



2h
9-12-09

COMMONWEALTH of VIRGINIA

Office of the Governor

P.O. Box 1475
Richmond, Virginia 23218

(804) 786-8032
Fax: (804) 786-6683
TTY: (800) 828-1120

Pierce R. Homer
Secretary of Transportation

February 24, 2009

Mr. James Hurysz
Post Office Box 5191
Preston King Station
Arlington, Virginia 22205

Dear Mr. Hurysz:

Thank you for your recent regarding the I-395/I-95 HOT/HOV/Bus Lane Project and its potential effects on land use and traffic congestion.

I understand your concerns. The project design is based on a traffic model that forecasts future traffic volumes and patterns. These traffic volumes and patterns result from anticipated land use that has been adopted and approved by the individual localities (including Arlington County). The Virginia Department of Transportation (VDOT) works closely with these localities to coordinate land use and transportation needs; however, the land use decisions ultimately rest with the localities. For more information regarding the project, please visit the Virginia Megaprojects website at <http://vamegaprojects.com>.

If you need additional information, please feel free to contact Mr. Steve Titunik, Communications Director, VDOT Northern Virginia MegaProjects Information Center, at (571) 483-2591 or steve.titunik@vdot.virginia.gov.

Thank you for your support of the project.

Sincerely,

Handwritten signature of Pierce R. Homer in black ink.
Pierce R. Homer

PRH:es

Copy: Mr. David S. Ekern, P.E.

James Hurysz
PO Box 5191
Preston King Station
Arlington, VA 22205

January 28, 2009

Hon. Pierce Homer
Secretary of Transportation
Commonwealth of Virginia
PO Box 1475
Richmond VA 23218

RE: Virginia HOT Lanes on I-95 - I-395 and Rt 1 Toll Road in Delaware

Dear Secretary Homer:

I am a resident of the historic Fairlington community, located in Arlington and Alexandria. As you may be aware Interstate 395 bisects Fairlington.

I sometimes work in Delaware and you should be aware of Delaware's experience with a congestion pricing toll road, aka HOT lanes.

The State of Delaware constructed the Rt 1 toll road parallel to Rt 13 more than a decade ago. The Rt 1 toll road extends North from Dover Air Force Base to I-95, near Wilmington. The Rt 1 toll road is 50 miles long and has three toll plazas and 14 entrance/exit ramps. Like the proposed I-95-I-395 HOT lanes in Virginia, the Rt. 1 toll road uses congestion pricing to determine tolls.

Like the close-in DC suburbs, the Wilmington metro area has experienced significant economic development and infrastructure redevelopment over the past two decades. Wilmington has become an important financial services center.

It is sobering to see what has occurred and is occurring in the Rt 1 – Rt 13 corridor between Wilmington and Dover.

Affordable housing is disappearing from Wilmington and is being constructed on highly productive agricultural land along the Rt 1 – Rt 13 corridor. Housing and commercial growth is largely uncontrolled. This growth is occurring in rural areas and the rural road system is not being upgraded to handle the increased traffic from large housing and commercial development.

Consequently, there is serious traffic congestion in and around newly developed communities in the Rt 1 - Rt 13 corridor, for example, in Middletown Delaware.

2.

A heavy-freight Norfolk-Southern rail line parallels the Rt 1 – Rt 13 corridor, but this rail line is only used for bulk commodity shipping.

The Rt 1 toll road funnels a massive amount of traffic into I-95 and local highways near Wilmington every day. Consequently, there is serious traffic congestion and serious traffic delays near Wilmington.

I, and others in my community are very concerned that HOT lanes on I-95 in Virginia will have the same detrimental effect on both the agricultural land to the south and on traffic inside the Northern Virginia Beltway. At the southern end of the I-95 HOT lanes we would see wholesale destruction of prime agricultural land and construction of massive suburban sprawl in Caroline County. At the northern end of the HOT lanes we could see 50,000 more vehicles each weekday funneled into I-395 driven by persons commuting to DC from affordable housing in Caroline County.

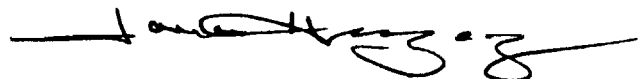
Although there is a passenger rail line that parallels I-95 between Washington and Richmond, there are no concrete plans to extend VRE into areas of future population growth south of Spotsylvania County.

Arlington County already has significant traffic congestion. The EPA air quality index for Arlington is 90, the same as Los Angeles County outside Los Angeles. We see no relief from more traffic congestion by local elected officials. Arlington County government approved the construction of more than 4,000 new parking spaces last year, concomitant with development and redevelopment.

