Gehr, Commonwealth Transportation Commissioner and Vice Chairman, Commonwealth Transportation Board
- (b) For FHWA: Rodney E. Slater, Administrator
- (c) For FTA: Gordon J. Linton, Administrator

(ii) AMENDMENT

This Cooperative Agreement may be amended at any time by mutual agreement between the designated signatories in writing. Amendments shall be submitted in writing to all parties unless waived by any party. The receiving parties shall respond within 30 days approving such change or with written suggested changes. Items not significantly altering this Cooperative Agreement but changing implementation or review procedures, may be implemented through the agreement of David R. Gehr or his designee, and Rodney E. Slater or Gordon J. Linton (as applicable) of FHWA or FTA or such designee.

(iii) EFFECTIVE DATE

This Cooperative Agreement will be effective commencing as of the 30th day of September, 1996.

(iv) **TERMINATION**

This Cooperative Agreement shall remain in effect until terminated in writing by the parties hereto.

STATE

_____ By
**David R. Gehr, Commonwealth Transportation Commissioner and
Vice Chairman, Commonwealth Transportation Board**

**FEDERAL HIGHWAY
ADMINISTRATION**

_____ By
Rodney E. Slater, Administrator

**FEDERAL TRANSIT
ADMINISTRATION**

_____ By
Gordon J. Linton, Administrator

EXHIBIT A
STATE STATUTE

§ 33.1-23.03:4. Toll Facilities Revolving Account.

A. Subject to any obligations to existing bondholders, but notwithstanding §§ 2.1-185 and 58.1-13, funds deposited into the Transportation Trust Fund pursuant to subdivision 4 of § 33.1-23.03:1 shall be held in a separate subaccount to be designated the "Toll Facilities Revolving Account," hereinafter referred to as "the Account," together with all interest, dividends, and appreciation which accrue to the Transportation Trust Fund and which are not otherwise specifically directed by law or reserved by the Board in the resolution authorizing issuance of bonds to finance toll facilities. In addition, any funds received from the federal government or any agency or instrumentality thereof that, pursuant to federal law, may be made available, as loans or otherwise, to private persons or entities for transportation purposes, hereinafter referred to as "federal funds," shall be deposited in a segregated subaccount within the Account. Payments received with respect to any loan made from such segregated subaccount pursuant to subdivision 2 of subsection B of this section shall also be deposited into such segregated subaccount in the Account.

B. The Board may make allocations upon such terms and subject to such conditions as the Board deems appropriate, from the following funds for the following purposes:

1. From any funds in the Account to pay or finance all or part of the costs, including the cost of planning, operation, maintenance, and improvements incurred in connection with the acquisition and construction of projects financed in whole or in part as toll facilities or to refinance existing toll facilities, provided that any such funds allocated from the Account for a planned or operating toll facility shall be considered as an advance of funding for which the Account shall be reimbursed;

2. From funds in the segregated subaccount in the Account into which federal funds are deposited in conjunction with the Public-Private Transportation Act of 1995 (§ 56-556 et seq.) and pursuant to the terms of a comprehensive agreement between a responsible public entity and a private operator as provided for in that act:

a. To make a loan to such operator to pay any cost of a qualifying transportation facility, provided that: (i) the operator's return on its investment is limited to a reasonable rate and (ii) such loan is limited to a reasonable term; or

b. To pay the Commonwealth's or its agency's portion of costs incurred or to be incurred in accordance with a comprehensive agreement with respect to a transportation facility.

All definitions of terms shall be as provided in the Public-Private Transportation Act of 1995; and

3. From any funds in the Account, to pay the Board's reasonable costs and expenses incurred in (i) the administration and management of the Account, (ii) its program of financing or refinancing costs of toll facilities, and (iii) the making of loans and paying of costs described in subdivisions 1 and 2 of this subsection.

C. The Board may transfer from the Account to the Transportation Trust Fund for allocation pursuant to subsection B of § 33.1-23.1 any interest revenues and, subject to applicable federal limitations, federal funds not committed by the Board to the purposes provided for in subsection B of this section.

D. The provisions of this section shall be liberally construed to the end that its beneficial purposes may be effectuated. Insofar as this provision is inconsistent with the provisions of any other general, special, or local law, this provision shall be controlling.

E. If any provision of this section or the application thereof to any person or circumstances is held invalid by a court of competent jurisdiction, invalidity shall not affect other provisions or applications of this section that can be given effect without the invalid provision or application, and to this end the provisions of this section are declared to be severable.

(1986, Sp. Sess., c. 13; 1995, cc. 545, 576.)

The number of this section was assigned by the Virginia Code Commission, the number in Acts 1986, Sp. Sess., c. 13 having been 33.1-23.03:1 D.

Editor's note. - Pursuant to Acts 1995, cc. 646 and 576, cls. 2, the 1995 amendment to this section was contingent upon the Public-Private Transportation Act of 1995 becoming effective. Acts 1995, c. 647, which contains the provisions of the Public-Private Transportation Act of 1995, was approved.

Cross references. - For the Public-Private Transportation Act of 1995, see § 66-666 et seq.

