



PAT McCRORY
Governor

NICHOLAS J. TENNYSON
Secretary

February 17, 2016

Mayor Chuck Travis
Town of Cornelius
21445 Catawba Avenue
Cornelius, NC 28031

Dear Mayor Travis:

Last month, in response to a request from Governor McCrory, the Charlotte Regional Transportation Planning Organization (CRTPO) acted to re-affirm the use of optional toll lanes as a strategy on four corridors in the region.

During discussions of the strategy there were people who raised concerns that they generally called issues with the contract. When I spoke at the January 20th meeting of CRTPO, I said that we would be soliciting comments to help improve the project through negotiated changes to the agreement, where possible.

This letter is to request each of the jurisdictions that make up CRTPO to provide a consolidated list of the specific aspects of the contract to which members of your body object. Your response does not need to be in the form of an action by your body. We would appreciate a response by March 14. Warren Cooksey will contact you to facilitate collection of the responses from all the jurisdictions in the planning area and to answer questions about the process we are following. We may not be able to satisfy every issue raised, but we want to make certain we are identifying all the potential points of concern. However, we recognize there are aspects of this project for which additional review may yield a better outcome. For example, the policy decision made at the beginning of the project development, in consultation with regional transportation planners, was to restrict the types of vehicles that could use the lanes to vehicles under 20 feet in length (including trailers). We are nearing a point when we can identify the operational effects of allowing longer vehicles, including various sizes of trucks. There may be justification to modifying the vehicle type provision of the contract.

Likewise, the issue of entrance and exit points from the optional toll lanes has been mentioned. This question has been the subject of work since the contract was signed, additional points have been added and we need to make sure we have clearly described those changes. If additional changes are needed, those would be another issue on which modifications would be required.

Attached you will find the latest fact sheet we have developed for the project. We are not asking for an action by your board/council – just a list generated by your jurisdiction. Once we have assembled the total list, we'll be able to provide an estimated timeline for response. Any changes will be the subject of negotiated agreement between NCDOT and I-77 Mobility Partners, as provided for in the contract.

The logo for 'Nothing Compares' features a stylized, wavy line above the text 'Nothing Compares' in a serif font, with a small 'SM' trademark symbol.

As the first of its kind for North Carolina, this is a very large and complex enterprise. We want to make sure it delivers the kind of extraordinary benefit possible from a project of this scale and appreciate your help in doing so.

Sincerely,

A handwritten signature in black ink, appearing to read 'Nicholas J. Tennyson', with a stylized flourish at the end.

Nicholas J. Tennyson

Attachment: Fact Sheet



I-77 Express Lanes Factsheet February 2016

The Optional Toll Lanes Project on I-77 North:

- To help with traffic relief on one of North Carolina's most congested roads, NCDOT is currently investing a little more than \$90 million to build additional lanes and improve 26 miles of I-77 North between Uptown Charlotte and the Lake Norman area.
- A public private-partnership allows new, optional toll lanes to be opened to traffic within 3 years, instead of keeping I-77 North under construction for decades while attempting to build lanes in smaller sections.
- Through the public-private partnership, I-77 Mobility Partners (Cintra US), will be responsible for the remainder of the \$655 million to design, construct, operate and maintain the new optional toll lanes (express lanes).
- **All existing general-purpose lanes will remain free for drivers.**
- Vehicles with three or more people can choose to use new optional toll lanes for free, with a transponder, at any time. A mom or dad driving their two kids to daycare, school or soccer can use them for free. Three or more co-workers carpooling can also use the optional toll lanes for free.
- Transit vehicles can use the optional toll lanes for free, helping strengthen the regional transit system, and taking those larger vehicles out of the general-purpose lanes. Emergency vehicles and motorcycles can also use the optional toll lanes without a charge.
- Drivers with fewer than 3 people in their vehicle can choose to pay to use optional toll lanes for a more reliable travel time for a part, or the entire 26 miles. While some people may choose to use the lanes as part of their daily commute, others may turn to the option if they are running late for a meeting, need to get to a doctors appointment or they are trying to get to the airport quickly to catch a flight.
- When transit vehicles and other drivers use the optional toll lanes, fewer cars will be in the general purpose lanes.

The Contract:

- The contract **fully protects taxpayers of North Carolina** by putting financial liability on private bondholders and lenders. It is a standard industry contract that was awarded through the required bidding process under state and federal law.
- This contract went through a thorough due diligence process that included state, federal and independent financial review prior to approval of bonds and other project debt.
- Certain financial aspects of the contract were reviewed and approved by the USDOT and the Local Government Commission (which includes the State Treasurer, State Auditor, Secretary of State and Secretary of Revenue.)
- NCDOT is currently working with local governments to identify potential contract enhancements.

Frequently Asked Questions:

Is it true that a private company will own the road for 50 years and the state can't add new lanes?

- No. The State of North Carolina owns— and will continue to own—the entire road and the area along side of the road. Provisions under the contract allow NCDOT to build additional lanes if needed, but may require payments to the vendor. The state can also make any safety improvements, transit improvements or light rail improvements, and make improvements to parallel routes with no compensation to the developer.
- All toll collection and customer accounts will be managed through the North Carolina Turnpike Authority, which currently manages toll operations on the Triangle Expressway in Wake and Durham Counties.

Is it true I would have to pay \$20 a day to use the optional toll lanes?

- No. Drivers on I-77 North will have several choices: Continue to use general-purpose lanes for free, use new optional toll lanes for free when carpooling with 3 or more people, or pay to use the optional toll lanes for a more predictable travel time with fewer than 3 people.
- Toll rates will vary depending on peak travel times and volume of traffic in the Express Lanes, but most people using those lanes during peak commute times can expect to pay between 14 and 40 cents per mile. I-77 Mobility Partners will seek public comment before setting and posting fixed toll rates for the first six months.
- Those who choose to pay to use the optional toll lanes will have numerous entry and exit points and can use the lanes for whatever portion of their trip they choose.

Why did the region choose to go with optional toll lanes instead of general-purpose lanes?

- The local transportation planning organization approved and requested this project based on a detailed study that started in 2007 and identified an optional toll lanes strategy as the best immediate and long-term congestion management solution for the region. Previous, general-purpose widening projects proved to fill quickly, causing longer chokepoints instead of helping relieve congestion.

Is it true the private developer has a track record of similar projects failing?

- No. The company has a history of producing successful project delivery in the United States and in Europe.
- In the unlikely event that the I-77 project fails there are numerous protections in place to shield North Carolina taxpayers from any financial liability.