December 8, 2017

Dear Ladies and Gentlemen,

Thank you for your letter dated December 7, 2017, regarding the Transform66: Inside the Beltway Project. As you know this project is the result of years of planning and a compromise reached between the General Assembly and the McAuliffe Administration during the 2016 General Assembly.

For decades, elected officials, planners and commuters have argued about Interstate 66 inside the Beltway. All agreed that something needed to be done but they were never able to find consensus. The Transform66: Inside the Beltway Project represents the first time since the roadway opened to traffic that major improvements and changes are being made to this critical corridor to help move more people. The compromise reached in 2016 included the following components:

- Conversion of I-66 inside the Beltway from HOV-only during rush hours to Express Lanes where single drivers would have the option to use the facility. This included modifications to the restricted hours and the decision that all solo drivers would be treated the same;
- Immediately beginning the process to widen I-66 eastbound between the Dulles Connector Road and Exit 71 (Ballston) and funding for this improvement;
- Toll revenues would stay in the corridor and be re-invested to provide more travel choices for commuters;
- Toll hours would be limited to four hours every morning and afternoon and there would be no reverse commute tolls; and,
- Carpool requirements would increase from HOV-2 to HOV-3 when Transform66: Outside the Beltway opens in 2022.

As our urban areas continue to grow and it becomes more difficult and expensive to widen existing roads, we must focus on moving more people not just more vehicles. This means we must look at solutions that include demand management, carpooling incentives and increased transit service. The Transform66: Inside the Beltway Project was developed around this principle and is based on a multi-year study completed during the McDonnell Administration. This project includes (i) policy changes to encourage carpooling, shifts in commuting times, and transit use, (ii) expansion of I-66 eastbound to address the operational issues created by the
merge of the Dulles Connector Road with I-66, and (iii) on-going, long term investments in new transit service, commuter lots and demand management strategies. These policies have been embraced by transportation experts from both sides of the aisle and those in-between, including the Eno Transportation Foundation, the Reason Foundation, the Competitive Enterprise Institute, and numerous smart growth and environmental organizations.

I want to provide you with the data on how the corridor is performing and whether the average tolls were in line with estimates. Transportation projects often take time to reach their desired impact and we are currently on day five. Here is what we know today about the impact of this project:

- Interstate 66 finally provides a fast, reliable trip for carpoolers and bus riders with travel times of 10-12 minutes over the four hour rush period compared with 15 to 30 minutes last December;
- Travel times on parallel arterials have either improved or stayed the same compared with last December with Route 50 seeing improvements in the morning;
- The average toll paid round-trip on Monday was $14.50, which is lower than the estimated, average toll of $17 from the Fall of 2015; and,
- Buses are running on schedule and ≈40% of traffic on Interstate 66 is carpools.

Below I respond to each of the concerns contained in your letter.

**Toll Rates**

Your letter states that VDOT “established the expectation that peak tolls would not exceed $17 roundtrip”. That is not accurate. My office released “estimated, typical tolls based on the model” at the September meeting of the Northern Virginia Transportation Commission. My Deputy Secretary of Transportation said at this meeting that the estimated average roundtrip toll would be $17. The meeting minutes from that meeting state: “The tolls would vary significantly depending on congestion” [http://www.novatransit.org/uploads/meetings/2015/September2015minutes.pdf]. At this moment, I only have data for the first full day of tolling – Monday December 4th. On Monday the average round-trip toll was $14.50. This is less than the $17 roundtrip average toll estimated in 2015.

I understand the media has been focused on the highest “posted” tolls. The “posted” toll at any given time bears little relationship to what the average solo driver paid that day. By federal law, a state may allow single drivers to use an HOV facility if they charge a dynamic toll to ensure that carpools and bus riders experience free-flow travel of at least 45 mph, 90 percent of the time [23 U.S.C. 166].

This means VDOT may only allow single drivers to use I-66 if a toll is charged that discourages additional solo drivers from entering the road when it is close to capacity. The high
tolls commuters saw on Monday and Tuesday were not intended to be something a solo driver would pay every day. I know I would not have paid the top toll Monday morning. However, 39 people chose to pay that toll – a choice they did not have the previous week when I-66 was HOV only and most single drivers could not legally use the road. I cannot tell you why they made that choice but they obviously saw a benefit to doing so.

**Eastbound Widening**

Your letter implies and several of you stated at your press conference yesterday that there was an agreement to not convert the HOV lanes to Express Lanes until the eastbound widening was complete. That is not accurate.

The original plan for Interstate 66 was to convert to Express Lanes in 2017 and invest toll revenues in multimodal improvements for a period of at least five years. At that time, travel conditions on I-66 would be analyzed to determine whether a widening was necessary based on conditions such as travel speeds on Interstate 66 and parallel facilities. As a part of the compromise reached with the General Assembly, the widening component of this project became guaranteed and its schedule was advanced.

This past Wednesday the Commonwealth Transportation Board awarded the contract to add an additional travel lane on Interstate 66 from the Dulles Connector Road to Exit 71 (Ballston). Construction work will start next spring and be completed in 2020. There are incentives in the contract to encourage earlier completion by the contractor.