The 1995 amendments. - The 1995 amendments by cc. 545 and 576 are identical, and rewrote this section which formerly read: "Subject to any obligations to existing bondholders, but notwithstanding §§ 2.1-186 and 58.1-13, funds deposited into the Transportation Trust Fund pursuant to subdivisions 4 and 6 of § 33.1-23.03:1 shall be held in a separate subaccount to be designated the 'Toll Facilities Revolving Account,' together with all interest, dividends, and appreciation which accrue to the Transportation Trust Fund and which are not otherwise reserved by the Board in the resolution authorizing issuance of bonds to finance toll facilities, to be used to pay or finance all or part of the costs, including the cost of planning, operation, maintenance, and improvements incurred in connection with the acquisition and construction of projects financed in whole or in part as toll facilities or to refinance existing bonds issued to finance toll facilities. The Board may transfer from the Toll Facilities Revolving Account to the Transportation Trust Fund for allocation pursuant to § 33.1-23.1 B any interest revenues not committed by the Board to the purposes intended."

Chapter 22.
Public-Private Transportation Act of 1995.

Sec.

56-556. Title.

56-557. Definitions.

56-558. Policy.

56-559. Prerequisite for operation.

56-560. Approval by the responsible public entity.

56-561. Service contracts.

56-562. [Repealed.]

56-563. Affected local jurisdictions.

56-564. Dedication of public property.

56-565. Powers and duties of the operator.

56-566. Comprehensive agreement.

56-567. Federal, state and local assistance.

56-568. Material default; remedies.

56-569. Condemnation.

56-570. Utility crossings.

56-571. Police powers; violations of law.

56-572. Dedication of assets.

56-573. Sovereign immunity.

56-573.1. Procurement.

56-573.2. Jurisdiction.

56-574. Preservation of the Virginia Highway Corporation Act of 1988.

56-575. [Not set out.]

§ 56-556. Title.

This chapter may be cited as the "Public-Private Transportation Act of 1995."

(1994, c. 855; 1995, c. 647.)

The numbers of §§ 56-556 through 56-575 were assigned by the Virginia Code Commission, the numbers in the 1994 act having been §§ 58-553 through 58-572.

Effective date. - This section is effective July 1, 1995.

The 1995 amendment substituted "Public-Private Transportation Act of 1995" for "Qualifying Transportation Facilities Act of 1994."

§ 56-557. Definitions.

As used in this chapter, unless the context requires a different meaning:

"*Affected local jurisdiction*" means any county, city or town in which all or a portion of a qualifying transportation facility is located.

"*Commission*" means the State Corporation Commission.

"Comprehensive agreement" means the comprehensive agreement between the operator and the responsible public entity required by § 56-566 of this chapter.

"Material default" means any default by the operator in the performance of its duties under subsection F of § 56-565 of this chapter that jeopardizes adequate service to the public from a qualifying transportation facility and remains unremedied after the responsible public entity has provided notice to the operator and a reasonable cure period has elapsed.

"Operator" means the private entity that is responsible for the acquisition, construction, improvement, maintenance and/or operation of a qualifying transportation facility.

"Private entity" means any natural person, corporation, limited liability company, partnership, joint venture or other private business entity.

"Public entity" means the Commonwealth and any agency or authority thereof, any county, city or town and any other political subdivision of any of the foregoing, but shall not include any public service company.

"Qualifying transportation facility" means one or more transportation facilities acquired, constructed, improved, maintained and/or operated by a private entity pursuant to this chapter.

"Responsible public entity" means a public entity that has the power to acquire, construct, improve, maintain and/or operate the applicable transportation facility.

"Revenues" means the user fees and/or service payments generated by a qualifying transportation facility.

"Service contract" means a contract entered into between a public entity and the operator pursuant to § 56-561 of this chapter.

"Service payments" means payments to the operator of a qualifying transportation facility pursuant to a service contract.

"State" means the Commonwealth of Virginia.

"Transportation facility" means any road, bridge, tunnel, overpass, ferry, airport, mass transit facility, vehicle parking facility, port facility or similar commercial facility used for the transportation of persons or goods, together with any other property that is needed to operate the transportation facility, but shall exclude rail mass transit facilities owned by an interstate compact agency.

"User fees" mean the rates, fees or other charges imposed by the operator of a qualifying transportation facility for use of all or a portion of such qualifying transportation facility pursuant to the comprehensive agreement.

(1994, c. 855; 1995, c. 647.)

Effective date. - This section is effective July 1, 1996.

The 1996 amendment deleted the paragraph defining "Certificate" which read, "... means the certificate of public convenience and necessity issued to an operator under this chapter that permits operation of a qualifying transportation facility", added the paragraphs defining "Commission" and "Material default"; inserted "the acquisition, construction, improvement, maintenance and/or" in the paragraph defining "Operator"; inserted "but shall not include any public service company" at the end of

the paragraph defining "Public entity"; inserted "acquired, constructed, improved, maintained and/or" in the paragraph defining "Qualifying transportation facility"; deleted the paragraph defining "Regulatory authority" which read, "... means the State Corporation Commission"; inserted "maintain and/or operate" in the paragraph defining "Responsible public entity"; inserted "between a public entity and the operator" in the paragraph defining "Service contract"; in the definition of "Transportation facility", deleted "seaport" following "airport", inserted "vehicle parking facility, port facility", substituted "operate the transportation facility" for "operate the same", and deleted "railroads, railroad related facilities and pipelines owned by a public service corporation and" following "but shall exclude"; and inserted "pursuant to the comprehensive agreement" at the end of the paragraph defining "User fees."