Whatever promises are made by VDOT and by the consortium that would, *de facto*, own and operate the I-95 HOT lanes, the reality is the consortium is made up of for-profit corporations and the more single occupancy vehicles use the HOT lanes the greater their profits. The for-profit consortium would run the I-95 – I-395 HOT lanes much like HMOs run hospitals.

Consequently, I, and others in my community oppose the construction of HOT lanes on I-395 and I-95.

Sincerely,

A handwritten signature in black ink, appearing to read 'James Hurysz', written over a horizontal line.

James Hurysz

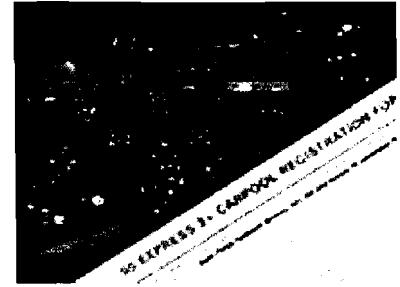
Article from: www.thenewspaper.com/news/24/2469.asp

7/14/2008

HOT Lanes Discourage Carpooling

High Occupancy Toll lanes in some, but not all, states actively discourage carpooling.

"High occupancy" use of so-called High Occupancy Toll (HOT) lanes is actively discouraged in some states to ensure the greatest number of drivers pay for the use of roads. As the US Department of Transportation continues to pressure states to turn existing High Occupancy Vehicle (HOV) lanes into toll lanes, HOT advocates assure carpoolers that tolling will not affect them. Practices adopted by the most recently opened HOT projects suggest this claim may be misleading.



In the 1990s, congressional mandates forced states to adopt HOV lanes as an environmental improvement measure. These lanes promised to encourage ride sharing, thereby reducing the number of vehicles on the road. Supporters argued that this reduction would both lessen congestion in free travel lanes and improve overall air quality. For example, if a group of friends wanted to take the freeway to attend a distant event during rush hour, they could choose to take one vehicle instead of three in return for the benefit of a speedier journey in the special carpool lane.

Such impromptu carpooling efforts are denied free access to the high occupancy lanes in the country's newest federally funded project. The South Florida 95 Express HOT lanes require anyone wishing to take advantage of high occupancy status to pre-register, obtain a set of decals and pay for a SunPass toll transponder. Once approved and the driver's transponder is activated, those carpool journeys deemed acceptable to the Florida Department of Transportation will be free. Those wishing to register must provide extensive personal details to the state-operated toll road and meet a detailed set of criteria (view application form, 150k PDF).

- Participants must *live* within a three-mile radius
- Participants must *work* within a one-mile radius
- Participants must have a start and end their work day within 30 minutes of one another

"If any member of the carpool does not meet the criteria, the carpool registration request will be rejected unless additional information is provided that would constitute a 3+ commuter carpool," South Florida Commuter Services explains on its website.

The only exception to the detailed distance criteria is that accepted participants are allowed to meet at an approved Park-and-Ride lot. The system offers very little flexibility. If one member of the carpool drops out, a new co-worker cannot join without first submitting his personal details and having his application processed. Decals also expire every six months, requiring constant renewal.

Although Florida imposes these restrictions, Colorado does not. Colorado's state-owned Interstate 25 Express Lane project is designed to allow impromptu carpoolers and motorcyclists to continue with the same free and easy use of HOV lanes. To avoid a registration bureaucracy, the state created two separate lanes for entering the HOT facility -- one for toll payers and one for carpoolers. Strategically placed police enforcement zones on the side of the lanes maximize opportunities for the ticketing of solo drivers who might venture into the untolled carpool lane. Once motorists pass the toll collection zones, they are allowed to use any lane.

Upcoming projects have not been forthcoming about whether a Florida or Colorado model of operation will be put in place. For example, Virginia's Interstate 495 Capital Beltway HOT lane project, which is run by the Australian company Transurban, has kept carpool requirements quiet while the project is still under construction.

"Detailed plans and processes for obtaining any required transponder will be communicated to all users of the HOT lanes prior to the lanes opening," the project website explains. "Fluor-Transurban and VDOT will conduct extensive community education efforts to ensure motorists understand how to use HOT lanes."

According to Virginia's contract with Transurban, taxpayers would have to make payments to Transurban if the HOT lanes actually ended up encouraging carpooling (details).

The story is similar for hybrid vehicles. Although the owners of these politically favored automobiles do not need to go through as much hassle to obtain free use of certain HOT lanes, their free ride could be short-lived. In Colorado and Florida, hybrid owners must buy a toll transponder and send in an application containing the hybrid's license plate and, in Colorado, the vehicle identification number. Owners will then receive a decal to place on their car and driving will be toll free from that point forward on participating roads.

There are strict caps on the favoritism. Colorado, for example, will only allow 2000 hybrids to take advantage of HOT lanes and will only consider allowing more if it does not impact toll revenues significantly.