**Commuter Lots and Buses**

As I mentioned earlier, Interstate 66 opened to traffic in 1982 as an HOV-only facility during rush hours. This means that most single drivers could not use this road during rush hours of 6:30 a.m. to 9:00 a.m.

For the past 35 years there have no commuter lots and bus routes along this corridor. There has been no change in this. The infrastructure available to commuters is the same this week as it was last week when the choices during the height of rush hour were to carpool, ride a bus or use an arterial road.

That being said, this Administration agrees that our transportation solutions must be focused on moving more people. For that reason, this project directs all toll revenues collected after operating costs back to multimodal improvements in this corridor proposed by local governments and recommended by the Northern Virginia Transportation Commission. The Commission's I-66 Commuter Choice Program has already awarded $10 million to 10 projects throughout the region that provide new travel choices to commuters. The Commission is currently in the process of soliciting candidate projects for the second round of funding which
are expected to be awarded next June. You can find more information on the I-66 Commuter Choice Program at http://www.nova transit.org/i66commuterchoice/.

Your letter notes that an undefined number of new commuter lots and transit service should be put in place prior to allowing any solo drivers to use I-66 during rush hours. I do not understand the connection between the new commuter lots and giving drivers the option to use I-66 during rush hours for the first time ever.

This request would undermine our ability to provide the very infrastructure you want to be put in place. The Commonwealth provided $10 million to fund an expanded commuter lot at Stone Ridge in Loudoun County and new bus services like the Fairfax County Connector Route from Government Center to Foggy Bottom. Each year toll revenues will be used to fund improved bus service, commuter lots and other improvements in the corridor.

All of the High Priority Projects Program and District Grant Program funds are allocated to other fully-funded projects through fiscal year 2023 through the SMART SCALE process. Without toll revenues, the only method to fund these improvements would be to either raise taxes, cancel on-going transportation improvement such as the Route 7 widening project, or take revenues from the General Fund.

Expanded Hours

The Transform66: Inside the Beltway project did expand the restricted hours by 90 minutes in each direction and peak period. This expansion is intended to address the situation experienced for years on Interstate 66 where solo drivers using the road just before or towards the end of the restricted period created significant congestion. For example, during the morning restricted hours in December of 2016 it took between 15 and 30 minutes to travel I-66 inside the Beltway with 6:30 to 7:00a and 8:30 to 9:00a having the longest travel times.

I recognize that this may require some to change their commutes but there are options for commuters that travel at this time. Our analysis of travel times using INRIX data, a nationally recognized travel time provider, shows that at 6:00a in December of 2016 it took 20 minutes to drive I-66 inside the Beltway. This past week after the implementation of tolling a commuter at the same time could have driven Route 50 from the Capital Beltway to the Roosevelt Bridge in 15 minutes. Allowing for the time it may take to go one exit on the Beltway, this is either a travel time savings of a few minutes or the same travel time as I-66 inside the Beltway last December.

In addition, our analysis shows that reducing the hours would result in higher tolls during the remaining restricted time periods.
Hybrid Vehicles and Special Privileges

Hybrid vehicles were provided temporary access to Virginia HOV lanes in the mid-1990s. This access has always been a temporary privilege that would go away over time. On Interstate 95, no new hybrid vehicle owners were permitted to use those HOV lanes after July 1, 2006 and all existing special privileges ended in 2014 pursuant to an agreement in 2012. Similarly on Interstate 66, no new hybrid vehicle owners have been given special privileges since July 1, 2011.

Again, I recognize that this may require some to change their commutes. Anyone who used the hybrid exemption has experienced at least six years of benefits, but continuing this exemption would impact our ability to deliver this project.

Restoring the temporary exemption for hybrids would increase the tolls on all other solo drivers who may choose to use I-66. In addition, the temporary hybrid exemption would have ended even without this project as Interstate 66 inside the Beltway was not meeting the performance standards required by federal statute.

What would a suspension of tolls accomplish?

Your letter requests immediate suspension of the Transform66: Inside the Beltway Project until at least 2022 when the Transform66: Outside the Beltway Project is complete. Here are the implications of such a request:

- Increased travel times for carpoolers and bus riders on I-66, discouraging their use;
- Increased travel times for commuters on Route 50;
- Elimination of a funding stream for commuter parking lots and new bus service; and,
- Elimination of travel options for solo drivers during the height of rush hour.

Based on this I cannot accept your request. However, I will commit to ensuring the highest levels of transparency as this project continues to be implemented. I will also ask VDOT to review its algorithm after experience is gained to understand if there are modifications that can be made to address toll prices while ensuring free-flow travel for carpoolers and bus riders. It would not be responsible to make changes based on four days of experience.

I would be remiss if I did not mention the relationship between the Transform66: Inside the Beltway Project and the contract the Commonwealth was able to secure with the private sector for Transform66: Outside the Beltway. This project increased our ability to drive a strong agreement in our public-private partnership procurement and played a significant role in delivery of the $578.9 million concession payment that will be used to advance projects in the Interstate 66 corridor.
Finding solutions to improve travel in the I-66 inside the Beltway corridor has evaded generations of leaders, planners, and most importantly commuters. We cannot thwart our progress based on concerns not grounded in fact.

Sincerely,

[Signature]

Aubrey L. Layne, Jr.