§ 56-558. Policy.

A. The General Assembly finds that:

1. There is a public need for timely acquisition or construction of and improvements to transportation facilities within the Commonwealth that are compatible with state and local transportation plans;

2. Such public need may not be wholly satisfied by existing ways in which transportation facilities are acquired, constructed or improved; and

3. Authorizing private entities to acquire, construct, improve, maintain, and/or operate one or more transportation facilities may result in the availability of such transportation facilities to the public in a more timely or less costly fashion, thereby serving the public safety and welfare.

B. An action, other than the approval of the responsible public entity under § 56-560 of this chapter, shall serve the public purpose of this chapter if such action facilitates the timely acquisition or construction of or improvement to a qualifying transportation facility or the continued operation of a qualifying transportation facility.

C. It is the intent of this chapter, among other things, to facilitate to the greatest extent possible, the pooling and funding mechanisms of the Intermodal Surface Transportation Efficiency Act of 1991, and any successor legislation, to the end that transportation financing be expanded and accelerated to improve and add to the convenience of the public, and such that public and private entities may have the greatest possible flexibility in contracting with each other for the provision of the public services which are the subject of this chapter.

D. This chapter shall be liberally construed in conformity with the purposes hereof.

(1994, c. 855; 1995, c. 647.)

Cross references. - As to the Toll Facilities Revolving Account, and the 1995 amendment relative to the Public-Private Transportation Act, see 33.1-23.03:4.

The 1995 amendment inserted "that are compatible with state and local transportation plans" at the end of subdivision A 1; in subdivision A 3, substituted "maintain, and/or operate" for "and/or operate", substituted "availability of such" for "acquisition or construction of or improvements to", and inserted "to the public"; in subsection B, substituted "§ 58-580" for "§ 58-557" and deleted "or issuance of a certificate under § 58-559 of this chapter" following "of this chapter"; and inserted "and any successor legislation" near the middle of subsection C.

§ 56-559. Prerequisite for operation.

Any private entity seeking authorization under this chapter to acquire, construct, improve,

maintain and/or operate a transportation facility shall first obtain approval of the responsible public entity under § 56-560. Such private entity may initiate the approval process by requesting approval pursuant to subsection A of § 56-560 or the responsible public entity may request proposals pursuant to subsection B of § 56-560.

(1994, c. 855; 1995, c. 647.)

Effective date. - This section is effective July 1, 1995.

The 1995 amendment rewrote this section which formerly read: "No private entity may operate a transportation facility under this chapter without first obtaining approval of the responsible public entity, obtaining a certificate from the regulatory authority and entering into a comprehensive agreement with the responsible public entity."

§ 56-560. Approval by the responsible public entity.

A. The private entity may request approval by the responsible public entity. Any such request shall be accompanied by the following material and information unless waived by the responsible public entity with respect to the transportation facility or facilities that the private entity proposes to operate as a qualifying transportation facility:

1. A topographic map (1:2,000 or other appropriate scale) indicating the location of the transportation facility or facilities;

2. A description of the transportation facility or facilities, including the conceptual design of such facility or facilities and all proposed interconnections with other transportation facilities;

3. The projected total life-cycle cost of the transportation facility or facilities and the proposed date for acquisition of or the beginning of construction of, or improvements to the transportation facility or facilities;

4. A statement setting forth the method by which the operator proposes to secure all property interests required for the transportation facility or facilities. The statement shall include: (i) the names and addresses, if known, of the current owners of the property needed for the transportation facility or facilities, (ii) the nature of the property interests to be acquired, and (iii) any property that the responsible public entity is expected to be requested to condemn;

5. Information relating to the current transportation plans, if any, of each affected local jurisdiction;

6. A list of all permits and approvals required for acquisition or construction of or improvements to the transportation facility or facilities from local, state, or federal agencies and a projected schedule for obtaining such permits and approvals;

7. A list of public utility facilities, if any, that will be crossed by the transportation facility or facilities and a statement of the plans of the operator to accommodate such crossings;

8. A statement setting forth the operator's general plans for financing and operating the transportation facility or facilities;

9. The names and addresses of the persons who may be contacted for further information concerning the request; and

10. Such additional material and information as the responsible public entity may reasonably request.

B. The responsible public entity may request proposals from private entities for the acquisition, construction, improvement and/or operation of transportation facilities.

C. The responsible public entity may grant approval of the acquisition, construction, improvement and/or operation of the transportation facility or facilities as a qualifying transportation facility if the responsible public entity determines that it serves the public purpose of this chapter. The responsible public entity may determine that the acquisition, construction, improvement and/or operation of the transportation facility or facilities as a qualifying transportation facility serves such public purpose if:

1. There is a public need for the transportation facility or facilities of the type the private entity proposes to operate as a qualifying transportation facility;

2. The transportation facility or facilities and the proposed interconnections with existing transportation facilities, and the operator's plans for operation of the qualifying transportation facility or facilities, are reasonable and compatible with the state transportation plan and with the local comprehensive plan or plans;

3. The estimated cost of the transportation facility or facilities is reasonable in relation to similar facilities; and

4. The private entity's plans will result in the timely acquisition or construction of or improvements to the transportation facility or facilities or their more efficient operation.

