

# *Elizabeth River Crossings Agreement Overview & Discussion*

*Presented By*

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# BACKGROUND

- *April 5, 2005 – VDOT Commissioner recommended that VDOT pursue procurement for:*
  - *Development and operation of a new 2-lane tunnel at the Midtown Tunnel*
  - *Maintenance , safety, and operational improvements to Existing Midtown Tunnel, Existing Downtown Tunnels, and extension of Martin Luther King Freeway from London Boulevard to I-264*

# ***BACKGROUND (CONTINUED)***

- ***May 2008 – January 2010***
    - ***Solicitation for Conceptual Proposals***
    - ***Independent Review Panel (IRP)***
    - ***Five Public Meetings***
    - ***CTB adoption of IRP's findings***
    - ***Interim Agreement signed by VDOT and ERC***
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# ***BACKGROUND (CONTINUED)***

- ***December 5, 2011 – Comprehensive Agreement for Downtown Tunnel/Midtown Tunnel/Martin Luther King Freeway Extension Executed***
  - ***Project Cost - \$2.1 Billion***
  - ***Parties to Agreement:***
    - ***VDOT***
    - ***Elizabeth River Crossings (ERC) OPCO LLC***
  - ***Term – 58 Years***
  - ***ERC – Finance, build, operate, and maintain facilities during the Term***
  - ***VDOT – Retain ownership and oversight of tunnels***

# TOLLING

- *ERC has exclusive right to impose, charge, collect, use and enforce the collection and payment of Toll Revenues in accordance with terms of Agreement*
- *Toll rates set in accordance with Toll Rate Schedule*
- *Vehicle Classifications:*
  - *Light: Up to two axles and six tires*
  - *Heavy: Three or more axles*
- *Tolling Periods:*
  - *Peak Period: Monday – Friday  
5:30 am – 9:30 am and 2:30 pm – 7:00 pm*
  - *Off-Peak Period: All other times*

# CURRENT TOLL RATES (EFFECTIVE JANUARY 1, 2019)

Passenger Vehicles 2-axles, includes motorcycles 			
MONDAY – FRIDAY	<i>EZPass</i>	REGISTERED Pay by Plate	UNREGISTERED Pay by Plate
12:00am to 5:30am	\$1.79	\$3.57	\$5.35
5:30am to 9:00am (PEAK)	\$2.20	\$3.98	\$5.76
9:00am to 2:30pm	\$1.79	\$3.57	\$5.35
2:30pm to 7:00pm (PEAK)	\$2.20	\$3.98	\$5.76
7:00pm to 12:00am	\$1.79	\$3.57	\$5.35
Heavy Vehicles 3 or more axles, includes cars w/ trailers 			
MONDAY – FRIDAY	<i>EZPass</i>	REGISTERED Pay by Plate	UNREGISTERED Pay by Plate
12:00am to 5:30am	\$5.36	\$7.14	\$8.92
5:30am to 9:00am (PEAK)	\$8.80	\$10.58	\$12.36
9:00am to 2:30pm	\$5.36	\$7.14	\$8.92
2:30pm to 7:00pm (PEAK)	\$8.80	\$10.58	\$12.36
7:00pm to 12:00am	\$5.36	\$7.14	\$8.92

# TOLL RATE ESCALATION

- *ERC sets toll rates per the formula, instructions, and table included in the Toll Rate Schedule (Exhibit J of Agreement)*
- *Annual rates are reviewed by VDOT to ensure compliance with the Agreement*
- *“Assuming an inflation rate of 3.5%, the toll rate in 2072, 53 years from now, for a one-way off-peak journey using a transponder will be about \$11 – far less than many metropolitan tolls are today.” \* (\$1.79 Today)*

*\* ERC management email response to public comment on toll increases at the Elizabeth River Tunnels*

# COMPENSATION EVENTS – ALTERNATIVE FACILITIES

- *Per Agreement, ERC has right to receive compensation for financial damages resulting from improvements to Alternate Facilities*
- *ERC damages based on the difference in the projected cost and revenue related to the Project immediately prior to the occurrence of the Compensation Event and after taking into account the impact of the Compensation Event*
- *ERC damages determined by completing:*
  - *Traffic and Revenue Analysis*
  - *Net Cost Impact or Net Revenue Impact Analysis*



# ALTERNATIVE FACILITIES

*Facilities listed below that are built and open to traffic during the Term as a result of:*

- *Construction of Patriots Crossing/Hampton Roads Third Crossing or any other crossing of the James River between the HRBT and MMMBT*
- *Construction of **additional general purpose lanes** on I-64, including the High Rise Bridge, between I-464 and Bowers Hill*
- *Expansion of the HRBT*
- *Construction or capacity expansion of any other facility owned or operated by VDOT that crosses the Elizabeth River or the Southern Branch Elizabeth River north of I-64*



# ***DISCUSSION***