



**NORTH CAROLINA**  
Department of Transportation



# *I-77 Express Lanes Project Update*

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*Secretary of Transportation*

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# Local Advisory Group

- **Established in December 2017 with 12 members**
  - Advise and provide input for the NCDOT Secretary
- **Eight meetings to date**
  - January 2018 through August 2018
- **Discussion topics**
  - Project history and overview
  - Mercator options and associated pros and cons
  - Member feedback
  - Additional options for consideration

# Mercator Policy Options

- **Option A:** Terminate the CA and complete the express lanes project using public funding or financing as it becomes available
- **Option B:** Terminate the CA and allow CRTPO to determine whether express lanes should remain in the transportation plan or be replaced or supplemented with other improvements based on available resources
- **Option C:** Negotiate modifications to the project scope and/or the terms of the CA, such as:
  - **C-1** - Deferring or eliminating tolling of certain lanes
  - **C-2** - Reducing the financial impact on local residents by establishing frequent user discounts or toll credits
  - **C-3** - Revising the truck restrictions to allow larger vehicles that can use the express lanes safely
  - **C-4** - Encouraging greater use of new capacity by allowing HOT2+ for some period of time
  - **C-5** - Modifying the compensation provisions for unplanned revenue impacting facilities
- **Option D:** Work with CRTPO to identify and advance additional improvements to address mobility issues in the corridor
- **Option E:** Develop preliminary plans to negotiate and finance the purchase of the express lanes project after completion
- **Option F:** Complete and delete

# Options Currently Under Evaluation

Options Discussed		Summary of Local Advisory Group Input
Option C-1	Negotiate contract modification - defer or eliminate tolling of certain lanes	Evaluate costs to convert to 3 GP lanes and 1 EL between exits 23 and 28.
Option C-2	Negotiate contract modification - frequent user discounts or toll credits	Potential benefits and costs of discounts can be better evaluated after initial operating data is available.
Option C-3	Negotiate contract modification - allow medium trucks	Consider modifications to truck restrictions based on project performance. Evaluate potential toll rates and revenue impact.
Option C-5	Negotiate contract modification - change compensation provision for unplanned revenue impacting facilities	Determine what potential improvements within the airspace are desirable and feasible over next 10 years and evaluate potential compensation cost, if any.
Option E	Develop preliminary plans to negotiate and finance the purchase of the express lanes project after completion	Evaluate legal and financial aspects associated with assuming existing project debt and financing termination costs.
Option F	Complete and delete	Evaluate legal and financial aspects associated with financing termination costs and expediting regulatory approvals.
<b>Option G*</b>	Run cars on the shoulder during peak hours where opportunities exist	Identify potential locations and travel time benefits; evaluate costs and schedule.
<b>Option H*</b>	Add more capacity (non-tolled) over the causeway	Evaluate potential costs and schedule - build a third GP lane in each direction between exits 28 and 36.
<b>Option I*</b>	Maintain 3 GP lanes throughout project	Evaluate potential costs and schedule - convert to 3 GP lane and 1 EL between exits 23 and 28 and build a third GP lane in each direction between exits 28 and 36 (combination of Options C-1 and H).

**\*Additional Options Suggested by LAG**

*Note: Information presented here is a summary of feedback provided by LAG. These comments do not necessarily represent the opinions or policies of NCDOT or NCTA.*

# Constraints

- Strategic Transportation Investments (STI) Law
  - Requires projects be scored based on data and then be prioritized for funding
- State Law (2018 Budget – Senate Bill 99)
  - Requires NCDOT to report any proposed contract modifications or cancellations to the NC General Assembly at least 60 days in advance
  - Defines impacts to funding for other projects as it relates to the bonus allocation and project (corridor) cap.
- Existing contract
  - New or modified construction will require design time/possible permitting
  - Contract modifications must be negotiated

# Options Evaluated with Hypothetical STI Statewide Scores

Option		Estimated Cost Impacts	Hypothetical Score <sup>+</sup>
C-1	Convert 1 EL to GP lane (change from 2+2 to 3+1) exit 23 to 28 and convert 1 EL to GP lane (change from 2+1 to 3+0) exit 28 to 36	\$400M	50-55
E	Purchase the contract and keep express lanes as planned	\$392M-\$623M*	45-50
F	Purchase the contract and convert all EL to GP lane	\$540M-\$771M**	45-50
H	Add 1 GP lane (change from 2+1 to 3+1) exit 28 to 36	\$350M-\$600M	70-75
I	Convert 1 EL to GP lane (change from 2+2 to 3+1) exit 23 to 28 and add 1 GP lane (change from 2+1 to 3+1) exit 28 to 36	\$550M-\$800M	70-75
J	Add auxiliary lane exit 23 to 25; exit 25-28; or exit 33-35 (scored by segment)	\$40M (each segment)	60-65

Note: P5.0 score for I-77 South is 89 and for I-77 North is 85.

<sup>+</sup>Actual score is dependent on competition against other projects and availability of funding at the time of prioritization/ranking.

\*Does not include demobilization costs, breakage costs, or additional allowable costs.

\*\*Includes \$86M of BA Payback.

# Main Objective

***Ultimately, the State of North Carolina  
will Operate this Facility***

How Do We Get There?

***Improve, Expand and Protect***

# Improve

- Negotiate better terms for drivers:
  - Toll caps (option C-2-2)
  - Frequent user discounts (option C-2-1)
  - Allow medium size trucks use of express lanes (option C-3)



# Expand

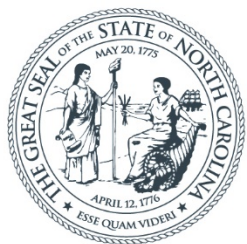
- Work to expand non-toll capacity options being pursued
  - Harden shoulders during peak periods (option G)
  - Convert one express lane to a general purpose lane (3+1) exit 23-28 and add one general purpose lane (3+1) exit 28-36 (option I)
  - Develop and implement a process to continually evaluate contract purchase under Strategic Transportation Investments (required process to reach goal of operating facility) (option E)
  - Add auxiliary lanes exit 23-25, 25-28 and 33-35 (option J)

# Protect

- Operate in an open and transparent process to ensure North Carolinians have an opportunity to participate **BEFORE** decisions are final
- Ensure options are legal and fiscally responsible
- Work on multiple solutions simultaneously until the most effective and efficient solution is completed to ensure results
- Continue to engage the I-77 Local Advisory Group regarding this plan

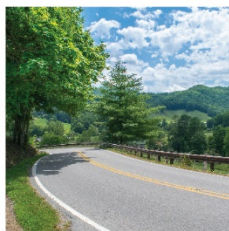
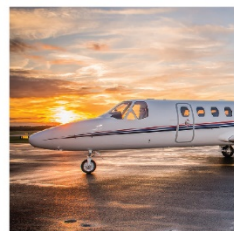
# Summary

- Improve
  - Negotiate better terms for drivers
- Expand
  - Work to expand non-toll capacity options being pursued
- Protect
  - Continue to engage the public in an open and transparent manner



# NORTH CAROLINA

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# Thank You!