In evaluating any request, the responsible public entity may rely upon internal staff reports prepared by personnel familiar with the operation of similar facilities or the advice of outside advisors or consultants having relevant experience.

D. The responsible public entity may charge a reasonable fee to cover the costs of processing, reviewing and evaluating the request, including without limitation, reasonable attorney's fees and fees for financial and other necessary advisors or consultants.

E. The approval of the responsible public entity shall be subject to the private entity's entering into a comprehensive agreement with the responsible public entity.

F. In connection with its approval of the operation of the transportation facility or facilities as a qualifying transportation facility, the responsible public entity shall establish a date for the acquisition of or the beginning of construction of or improvements to the qualifying transportation facility. The responsible public entity may extend such date from time to time.

(1994, c. 855; 1995, c. 647.)

Effective date. - This section is effective July 1, 1995.

The 1995 amendment divided the former single sentence into the present first and second sentences; deleted "Prior to the approval of the responsible public entity, the private entity shall provide" at the beginning of subsection A; inserted "total life-cycle" near the beginning of subdivision A 3; in subdivision A 4, deleted "including" following "facilities" in the first sentence, in the second sentence, inserted "The statement shall include", inserted "the names and addresses, if known of" in clause (i); in clause (ii), deleted "Interest in the" following "nature of the" and inserted "interests" following "property"; in subdivision A 8, substituted "financing and operating" for "operation of", deleted "and" following "facilities";

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added present subdivision A 8; redesignated former subdivision A 9 as present subdivision A 10; added present subsection B; redesignated former subsections B through E as present subsections C through F, and in present subsection C, in the first sentence substituted "may grant" for "shall grant", substituted "approval of" for "approval if", inserted "acquisition, construction, improvement and/or" preceding "operation", and inserted "if the responsible public entity determines that it"; and inserted "acquisition, construction, improvement and/or" near the middle of the second sentence; deleted former subdivision B 1 which read: "The application is complete"; redesignated former subdivisions B 2 through B 5 as present subdivisions C 1 through C 4; deleted former subdivision B 6 which read: "The operator's plan for operation of the transportation facility or facilities is reasonable and is consistent with Commonwealth and local transportation plans", and added the second paragraph; in present subsection D, deleted "and" following "costs of processing", inserted "and evaluating", and substituted "including without limitation, reasonable attorney's fees and fees for financial and other necessary advisors or consultants" for "for approval."

§ 56-561. Service contracts.

In addition to any authority otherwise conferred by law, any public entity may contract with an operator for transportation services to be provided by a qualifying transportation facility in exchange for such service payments and other consideration as such public entity may deem appropriate.

(1994, c. 855; 1995, c. 647.)

Effective date. - This section is effective July 1, 1995.

The 1995 amendment reenacted this section without change.

§ 56-562.

Repealed by Acts 1995, c. 647.

Editor's note. - This section, which was enacted by Acts 1994, c. 855, effective July 1, 1995, was repealed by Acts 1995, c. 647, effective July 1, 1995.

§ 56-563. Affected local jurisdictions.

A. Any private entity requesting approval from, or submitting a proposal to, a responsible public entity under § 56-560 shall notify each affected local jurisdiction by furnishing a copy of its request or proposal to each affected local jurisdiction.

B. Each affected local jurisdiction that is not a responsible public entity for the respective qualifying transportation facility shall, within sixty days after receiving such notice, submit any comments it may have in writing on the proposed qualifying transportation facility to the responsible public entity and indicating whether the facility is compatible with the local comprehensive plan.

(1994, c. 855; 1995, c. 647.)

Effective date. - This section is effective July 1, 1995.

The 1995 amendment, in subsection A, inserted "or submitting a proposal to", substituted "a responsible" for "the responsible", substituted "under § 56-560" for "or the issuance of a certificate by the

regulatory authority", and inserted "by furnishing a copy of its request or proposal to each affected local jurisdiction"; and in subsection B, substituted "that is not a responsible public entity for the respective qualifying transportation facility shall, within sixty days after receiving such notice, submit any comments it may have in writing on the proposed qualifying transportation facility to the responsible public entity and indicating whether the facility is compatible with the local comprehensive plan" for "may submit comments relating to a proposed qualifying transportation facility to the responsible public entity or the regulatory authority."

§ 56-564. Dedication of public property.

Any public entity may dedicate any property interest that it has for public use as a qualified transportation facility if it finds that so doing will serve the public purpose of this chapter. In connection with such dedication, a public entity may convey any property interest that it has, subject to the conditions imposed by general law, to the operator, subject to the provisions of this chapter, for such consideration as such public entity may determine. The aforementioned consideration may include, without limitation, the agreement of the operator to operate the qualifying transportation facility.

(1994, c. 855; 1995, c. 647.)

Effective date. - This section is effective July 1, 1995.

The 1995 amendment, in the first sentence, deleted "in which it has an" following "any property", inserted "that it has" following "interest", and substituted "so doing will" for "so doing would"; in the second sentence, substituted "a public entity" for "such public entity", inserted "property" following "may convey any", and deleted "in such property" following "interest that it has."

§ 56-565. Powers and duties of the operator.

A. The operator shall have all power allowed by law generally to a private entity having the same form of organization as the operator and shall have the power to acquire, construct, improve or operate the qualifying transportation facility and impose user fees and/or enter into service contracts in connection with the use thereof. No tolls or user fees may be imposed by the operator on any existing interstate highway. Furthermore, no tolls or user fees may be imposed by the operator on any free road, bridge, tunnel or overpass unless such road, bridge, tunnel or overpass is reconstructed to provide for increased capacity.

