

Tolling I-95 is the Wrong Solution for Virginia and the Nation

Press Release, Published by the American Trucking Associations, September 19, 2011

Arlington, Va. – Tolling Interstate 95, as proposed today by Virginia Gov. Bob McDonnell, would harm the state, as well as the nation’s economy, more than help repair the corridor, American Trucking Associations President and CEO Bill Graves said in a statement.

“While it is true that I-95 is one of the ‘most important and heavily traveled highway corridors in the country,’ as Gov. McDonnell says, there are far more expeditious and efficient ways of raising revenue for its upkeep than tolls,” Graves said. “Study after study shows that tolls carry astronomically higher capital and overhead expenditures compared to the fuel tax.

“Raising the fuel tax provides revenue immediately, rather than over several years like tolling, and it doesn’t require upfront investment to build a government bureaucracy to collect it,” Graves said. “While many see tolling as a way to avoid raising taxes, tolls certainly are taxes and imposing them is certainly not a ‘conservative’ way to finance highways.”

In addition to the financing inequity, Graves said imposing tolls would only add to I-95’s congestion, or worse, drive trucks off onto smaller secondary roads that aren’t designed to handle the increased traffic.

“The Interstate Highway System was designed to promote the free flow of goods across our country. Setting up toll booths at our borders and near our cities will restrict those goods and harm our economy,” Graves said.

Proposals like this one, Graves said, are a symptom of the problems the federal government has had in passing a long-term highway bill.

“As a former governor, I know that when Washington abdicates its responsibility, states must step up to fill the void,” he said. “If President Obama and Congress were serious about creating jobs and improving our roads and bridges, they would quickly pass a long-term, well-funded transportation bill focused on critical corridors like I-95.”

Drivers could be paying tolls on Interstate 95 in two years

By Peter Bacqué, *Richmond Times-Dispatch*, Published September 20, 2011

In two years, drivers on Interstate 95 could be paying tolls to use the state's most heavily traveled road.

The Federal Highway Administration has given the state tentative approval to place tolls on portions of I-95 under a federal pilot program, Gov. Bob McDonnell said Monday.

Based on tolls of \$1 to \$2 per axle — or \$2 to \$4 per car and \$10 or more for tractor-trailers — early VDOT estimates indicate the tolls could generate \$30 million to \$60 million a year during the first five years and larger annual amounts later.

The tolls would be on for at least 10 years, and perhaps indefinitely, officials said. Tolling ended on I-95 from Richmond to Petersburg in 1992 after 34 years.

Virginia officials had been considering a toll-collection point at the North Carolina border. But now they will look at other locations because federal officials want tolls to be collected in the areas where the money will be spent.

The revenue from the proposed tolls would have to be used for projects in the I-95 corridor. It would

focus on projects — initially the ones to improve safety — from the North Carolina line to milepost 126 at Massaponax in Spotsylvania County.

The state wants to use the money to pay for expanding the road capacity, operational and safety improvements, and pavement and structure rehabilitation, the governor's office said. Building those projects would run into the hundreds of millions of dollars, the Virginia Department of Transportation told the Federal Highway Administration.

Having a dedicated source of money for work on I-95 would in turn free up transportation funds for improvement projects on other highways across the state, officials said.

"Limited funds and growing capital and maintenance needs have led to deficient pavements and structures, congestion, higher crash density and safety concern," McDonnell said in a statement, calling the federal approval "a major step toward funding critical capacity and infrastructure improvements needed in this corridor."

Examples of specific projects that could be funded through toll revenues include widening I-95 between Interstate 295 and the North Carolina border, upgrading electronic message board and road weather information systems, installing over-height detectors on bridges, widening shoulders and repaving within the corridor.

Road-user groups were not pleased with the tolling proposal.

"We are opposed to any proposal that would allow tolling of existing highways," said P. Dale Bennett, president and CEO of the Virginia Trucking Association, which represents about 350 trucking companies.

