

U.S. Route 460 Corridor Improvements Project
Frequently Asked Questions
August 2011

1. Why pursue a public-private partnership for the U.S. Route 460 Corridor Improvements Project?

The U.S Route 460 Corridor Improvements Project (the Project) is a high priority for the commonwealth. This roadway is essential: as an emergency and hurricane evacuation route, for strategic military connectivity, for the safety of the traveling public and for the movement of freight in and out of the Hampton Roads ports. VDOT is procuring this Project with the assistance of the Office of Transportation Public-Private Partnerships (OTPP) under the provisions of the Public-Private Transportation Act (PPTA) of 1995, as amended to secure private sector funds and offset/limit the need for public funding of the work. By using a public-private partnership (P3) arrangement, VDOT will be able to enter into a long-term agreement with a private partner that will be responsible for design, construction, maintenance and operations of the new roadway.

2. What is the current status of the proposed Route 460 Project?

Effective May 3, 2010, VDOT terminated the original procurement to develop the Project. Market conditions have changed since the original procurement began in 2006, and it was deemed to be in the best interest of the commonwealth to terminate the original procurement.

The Project remains a priority for the commonwealth and on May 5, 2010, VDOT solicited for new proposals seeking new innovative financing methods. Conceptual proposals were received in September 2010 from three offeror teams. All three offeror teams have passed the first three phases of the six-phase PPTA procurement process. Phase Four was initiated through the issuance of the Request for Detailed Proposals on July 28, 2011. Additional information about the detailed proposal phase and a copy of the Request for Detailed Proposals is available on the project website at <http://route460ppta.org/>.

Additional information about the six-phase procurement process is provided in the PPTA Implementation Guidelines at http://vappta.org/resources/PPTA_Guidelines_FINAL_Revised_081205.pdf.

If you would like to receive updates on the Project status, please visit the Media Room on the project website at <http://route460ppta.org/>.

3. Will VDOT move forward with only one conceptual proposal?

The independent review panel and Commonwealth Transportation Board recommended that all three offeror teams advance to the detailed proposal stage.

4. How can I comment on the project?

Public comments can be submitted by email at Route460PPTA@vdot.virginia.gov or may be mailed to Route 460 project manager, Office of Transportation Public-Private Partnerships, 600 East Main Street, Suite 2120, Richmond, Virginia, 23219.

5. What is the expected cost of the Project?

VDOT has completed a conceptual level cost estimate ranging from \$1.5 to 2 billion (as expressed in 2012 dollars). The estimated cost is based on design and construction of 55 miles of a limited access, four-lane, divided highway. The cost estimate will be updated and refined as the scope is better defined. The final project cost will be based on the detailed proposal with the lowest public subsidy. The project cost is included as part of the comprehensive agreement.

6. What amount of public funding is being spent on this Project?

VDOT has used state and federal funding to conduct early project development and procurement activities. VDOT has committed to a public subsidy of \$500 million for the design and construction of the Project.

7. Where will the remainder of funds come from to complete the Project improvements?

A P3 arrangement allows for the leveraging of private capital to develop the Project. Revenue generated by tolling the facility, along with the public subsidy and other possible revenue sources, will be used to pay for the design, construction, operations and maintenance over a designated concession period; reducing the amount of a commonwealth subsidy.

8. Will the road be tolled?

Yes, open road tolling strategies will be used and revenue collected through tolling will be utilized to help pay for the new road.

9. If the road is tolled, won't this cause a backup of traffic at the toll booths?

Open road tolling does not require toll booths. Typically, drivers affix an electronic tag, called a transponder (such as E-ZPass), to the inside of their windshield. Tolls are then collected as the tag is read at normal highway speeds by electronic scanners suspended from gantries above the highway. Users can obtain a transponder by opening an account with E-ZPass Virginia. To find out more about E-ZPass, go to www.ezpassva.com or call 877-762-7824.

Manual toll collection may also be used; however, the private partner will have to evaluate the costs and benefits of this option. The final tolling design system will be developed after selection of the preferred private partner and after execution of the comprehensive agreement.

10. How much will it cost to use the new Route 460?

As presented in the conceptual proposals, preliminary toll rates for passenger vehicles would range from \$0.10 to \$0.20 per mile. The actual toll rates will be identified through a competitive procurement and negotiation process. The comprehensive agreement will define

the agreed upon toll rates and the process for escalating toll rates through the term of the contract.

11. How long will it be before construction would start on this Project?

Construction will not begin until a comprehensive agreement is executed between VDOT and its private partner. Once the comprehensive agreement is executed, construction is anticipated to take five years.

12. My property lies within the corridor of this proposed Project. When will I know if the Project will be developed and what the impacts to my property will be?

Due to the nature of the procurement and the size of the Project, it will take some time to develop the Project sufficiently to fully understand property impacts. Further project development will not occur until the comprehensive agreement is executed. At that time, the private partner (concessionaire) will begin developing the Project and will seek to minimize impacts of the Project on properties. During the preliminary engineering and right of way acquisition process, the concessionaire will contact property owners regarding the impacts of the Project on their property. Additionally, the concessionaire will hold public hearings where the public may comment on the proposed design.

As the Project develops, VDOT will keep the public notified of Project issues and the proposed schedule for right of way acquisition and construction. VDOT will continue to provide the public with information that will allow individuals to make decisions concerning their property. A guide for property owners is available at [http://www.virginiadot.org/business/resources/Right of way/A Guide for Property Owners and Tenants.pdf](http://www.virginiadot.org/business/resources/Right_of_way/A_Guide_for_Property_Owners_and_Tenants.pdf). If you are not sure of potential property impacts, your questions regarding this matter should be directed to OTP3's point of contact, Margie Ray, program manager 804-786-9537 or email at Route460PPTA@vdot.virginia.gov.