B. The operator may own, lease or acquire any other right to use or operate the qualifying transportation facility.

C. Any financing of the qualifying transportation facility may be in such amounts and upon such terms and conditions as may be determined by the operator. Without limiting the generality of the foregoing, the operator may issue debt, equity or other securities or obligations, enter into sale and leaseback transactions and secure any financing with a pledge of, security interest in, or lien on, any or all of its property, including all of its property interests in the qualifying transportation facility.

D. Subject to applicable permit requirements, the operator shall have the authority to cross any canal or navigable watercourse so long as the crossing does not unreasonably interfere with then current navigation and use of the waterway.

E. In operating the qualifying transportation facility, the operator may:

46 g

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1. Make classifications according to reasonable categories for assessment of user fees; and
2. With the consent of the responsible public entity, make and enforce reasonable rules to the same extent that the responsible public entity may make and enforce rules with respect to a similar transportation facility.

F. The operator shall:

1. Acquire, construct, improve, maintain and/or operate the qualifying transportation facility in a manner that meets the engineering standards of the responsible public entity for transportation facilities operated and maintained by such responsible public entity, all in accordance with the provisions of the comprehensive agreement;
2. Keep the qualifying transportation facility open for use by the members of the public at all times after its initial opening upon payment of the applicable user fees, except when exempted by § 33.1-252, and/or service payments; provided that the qualifying transportation facility may be temporarily closed because of emergencies or, with the consent of the responsible public entity, to protect the safety of the public or for reasonable construction or maintenance procedures;
3. Maintain, or provide by contract for the maintenance of, the qualifying transportation facility;
4. Cooperate with the responsible public entity in establishing any interconnection with the qualifying transportation facility requested by the responsible public entity; and
5. Comply with the provisions of the comprehensive agreement and any service contract.

(1994, c. 855; 1995, c. 647.)

Cross references. - As to the Toll Facilities Revolving Account, and the 1995 amendment relative to the Public-Private Transportation Act, see 33.1-23.03:4.

Effective date. - This section is effective July 1, 1995.

The 1995 amendment, in subsection A, inserted "acquire, construct, improve or" near the middle of the first sentence; divided the former second sentence into the present second and third sentences; in the present second sentence, inserted "existing" following "on any" and deleted "and" following "interstate highway"; in the present third sentence, inserted "Furthermore", substituted "free road" for "existing road", and substituted "unless such road, bridge, tunnel or overpass is reconstructed to provide for increased capacity" for "without the consent of the affected local jurisdiction"; substituted "all of its property interests in the qualifying transportation facility" for "the certificate of authority, subject to the provisions of this chapter regarding transfer of the certificate of authority" at the end of subsection C; substituted "may make and enforce" for "could have made" near the end of subdivision E 2; deleted former subsection F which read: "The powers granted to the operator in this section shall be subject to the power of the regulatory authority to approve user fees pursuant to subsection C of § 56-562 of this chapter"; redesignated former subsection G as present subsection F, in present subdivision F 1, deleted "or" following "construct" and inserted "maintain and/or operate" following "improve"; inserted "except when exempted by § 33.1-252" near the middle of present subdivision F 2; redesignated former subdivision G 4 as present subdivision F 4, and deleted former subdivision G 4 which pertained to items to be filed with the regulatory authority; inserted "and" at the end of present subdivision F 4, and added subdivision F 5.

§ 56-566. Comprehensive agreement.

- A. Prior to acquiring, constructing, improving, maintaining, and/or operating the qualifying**

46 r

transportation facility, the operator shall enter into a comprehensive agreement with the responsible public entity. The comprehensive agreement shall provide for:

1. Delivery of performance and payment bonds in connection with the construction of or improvements to the qualifying transportation facility, in the forms and amounts satisfactory to the responsible public entity;

2. Review of plans and specifications for the qualifying transportation facility by the responsible public entity and approval by the responsible public entity if the plans and specifications conform to standard conditions of the responsible public entity;

3. Inspection of construction of or improvements to the qualifying transportation facility by the responsible public entity to ensure that they conform to the engineering standards acceptable to the responsible public entity;

4. Maintenance of a policy or policies of public liability insurance (copies of which shall be filed with the responsible public entity accompanied by proofs of coverage), self-insurance, in form and amount satisfactory to the responsible public entity and reasonably sufficient to insure coverage of tort liability to the public and employees and to enable the continued operation of the qualifying transportation facility;

5. Monitoring of the maintenance practices of the operator by the responsible public entity and the taking of such actions as the responsible public entity finds appropriate to ensure that the qualifying transportation facility is properly maintained;

6. Reimbursement to be paid to the responsible public entity for services provided by the responsible public entity;

7. Filing of appropriate financial statements on a periodic basis;

8. A reasonable maximum rate of return on investment for the operator; and

9. The date of termination of the operator's authority and duties under this chapter and dedication to the appropriate public entity.