"Although we understand the dire need for transportation funding in the commonwealth, AAA does not believe the tolling should be imposed on existing capacity, especially on the interstate highway system," said Windy VanCuren with the AAA Mid-Atlantic travel organization. AAA has nearly 850,000 members in Virginia.

Others backed the toll initiative.

"We support the tolling of new highways and the tolling of existing highways as well," said Jeffrey C. Southard, executive vice president of the Virginia Transportation Construction Alliance, representing the state's road-building industry.

And, said University of Richmond transportation economist George E. Hoffer, "it is a great way to control congestion on I-95," by encouraging drivers reluctant to pay the toll to use other roads.

Virginia's I-95 toll plan will have to go through the federal environmental review process before it can receive full U.S. approval, Federal Highway Administration chief Victor M. Mendez told the state.

The state also will have to detail to the federal government the improvements it will make with the money, why those projects were selected, how the tolls will help I-95 carry more traffic, and where the tolls will be collected and why VDOT picked particular toll-collection locations.

The federal Interstate System Reconstruction and Rehabilitation Pilot Program allows the conversion of free interstate highways into toll facilities in conjunction with reconstruction or rehabilitation work that

is possible only using tolls, the Federal Highway Administration said.

The state's toll collection must be for a specified term of at least 10 years, the federal highway agency said.

Because the federal interstate tolling program allows for only one pilot project, the agency rescinded its earlier approval for a proposed toll on Interstate 81.

Traffic volumes on I-95 run from about 40,000 vehicles a day at the North Carolina line, to about 145,000 vehicles a day in Fredericksburg, and to about 215,000 vehicles a day at the Springfield interchange in Northern Virginia.

Having tolls on I-95 in Virginia would not be new. The Richmond-Petersburg Turnpike, designated as part of Interstate 95, was a toll road from its opening in 1958 until the fee was removed in 1992.

Some interstate-designated highways have tolls, such as the New Jersey Turnpike, which carries I-95, but those highways generally were constructed as independent toll roads.

Virginia's pilot tolling project could be a harbinger of a larger shift in federal transportation funding policy, officials said.

"This would represent a major change in how we finance interstate highways, and it is part of a national trend of increasingly looking to tolls to fund transportation given increasing aversion to raising the gas tax and other trends affecting funding," said Trip Pollard with the Southern Environmental Law Center.

"The devil is in the details," Pollard said. "This proposal needs careful study."

TOLLS GET NOD FROM FEDS

BY CHELYEN DAVIS, The Free Lance-Star (Fredericksburg), Published September 20, 2011

Virginia has received preliminary approval to charge a toll on portions of Interstate 95.

Gov. Bob McDonnell's office said in a news release that the Federal Highway Administration has granted the state "conditional provisional approval" to set up tolls. Now the state must submit more detailed plans to the FHA before final approval would be granted.

Tolling I-95 between Fredericksburg and the North Carolina border was one of McDonnell's transportation proposals during his 2009 campaign for governor.

According to the governor's release, toll revenues could pay for widening I-95 from Interstate 295 near Richmond south to the North Carolina border, installing height detectors on bridges, widening shoulders, installing guardrails and improving pavement along the I-95 corridor.

Secretary of Transportation Sean Connaughton said the state is looking at placing one or two toll facilities on 95 somewhere between Fredericksburg and the North Carolina line.

That's because the state already has conditional approval through a separate program for high occupancy toll lanes from mile marker 126 at Massaponax northward, and so could not put additional toll facilities there.

Connaughton said he expects it will take a year to 18 months to finish all the required studies.

"Our hope is we could actually start construction and have the tolls running between two to three years" from now, he said.

He suggested Virginians should expect to see more tolls around the state in the future.

"This is the ultimate user fee. If you're paying that toll, you're using that road," Connaughton said. "And given that we're seeing gasoline tax revenues continue to decline we've got to look more to user fees to pay for transportation."

Preliminary estimates from the Virginia Department of Transportation suggest that tolls could generate \$250 million over the first five years, and more than \$50 million a year after that.