"The EXpressToll transponder account may be utilized to implement tolling upon hybrid vehicles in the event degradation of travel speed occurs in HOV and express lanes," Colorado's Department of Transportation explains on its website. "Your EXpressToll transponder account will *not* be charged without advance notice and you will first be given the opportunity to cancel your account and return your transponder."

Hybrids will not have free use of the Virginia HOT lanes.

Article from: www.thenewspaper.com/news/24/2458.asp

7/8/2008

New Virginia Toll Lanes Designed to Create Congestion

Illegal political donations helped give Australian company full control over Virginia transportation until the year 2087.

Illegal political contributions helped an Australian firm land a lucrative toll road deal that grants the company unprecedented power over Northern Virginia's transportation future. Last week, Transurban wrote and asked state lawmakers to return checks that the Melbourne-based toll road operator had written in violation of federal campaign laws (details). But the deal these contributions helped bring about has already been finalized.



In June, the US Department of Transportation created a first-of-its-kind \$1.6 billion financing package that consisted of tax-free bonds, loans and state taxpayer grants to support the project that will add a pair of High Occupancy Toll (HOT) lanes to the Interstate 495 Capital Beltway just outside of Washington, DC. To this amount, Transurban only added \$349 million of its own capital -- less than the cost of interest -- toward the construction of the toll lanes (details).

In return for that small investment, Transurban received from Virginia officials the right to demand payment from state taxpayers any time that improvements are made to a number of free roads near the Beltway. In effect, the contract between the Virginia Department of Transportation (VDOT) and Transurban is designed to ensure the area remains sufficiently congested so that motorists will have an incentive to pay to use the toll lanes.

For example, VDOT can make no changes, expansion or improvements to the free lanes on the Beltway until the year 2087 unless the agency first consults Transurban. VDOT agreed that if any such changes were made to the general purpose lanes without Transurban's explicit approval, they would at least be made in such a way as to guarantee the company maintained a high level of profit.

"If the department [VDOT] determines that additional traffic lanes on the Capital Beltway Corridor are in the state's best interests, the department shall consult with the concessionaire [Transurban] as to an appropriate strategy to implement such additional traffic lanes," the contract states. "At the department's sole discretion, [it shall] permit the construction of additional lanes as part of the project *with a view to minimizing any detrimental impact on the project or its ability to generate revenues...*"

In the past, most toll road deals included "non-compete" clauses that strictly prohibited transportation departments from making improvements to nearby, competing roads. They did so because free-flowing traffic on alternative routes would hit the toll road's bottom line. Simply put: why take a toll road, when there's a free alternative?

Explicit non-compete provisions have become politically controversial, and as a result companies have recently embraced a more subtle approach that accomplishes the same goal. For example, the contract for the State Highway 130 toll road in Austin, Texas included a provision giving the Texas Department of Transportation a financial incentive to lower the speed limit on the nearby Interstate 35 freeway. As first reported by TheNewspaper last year that, this provision was designed to create congestion and inconvenience for the motorists who choose the free alternative route (details).

For the Beltway project, improvements such as adding additional free lanes to the highway are absolutely permitted -- for a price. The contract considers any improvement to the Beltway to be a "Department Project Enhancement" which means that Virginia taxpayers must pay Transurban for the right to improve the free portion of the highway. Given VDOT's stated lack of funding, adding an extra monetary premium to the cost of any improvements effectively gives the foreign company the ability to prevent such projects from happening.

The effect is not limited to the Beltway. The contract specifies that payments called "compensation events" must be made in the event that the state decides to improve the connections between the Beltway's general purpose lanes and the Dulles Toll Road or any "improvements to I-66 outside the Capital Beltway Corridor" made over the course of the next eighty years.

An "independent engineer" determines how much compensation Transurban will receive by calculating an expected traffic impact. This means that the more the public is likely to use a free alternative, the more Transurban is paid. In Sydney, Australia, for example, the Lane Cove Tunnel toll project contained a provision

requiring the state government to narrow the lanes of a nearby free road to generate congestion that would drive motorists into the tunnel. After the state decided to postpone the narrowing until after an election, the toll road concession was paid A\$25 million (US \$24 million) for that compensation event.

Transurban's control goes beyond lane improvements. Although the stated purpose of the "high occupancy" part of the toll lane project is to encourage motorists to carpool, the contract contains a provision directly designed to discourage any increase in the number of motorists sharing rides.

"The department agrees to pay the concessionaire, subject to Section 20.18, amounts equal to 70% of the average toll applicable to vehicles paying tolls for the number of High Occupancy Vehicles exceeding a threshold of 24% of the total flow of all permitted vehicles that are then using such toll section going in the same direction for the first 30 consecutive minutes during any day, and any additional 15 consecutive minute periods in such day, during which average traffic for a toll section going in the same direction exceeds a rate of 3,200 vehicles per hour based on two lanes," the contract states.

This means if carpooling becomes popular on the Beltway, taxpayers could end up making multi-million dollar annual payments to Transurban.

Finally, the contract insists that if any homes happen to lie in the way of the the construction of the new lanes, Transurban will pay no more than the current market value to purchase the land in question. If the owner refuses to move, VDOT will condemn the property and confiscate it for the use of the private, for-profit company through eminent domain. The Beltway project, however, was designed to be built within existing VDOT right-of-way to ensure the exercise of this power would not be needed.

Transurban shares on the Australian Stock Exchange jumped 15 cents to A\$4.60 today after the company announced quarterly earnings results. On Virginia's Pocahontas Parkway, the company reported a 7.8 percent increase in revenue over the same quarter last year, despite a 6.9 percent drop in the number of motorists using the toll road. It credited the positive performance to an 11 percent toll hike in January and the cancellation of the discount previously given to transponder users.

Relevant excerpts from the Transurban contract are available in a 260k PDF file at the source link below.

Source: Comprehensive Agreement Relating to Route 495 HOT Lanes - Excerpts (Virginia Department of Transportation and Capital Beltway Express, 12/19/2007)

Permanent Link for this item
Return to Front Page



ice Enforcement > Taxes and Tolls > Virginia: Toll Road Company Made Illegal Donations

PRINTER-FRIENDLY EMAIL TO A FRIEND

7/3/2008

- News
- ortation Secretary Named 3 Month
- ortation Secretary Endorses
- ocused of Cheating Tax
- reports Gasoline Tax
- overnor Schwarzenegger Hikes on Motorists

Virginia: Toll Road Company Made Illegal Donations

Illegal campaign donations by Transurban helped secure 80-year tolling deal in Virginia.

An Australian toll road company is on the hot seat for funneling \$177,000 in illegal campaign cash to Virginia lawmakers since 2005. The Washington Post reported earlier today that the Federal Election Commission (FEC) is investigating the issue and that Transurban has already asked state legislators to send back any campaign checks that may have violated the law.



According to the federal regulations governing elections, "a foreign national shall not, directly or indirectly, make a contribution or a donation of money or other thing of value... in connection with any federal, state, or local election." (11 CFR 110.20).

Transurban, which is headquartered in Melbourne, made the donations to help secure the rights to toll portions of the Capital Beltway and Interstate 95. In return for contributing just \$349 million of their own capital to the Beltway expansion project, Transurban earned the lucrative rights to bill Virginia drivers for at least eighty years. The rest of the project was financed with \$1.6 billion in federal and state grants, loans and guarantees (details).

Many of this deal's biggest supporters were recipients of significant contributions from Transurban. Governor Tim Kaine (D) got \$19,500 for his inaugural, leadership and campaign warchest. House Speaker William J. Howell (R) took \$12,500 for his leadership committee. Delegate Dave Albo (R-Springfield) received just \$500.

The contributions fell afoul of federal law because the FEC's definition of a foreign national includes foreign corporations. Most lawmakers were unaware of this because media reports often incorrectly refer to companies like Transurban as "Transurban USA" in the same way that red light camera vendor Redflex is called "Arizona based," suggesting they are not wholly owned and controlled by foreign corporations. Both Transurban and Redflex, for example, are listed on the Australian Stock Exchange. Each company ultimately answers to a CEO and board comprised of foreign nationals. When money flows from the foreign parent company to the US office, it becomes impossible to tell whether the foreign nationals are directly bankrolling the political donations, which is the most clear violation of federal statute in question.

US election law also makes it illegal for state lawmakers to receive such contributions knowingly. Although it is unlikely to be applied in this case, FEC rules state that legislators would be liable if they were, "aware of facts that would lead a reasonable person to inquire whether the source of the funds... received is a foreign national, but the person failed to conduct a reasonable inquiry."

These lawmakers, however, will not need to return other sources of campaign cash used to secure their support for the Beltway HOT lanes. Fluor Enterprises, a ten-percent partner in the deal, gave Virginia lawmakers \$242,685 in donations since 2001. Fluor is based in Dallas, Texas. Transurban has also retained the lobbying services of seven influential lobbyists who are free to make donations of their own. Lobbyist H. Benson Dendy, III, for example, has given candidates \$14,932 over the years, according to the Virginia Public Access Project.

Transurban told the Post that the returned donations would be donated to charity.

Go

in Topics:

Enforcement



Front Page

Beat a Traffic Ticket We'll beat your ticket, guaranteed. Money back if we fail. Seen on NBC. www.TicketEust.com

Car Donation Help Cancer It's Easy. Free Pickup. No Hassles. Call toll-free at 1-888-206-2944. www.Cars-For-Cancer.org

Ads by Google