B. The comprehensive agreement shall provide for such user fees as may be established from time to time by agreement of the parties. Any user fees shall be set at a level that, taking into account any service payments, allows the operator the rate of return on investment specified in the comprehensive agreement. A copy of any service contract shall be filed with the responsible public entity. A schedule of the current user fees shall be made available by the operator to any member of the public on request. In negotiating user fees under this section, the parties shall establish fees that are the same for persons using the facility under like conditions and that will not materially discourage use of the qualifying transportation facility. The execution of the comprehensive agreement or any amendment thereto shall constitute conclusive evidence that the user fees provided for therein comply with this chapter. User fees established in the comprehensive agreement as a source of revenues may be in addition to, or in lieu of, service payments.

C. In the comprehensive agreement, the responsible public entity may agree to make grants or loans to the operator from time to time from amounts received from the federal government or any agency or instrumentality thereof.

D. The comprehensive agreement shall incorporate the duties of the operator under this

chapter and may contain such other terms and conditions that the responsible public entity determines serve the public purpose of this chapter. Without limitation, the comprehensive agreement may contain provisions under which the responsible public entity agrees to provide notice of default and cure rights for the benefit of the operator and the persons specified therein as providing financing for the qualifying transportation facility. The comprehensive agreement may contain such other lawful terms and conditions to which the operator and the responsible public entity mutually agree, including, without limitation, provisions regarding unavoidable delays or provisions providing for a loan of public funds to the operator to acquire, construct, improve, maintain and/or operate one or more qualifying transportation facilities.

E. The comprehensive agreement shall provide for the distribution of any earnings in excess of the maximum rate of return as negotiated in the comprehensive agreement. Without limitation, excess earnings may be distributed to the Commonwealth's transportation trust fund, to the responsible public entity, or to the operator for debt reduction or they may be shared with affected local jurisdictions.

F. Any changes in the terms of the comprehensive agreement, as may be agreed upon by the parties from time to time, shall be added to the comprehensive agreement by written amendment.

(1994, c. 855; 1995, c. 647.)

Cross references. - As to the Toll Facilities Revolving Account, and the 1995 amendment relative to the Public-Private Transportation Act, see 33.1-23.03:4.

Effective date. - This section is effective July 1, 1995.

The 1995 amendment substituted "constructing, improving, maintaining, and/or operating" for "or commencing construction of or improvements" in subsection A; deleted "by the operator" following "Maintenance" in subdivision A 4; deleted "and" at the end of subdivision A 5; in subdivision A 6, deleted "its cost to provide the" following "entity for", substituted "provided by" for "performed by"; and added subdivisions A 7 through A 9; added present subsection B; redesignated former subsections B and C as present subsections C and D; substituted "agency or instrumentality" for "division" in present subsection C; in present subsection D, in the second sentence, inserted "operator and the" following "for the benefit of" and inserted "specified therein as" following "persons"; in the third sentence, inserted "lawful" following "such other" and inserted "including, without limitation, provisions regarding unavoidable delays or provisions providing for a loan of public funds to the operator to acquire, construct, improve, maintain and/or operate one or more qualifying transportation facilities"; and added subsections E and F.

§ 56-567. Federal, state and local assistance.

The responsible public entity may take any action to obtain federal, state or local assistance for a qualifying transportation facility that serves the public purpose of this chapter and may enter into any contracts required to receive such federal assistance. If the responsible public entity is a state agency, any funds received from the state or federal government or any agency or instrumentality thereof shall be subject to appropriation by the General Assembly. The responsible public entity may determine that it serves the public purpose of this chapter for all or any portion of the costs of a qualifying transportation facility to be paid, directly or indirectly, from the proceeds of a grant or loan made by the local, state or federal government or any agency or instrumentality thereof.

(1994, c. 855; 1995, c. 647.)

Cross references. - As to the Toll Facilities Revolving Account, and the 1995 amendment relative to

the Public-Private Transportation Act, see 33.1-23.03:4.

Effective date. - This section is effective July 1, 1995.

The 1995 amendment inserted "If the responsible public entity is a state agency, any funds received from the state or federal government or any agency or instrumentality thereof shall be" at the beginning of the second sentence; and in the third sentence, inserted "local, state or" following "loan made by" and substituted "agency or instrumentality" for "division."

§ 56-568. Material default; remedies.

A. Except upon agreement of the operator and any other parties identified in the comprehensive agreement, no responsible public entity shall exercise any of the remedies provided in this section or in subsection B or C of § 56-569 unless the Commission, after notice to the operator and the secured parties (as may appear in the operator's records) and an opportunity for hearing, shall first issue a declaratory judgment that a material default, as defined in § 56-557, has occurred and is continuing.

B. Upon entry by the Commission of a declaratory judgment order pursuant to subsection A above, unless such order is stayed pending appeal to the Virginia Supreme Court, the responsible public entity may exercise any or all of the following remedies:

1. The responsible public entity may elect to take over the transportation facility or facilities and in such case it shall succeed to all of the right, title and interest in such transportation facility or facilities, subject to any liens on revenues previously granted by the operator to any person providing financing therefor and the provisions of subsection C below.

2. Any responsible public entity having the power of condemnation under state law may exercise such power of condemnation to acquire the qualifying transportation facility or facilities. Nothing in this chapter shall be construed to limit the exercise of the power of condemnation by any responsible public entity against a qualifying transportation facility after the entry by the Commission of a final declaratory judgment order pursuant to subsection A above. Any person that has provided financing for the qualifying transportation facility, and the operator, to the extent of its capital investment, may participate in the condemnation proceedings with the standing of a property owner.