Cord Sterling, a member of the Stafford County Board of Supervisors and of the state's Commonwealth Transportation Board, said using tolls is a good way to get a "users fee" from all drivers who use the interstate, not just local or Virginia residents.

He also said that in recent years, discussions about the possibility of using tolls on I-95 have focused on the North Carolina-Virginia border, or other state lines, not up and down the interstate.

In his statement, McDonnell said that while I-95 is one of the most traveled highways in the country, it has deficient pavement, congestion, higher crash density and other safety concerns, thanks in part to limited funding and growing maintenance costs.

"This approval is a major step toward funding critical capacity and infrastructure improvements needed in this corridor," McDonnell said. "The commonwealth cannot continue to be a leader in economic development and job creation if we do not address our transportation needs."

Connaughton said the whole I-95 corridor gets a D in terms of average service level, and some of the more urban portions of the road get an F during peak periods.

"This level of service is unacceptable anywhere, let alone on the most traveled corridor in Virginia," Connaughton said. "The ability to implement tolling will provide the revenues necessary to improve I-95."

The U.S. Department of Transportation has an Interstate Reconstruction and Rehabilitation Pilot Program, which allows only three states to test out tolling on interstates. Essentially, Virginia's portion of I-95 would be one of those three. An earlier approval to test tolling on Interstate 81 was rescinded.

Interstate 95 tolls are moving closer to reality

by Julian Walker, *The Virginian Pilot* (Norfolk) Published September 20, 2011
(Pilot writer Debbie Messina contributed to this report.)

RICHMOND - Driving on Virginia's stretch of Interstate 95 could become more expensive now that tolls on the highway are one step closer to reality.

The Federal Highway Administration this month granted conditional approval to Gov. Bob McDonnell's proposal for I-95 tolls and has outlined steps the state must take before getting final permission to begin

collecting money.

State transportation officials estimate that construction of toll plazas along the highway could be three years down the road. Before then, studies will be done to determine the amount of the tolls, how they would be assessed, where booths would be located and other issues.

Early plans call for two collection points between Fredericksburg and the North Carolina line. Money raised from the tolls could be used only to upgrade the I-95 corridor, which includes Interstate 295 near Richmond and Petersburg.

Virginia's analysis and necessary public hearings will likely take 18 months, followed by at least a year of preliminary engineering for the toll plazas, according to Transportation Secretary Sean Connaughton.

The state, he added, is exploring a plan to let a private company oversee the stretch of interstate, including operating the toll facilities and managing highway upkeep.

McDonnell praised the federal decision, saying in a statement that the tolls could provide a way to pay for needed upgrades on the heavily traveled East Coast route now pocked by "deficient pavements and structures, congestion, higher crash density and safety concerns."

"This approval is a major step toward funding critical capacity and infrastructure improvements needed in this corridor," the governor said. "The commonwealth cannot continue to be a leader in economic development and job creation if we do not address our transportation needs."

There's another potential benefit: Using tolls to pay for the interstate's upkeep could help other areas of the state by freeing up limited maintenance money.

"I-95 is a big struggle for the commonwealth," said Dwight Farmer, executive director of the Hampton Roads Transportation Planning Organization. "If we can get that off our plate, or at least partially off our plate, we can go and put our attention and resources in some other areas - maybe I-81 or I-64."

Initial toll revenues would cover highway maintenance and bridge rehabilitation, said Connaughton, who added that future proceeds could fund lane-widening projects.

McDonnell last year pursued tolling authority through the Interstate System Reconstruction and Rehabilitation Pilot Program, a federal program that has slots for three highway toll projects in different states.

At the time, his administration proposed tolls of \$1 to \$2 per axle on northbound and southbound vehicles on I-95. Officials said adding tolls to a roughly 126-mile stretch of interstate from the North Carolina border to the Fredericksburg area could generate an estimated \$30 million to \$60 million annually.