3. The responsible public entity may terminate the comprehensive agreement and exercise any other rights and remedies which may be available to it at law or in equity.

4. The responsible public entity may make or cause to be made any appropriate claims under the performance and/or payment bonds required by subsection A 1 of § 56-566.

C. In the event the responsible public entity elects to take over a qualifying transportation facility pursuant to subsection B 1 of this section, the responsible public entity shall acquire, construct, improve, operate and maintain the transportation facility, impose user fees for the use thereof and comply with any service contracts as if it were the operator. Any revenues that are subject to a lien shall be collected for the benefit of, and paid to, secured parties, as their interests may appear, to the extent necessary to satisfy the operator's obligations to secured parties, including the maintenance of reserves and such liens shall be correspondingly reduced and, when paid off, released. Before any payments to, or for the benefit of, secured parties, the responsible public entity may use revenues to pay current operation and maintenance costs of the transportation facility or facilities, including compensation to the responsible public entity for its services in operating and maintaining the qualifying transportation facility. Remaining revenues,

if any, after all payments for operation and maintenance of the transportation facility or facilities, and to, or for the benefit of, secured parties, have been made, shall be paid to the operator, subject to the negotiated maximum rate of return. The right to receive such payment, if any, shall be considered just compensation for the transportation facility or facilities. The full faith and credit of the responsible public entity shall not be pledged to secure any financing of the operator by the election to take over the qualifying transportation facility. Assumption of operation of the qualifying transportation facility shall not obligate the responsible public entity to pay any obligation of the operator from sources other than revenues.

(1994, c. 855; 1995, c. 647.)

Effective date. - This section is effective July 1, 1995.

The 1995 amendment rewrote this section.

§ 56-569. Condemnation.

A. At the request of the operator, the responsible public entity may exercise any power of condemnation that it has under law for the purpose of acquiring any lands or estates or interests therein to the extent that the responsible public entity finds that such action serves the public purpose of this chapter. Any amounts to be paid in any such condemnation proceeding shall be paid by the operator.

B. Except as provided in subsection A of this section, until the Commission has entered a final declaratory judgment order under subsection A of § 56-568, the power of condemnation may not be exercised against a qualifying transportation facility.

C. After the entry of such final order by the Commission, any responsible public entity having the power of condemnation under law may exercise such power of condemnation as provided in subsection B 2 of § 56-568 in lieu of, or at any time after taking over the transportation facility pursuant to subsection B 1 of § 56-568.

(1994, c. 855; 1995, c. 647.)

Effective date. - This section is effective July 1, 1995.

The 1995 amendment substituted "the Commission has entered a final declaratory judgment order under subsection A of § 56-568" for "a certificate has been revoked" in subsection B; and, in subsection C, substituted "entry of such final order by the Commission" for "certificate has been revoked", substituted "subsection B 2 of" for "subsection C 2 of", and substituted "subsection B 1 of" for "subsection C 1 of."

§ 56-570. Utility crossings.

The operator and each public service company, public utility, railroad, and cable television provider, whose facilities are to be crossed or affected shall cooperate fully with the other in planning and arranging the manner of the crossing or relocation of the facilities. Any such entity possessing the power of condemnation is hereby expressly granted such powers in connection with the moving or relocation of facilities to be crossed by the qualifying transportation facility or that must be relocated to the extent that such moving or relocation is made necessary or desirable by construction of or improvements to the qualifying transportation facility, which shall be construed to include construction of or improvements to temporary facilities for the purpose

of providing service during the period of construction or improvement. Any amount to be paid for such crossing, construction, moving or relocating of facilities shall be paid for by the operator. Should the operator and any such public service company, public utility, railroad, and cable television provider not be able to agree upon a plan for the crossing or relocation, the Commission may determine the manner in which the crossing or relocation is to be accomplished and any damages due arising out of the crossing or relocation. The Commission may employ expert engineers who shall examine the location and plans for such crossing or relocation, hear any objections and consider modifications, and make a recommendation to the Commission. In such a case, the cost of the experts is to be borne by the operator.

(1994, c. 855; 1995, c. 647.)

Effective date. - This section is effective July 1, 1995.

The 1995 amendment substituted "Commission" for "regulatory authority" in three places.

§ 56-571. Police powers; violations of law.

A. All police officers of the Commonwealth and of each affected local jurisdiction, shall have the same powers and jurisdiction within the limits of such qualifying transportation facility as they have in their respective areas of jurisdiction and such police officers shall have access to the qualifying transportation facility at any time for the purpose of exercising such powers and jurisdiction. This authority does not extend to the private offices, buildings, garages and other improvements of the operator to any greater degree than the police power extends to any other private buildings and improvements.

B. To the extent the transportation facility is a road, bridge, tunnel, overpass or similar transportation facility for motor vehicles, the traffic and motor vehicle laws of the Commonwealth or, if applicable, any local jurisdiction shall be the same as those applying to conduct on similar transportation facilities in the Commonwealth or such local jurisdiction. Punishment for offenses shall be as prescribed by law for conduct occurring on similar transportation facilities in the Commonwealth or such local jurisdiction.

(1994, c. 855; 1995, c. 647.)

Effective date. - This section is effective July 1, 1995.