While the final figures have yet to be determined, it's increasingly clear that governments see tolls as a way to bridge the gap between rising construction costs and diminishing revenue from gasoline taxes used to fund road needs.

In Hampton Roads, tolls of between \$1.59 and \$1.84 are part of the financial package for building a parallel Midtown Tunnel, extending the Martin Luther King Freeway and improving the Downtown Tunnel.

Va. can move ahead with I-95 toll plan, feds say

By Ashley Halsey III, *The Washington Post*, Published September 19, 2011

Parts of Interstate 95 south of Fredericksburg may become toll roads if Virginia follows through on a federal approval of a plan to pay for highway improvements by collecting money from drivers who use them.

Preliminary approval by the Federal Highway Administration (FHWA), which has authority over tolling on interstates, allows the state to move ahead with a proposal to require tolls from drivers heading into the state from North Carolina.

Although there has been strong resistance in Congress and in many states to replace waning gas tax revenue with pay-by-the-mile plans, the Virginia proposal reflects a stark reality faced by state officials nationwide. They don't have enough money to maintain and replace an aging network of roads and bridges.

"This approval is a major step toward funding critical capacity and infrastructure improvements needed in this corridor," Virginia Gov. Robert F. McDonnell said Monday in a statement announcing the approval. "The General Assembly passed my transportation plan setting the framework for investing \$4 billion in our transportation network over the next three years. The ability to toll I-95 will help leverage this investment by funding transportation improvements in this vital corridor."

The state estimates it would collect \$250 million in tolls in the first five years of operation and more than \$50 million a year after that. Under federal rules, toll money would have to be used to improve or expand capacity on the highway where it is collected.

To win final federal approval of the I-95 tolling plan, the state must conduct an environmental review, outline improvements that will increase capacity, determine where tolls will be collected and defend that determination, and certify that toll revenue will replace all other federal funding that otherwise would have been used for maintenance or improvement of the tolled portions.

"Our goal is to complete these steps as quickly as possible so we can develop and implement a satisfactory toll agreement with the FHWA," said Virginia Department of Transportation Commissioner Gregory A. Whirley.

If the state meets the requirements, Virginia officials have estimated it would take 18 to 24 months before toll collection would begin.

"The entire I-95 corridor averages a level of service of 'D,' and some more urban portions are 'F' during peak periods," said Virginia Secretary of Transportation Sean T. Connaughton. "This level of service is unacceptable anywhere, let alone on the most traveled corridor in Virginia. The ability to implement tolling will provide the revenues necessary to improve I-95."

The federal Highway Trust Fund, the principal source of transportation funding, no longer can keep pace with the nation's needs. Its money comes from the 18.4 cent-per-gallon federal gas tax, which has not been raised in 18 years even as the average gas mileage of cars in the United States has increased significantly.

Inability to resolve that revenue gap is the primary reason that Congress has been unable to pass a long-term transportation spending plan since the last one expired in 2009.

The gap is enormous: The U.S. Chamber of Commerce estimated six years ago that \$222 billion a year was needed to maintain the surface transportation system. Revenue flowing into the Highway Trust Fund was falling about \$45 billion short of that amount.

A congressional commission in 2009 considered more than two dozen options before recommending a national transition from a fuel-tax-based revenue system to one “measured by miles driven.”

Though neither chamber has formally introduced a surface transportation bill, leaders in the House and Senate have outlined strikingly different proposals.

The Senate proposal would provide about \$109 billion spread over two years, an outlay that would require general-fund money to augment trust-fund revenue.

The House, which is committed to a spending plan based on gas tax revenue, has talked of a six-year plan to provide about \$35 billion a year.

House Transportation Committee Chairman John L. Mica (R-Fla.) thinks that sum can be used to leverage double that amount through public-private partnerships. When those partnerships take the form of arrangements such as the high-occupancy toll (HOT) lanes under construction on the Capital Beltway in Virginia, the private partner profits by charging tolls.

Virginia may be allowed to put tollbooths on I-95

Gov. McDonnell said the tolls would help improve safety, upgrade pavement and relieve congestion.
By Michael Sluss, *The Roanoke Times*, Published September 20, 2011

RICHMOND - Virginia has received preliminary approval from the federal government to impose tolls on Interstate 95, advancing a significant element of Gov. Bob McDonnell's transportation program.

As part of the agreement with the Federal Highway Administration, Virginia's provisional approval to put tolls on Interstate 81 has been rescinded. The Virginia Department of Transportation applied last year to transfer its tolling authority from I-81 to I-95, with the idea of imposing tolls near the North Carolina border.

The state received a letter last week from federal highway administrator Victor Mendez granting the conditional provisional approval of the I-95 tolling plan and spelling out additional steps Virginia must take to advance the project.

McDonnell announced the development Monday, calling it a "major step toward funding critical capacity and infrastructure improvements needed in this corridor."

"I-95 is one of the most important and heavily traveled highway corridors in the country, linking population and commercial centers up and down the East Coast," McDonnell said. "Limited funds and growing capital and maintenance needs have led to deficient pavements and structures, congestion, higher crash density and safety concerns."

Virginia plans to toll I-95 under the Interstate Reconstruction and Rehabilitation Pilot Program, a

demonstration program that allows only three states to put tolls on designated interstates.

The Virginia Department of Transportation estimates it could generate \$250 million in toll revenue in the first five years of the program and more than \$50 million annually in later years. Revenues would help fund capacity expansion, operational and safety improvements, pavement and structure reconstruction, and rehabilitation throughout the I-95 corridor, McDonnell's administration said.

"The entire I-95 corridor averages a level of service of 'D' and some more urban portions are 'F' during peak periods," said state Secretary of Transportation Sean Connaughton. "This level of service is unacceptable anywhere, let alone on the most traveled corridor in Virginia. The ability to implement tolling will provide the revenues necessary to improve I-95."

Final federal approval and construction of toll facilities likely will take a couple of years, McDonnell spokesman Jeff Caldwell said. VDOT will study locations between the North Carolina border and Fredericksburg for placing toll facilities.

The Federal Highway Administration in 2003 granted Virginia tolling authority for I-81. At the time, the state was considering private proposals to widen I-81, create dedicated travel lanes for truck traffic and use truck tolls to finance the work.

That plan was effectively scrapped in 2007 when VDOT ended negotiations with the consortium of highway contractors who initiated the proposal. The General Assembly later passed legislation that would prevent private entities from putting tolls on I-81 without approval from state lawmakers.

Feds grant preliminary approval for Interstate 95 tolls

By Jon Cawley, *Daily Press* (Newport News), Published September 19, 2011

RICHMOND — Gov. Bob McDonnell announced Monday preliminary federal approval of a plan to put tolls on Interstate 95, which could affect Hampton Roads travelers — especially government and military workers with business in Washington.

In a Sept. 14 letter, Federal Highway Administration Administrator Victor Mendez granted "conditional provisional approval" for the Virginia Department of Transportation plan to be carried out and outlined required steps, a governor's office statement said. By granting provisional approval, the U.S. Department of Transportation is reserving a slot in the Interstate Reconstruction and Rehabilitation Pilot Program. The reservation allows VDOT to undertake necessary studies to move the project forward. VDOT estimates it could generate \$250 million over the first five years of the I-95 toll program and over \$50 million annually after that. The revenues would be used to help fund capacity expansions and operational and safety improvements in addition to pavement and structure reconstruction and rehabilitation throughout the corridor, the statement said.

Currently, Virginia has a total of nine tolling facilities with variable charges. Hampton Roads has the George C. Coleman Bridge, the Chesapeake Bay Bridge-Tunnel, the Jordan Bridge (that is currently closed while a replacement is constructed) and the Chesapeake Expressway. Additionally, there are three toll facilities — the Downtown Expressway/Powhite Parkway, the Boulevard Bridge and Pocahontas Parkway — outside Richmond. Northern Virginia has tolls instituted at the Dulles Toll Road and Dulles Greenway.

In Virginia, I-95 runs 177 miles from North Carolina to Washington and is part of the longest north-

south interstate highway in the nation, according to VDOT information. The governor's statement classified it as "the most traveled corridor in Virginia."

Last year, when the plan to toll I-95 was presented to federal authorities, VDOT projected revenues of between \$30 million and \$60 million per year if tolls of \$1 to \$2 per axle were instituted.

As part of the I-95 decision, previous provisional approval to toll Interstate 81, in the western portion of the state, has been rescinded and I-95 will become one of three projects nationwide under the pilot program, the statement said.

"This approval is a major step toward funding critical capacity and infrastructure improvements needed in the corridor," McDonnell was quoted as saying, in the statement. "The Commonwealth cannot continue to be a leader in economic development and job creation if we do not address our transportation needs."

The issue also highlights a growing acceptance of tolling as a solution to transportation funding challenges.

Discussions of new tolling measures in Hampton Roads have gained traction over recent years as a way to help critical projects reach fruition. Several private consortiums have pitched plans to expand the Hampton Roads Bridge-Tunnel to eight lanes and institute tolls as a way to recoup construction costs. A similar plan is also in place regarding upgrades to the Downtown and Mid-Town tunnels in Norfolk.

No toll booths on I-81

Conditional approval rescinded with OK for Interstate 95 plan

By Sally Voth, *The Northern Virginia Daily* (Strasburg, Va.), Published September 20, 2011

Gov. Bob McDonnell sounded the death knell on Monday for tolling on Interstate 81.

The Federal Highway Administration has given preliminary approval to the Virginia Department of Transportation to begin his plan to toll drivers on Interstate 95, McDonnell said.

The tolling would be under the Interstate Reconstruction and Rehabilitation Pilot Program, according to a news release from the governor's office.

That program has had authority to charge tolls on I-81 since 2003, but Monday's announcement marks the end of the proposal.

"As part of this approval, VDOT's conditional provisional approval to toll I-81 will be rescinded," the release says.

That was welcome news to the Shenandoah Valley Battlefields Foundation, which has opposed tolling, which it sees as a necessary step for widening the highway.

"The Battlefields Foundation has never thought that tolling I-81 would be an effective or practical way to make road improvements and to raise highway revenue, simply because of the narrow channel in which I-81 runs between the Massanutten Mountain and the towns, and the river, depending on what part of the valley you're in," the foundation's executive director, Denman Zirkle, said Monday. "Traffic that would be diverted from I-81 to keep from paying the tolls would overwhelm the other road

networks, particularly in the area between Harrisonburg and Strasburg."

Shenandoah Forum Chairwoman Carolyn Long, however, was taking a more "cautiously optimistic" approach.

"It's a catch-22 because even though people that take 95 generally aren't going to take 81, there could be the potential of diverted traffic to avoid the tolls," she said.

But, anything preventing I-81 from being tolled is good for area businesses, Long said. Still, the situation bears monitoring.

"You always have to be watchful for what they have planned for that road, especially the widening," Long said.

Del. Todd Gilbert, R-Woodstock, and Sen. Mark Obenshain, R-Harrisonburg, got legislation passed several years ago that prevents VDOT from tolling I-81 without specific General Assembly permission, Gilbert said.

"That's not a protection that existed for Interstate 95," he said.

Tolling I-95 could cause even more traffic on I-81 if it leads to more vehicles diverting to the valley, Gilbert said.

"The tolling of I-95 would be unprecedented in Virginia in terms of its scope," he said. "In general, I'm not opposed to toll roads being built as toll roads because it's a cost-effective way of building new roads, but I don't think people should have to pay to drive or haul products on a road that they've already paid for many times over."

McDonnell's press secretary, Jeff Caldwell, said in a Monday email that tolling on I-95 could start in about two years.

The tolls could generate about \$50 million a year, according to the release, and help pay for expansion, safety and operational improvements, as well as paving projects.