The 1995 amendment inserted "affected" preceding "local jurisdiction" near the beginning of subsection A and inserted "or such local jurisdiction" in two places in subsection B.

§ 56-572. Dedication of assets.

The responsible public entity shall terminate the operator's authority and duties under this chapter on the date set forth in the comprehensive agreement. Upon termination, the authority and duties of the operator under this chapter shall cease, and the qualifying transportation facility shall be dedicated to the responsible public entity or, if the qualifying transportation facility was initially dedicated by an affected local jurisdiction, to such affected local jurisdiction for public use.

(1994, c. 855; 1995, c. 647.)

Effective date. - This section is effective July 1, 1995.

The 1995 amendment substituted the present first sentence for the former first and second sentences which pertained to the determination by the regulatory authority of the date of termination of the original permanent financing and the operator's certificate; and, in the present second sentence, deleted "the" following "Upon" and deleted "of the certificate" following "termination."

§ 56-573. Sovereign immunity.

Nothing in this chapter shall be construed as or deemed a waiver of the sovereign immunity of the Commonwealth, any responsible public entity or any affected local jurisdiction or any officer or employee thereof with respect to the participation in, or approval of all or any part of the qualifying transportation facility or its operation, including but not limited to interconnection of the qualifying transportation facility with any other transportation facility. Counties, cities and towns in which a qualifying transportation facility is located shall possess sovereign immunity with respect to its construction and operation.

(1994, c. 855; 1995, c. 647.)

Effective date. - This section is effective July 1, 1995.

The 1995 amendment inserted "or any officer or employee thereof" near the middle of the first sentence.

§ 56-573.1. Procurement.

The Virginia Public Procurement Act (§ 11-35 et seq.) shall not apply to this chapter, however, a responsible public entity may enter into a comprehensive agreement only in accordance with procedures adopted by it which are consistent with those of § 11-37 to the extent such section applies to the procurement of "other than professional services" through competitive negotiation as defined in §§ 11-37 and 11-48. Such responsible public entities shall not be required to select the proposal with the lowest price offer, but may consider price as one factor in evaluating the proposals received.

(1995, c. 647.)

§ 56-573.2. Jurisdiction.

The Commission shall have exclusive jurisdiction to adjudicate all matters specifically committed to its jurisdiction by this chapter.

(1995, c. 647.)

§ 56-574. Preservation of the Virginia Highway Corporation Act of 1988.

Nothing in this chapter shall be construed to repeal or change in any manner the Virginia Highway Corporation Act of 1988, as amended (§ 56-535 et seq.). Nothing in the Virginia Highway Corporation Act of 1988, as amended, shall apply to qualifying transportation facilities undertaken pursuant to the authority of this chapter.

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46 x

(1994, c. 855; 1995, c. 647.)

Effective date. - This section is effective July 1, 1996.

The 1995 amendment inserted "(§ 56-535 et seq.)" at the end of the first sentence and added the second sentence.

§ 56-575.

Not set out.

Editor's note. - Section 56-575 is a severability clause. See Acts 1994, c. 856.

EXHIBIT B
FORM OF REQUEST FOR PAYMENT

<p>TO BE COMPLETED BY FHWA</p>	 <p>FEDERAL-AID PROJECT AGREEMENT</p> <p>U.S. Department of Transportation Federal Highway Administration</p>	<p>STATE _____</p> <p>COUNTY _____</p> <p>PROJECT NO. _____</p>
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The State, through its Highway Agency, having complied, or hereby agreeing to comply, with the applicable terms and conditions set forth in (1) Title 23, U.S. Code, Highways, (2) the Regulations issued pursuant thereto and, (3) the policies and procedures promulgated by the Federal Highway Administrator relative to the above designated project, and the Federal Highway Administration having authorized certain work to proceed as evidenced by the date entered opposite the specific item of work, Federal funds are obligated for the project not to exceed the amount shown herein, the balance of the estimated total cost being an obligation of the State. Such obligation of Federal funds extends only to project costs incurred by the State after the Federal Highway Administration authorization to proceed with the project involving such costs.

PROJECT TERM IN _____

PROJECT CLASSIFICATION OR PHASE OF WORK	EFFECTIVE DATE OF AUTHORIZATION	APPROXIMATE LENGTH (Miles)
HIGHWAY PLANNING AND RESEARCH (HP & R)		
PRELIMINARY ENGINEERING		
RIGHTS-OF-WAY		
CONSTRUCTION		
OTHER (Specify)		

FUNDS	
ESTIMATED TOTAL COST OF PROJECT	FEDERAL FUNDS
\$ _____	\$ _____

The State further stipulates that as a condition to payment of the Federal funds obligated, it accepts and will comply with the applicable provisions set forth on the following page.

<p>_____ (Official name of Highway Agency)</p> <p>By _____</p> <p>_____ (Title)</p> <p>By _____</p> <p>_____ (Title)</p> <p>By _____</p> <p>_____ (Title)</p>	<p>U.S. DEPARTMENT OF TRANSPORTATION FEDERAL HIGHWAY ADMINISTRATION</p> <p>By _____ (Division Administrator)</p> <p>Date executed by _____ Division Administrator</p>
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9/19/96

Meeting adjourned at 11:30 a.m.

The next meeting will be held on October 16, 1996, at the Natural Bridge Hotel, Natural Bridge, Virginia.

Approved



Attested:


