

Route 58 PPTA Project
Finance Plan Annual Update
Hillsville to Stuart Corridor

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Submitted To:

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1.0 Project Background

In December 2003, the Virginia Department of Transportation (VDOT) signed a Comprehensive Agreement with Branch Highways Inc. (Developer), in accordance with the Public Private Transportation Act (PPTA), to develop and widen 36 miles of the Route 58 Corridor from Hillsville to Stuart as funding becomes available. The corridor begins southwest of Hillsville and continues east through Carroll, Floyd, and Patrick counties to approximately one mile west of Stuart.

The Route 58 Corridor from Hillsville to Stuart is the last remaining section to complete Route 58 from Virginia Beach to I-77. Once connected with I-77, the long anticipated benefits of the 1989 General Assembly legislated “U.S. Route 58 Corridor Development Program” will greatly be enhanced throughout the entire region.

The first phase (Phase 1) of widening Route 58 under this agreement was a 2.7 mile new road construction and a new Blue Ridge Parkway bridge crossing at Meadows of Dan. Phase 1 was completed in May 2006.

The second phase (Phase 2) of this corridor known as the Hillsville Bypass was executed in the fall of 2007. This is a 5.2 mile four-lane divided limited access bypass facility with three full interchanges. The original scope of work included the Hillsville Bypass and Route 669; however, due to funding limitations, Route 669 was eliminated from Phase 2. The Hillsville Bypass was certified Substantially Complete on August 26, 2011.

The third phase (Phase 3), known as Laurel Fork, was executed in December of 2011 and encompasses the sections originally developed as Laurel Fork and Tri-County Connector sections for a combined length of 8.2 miles. Phase 3 was certified complete on October 10, 2016.

Remaining phases include the Crooked Oak (7.2 miles), Vesta (4.0 miles), Lovers Leap (7.8 miles) sections and Route 669. While design and right of way were initiated in the 1990s, these phases remain incomplete. During the 2013 General Assembly Session, legislation provided additional bond authorization for the Route 58 Corridor Program to fund these remaining phases. The first issuance of these bonds is planned for the FY 2020/FY 2021 timeframe to support construction.

Additional information can be found on the Project’s website.

http://www.virginiadot.org/projects/salem/route_58_widening.asp

The website provides additional links to the Route 58 Corridor Program and project specific sites sponsored by the Route 58 PPTA Contractor.

1.1 Project Procurement

As outlined in the Initial Financial Plan, initiation of the Route 58 PPTA Project (Project) began when VDOT received an unsolicited conceptual proposal in May 2001 in accordance with the Commonwealth's PPTA to design and construct a planned four-lane section of Route 58 between Stuart and Hillsville (36-mile segment). In accordance with VDOT's PPTA Implementation Guidelines, dated April 2001, a competition period with public notice was posted for forty-five days beginning May 25, 2001. The result of the competition period was that no other competing proposals were received.

Subsequent to the competitive public notice period, VDOT impaneled an Initial Review Committee (IRC) to determine if the conceptual proposal merited advancement to the Commonwealth Transportation Board (CTB) for review and recommendation. The IRC recommended advancement and at the October 17, 2001 public meeting of the CTB, the conceptual proposal was evaluated and recommended to be advanced to the Public-Private Transportation Advisory Panel for further consideration.

VDOT requested a detailed proposal, which was received in January 2002 and evaluated by the Route 58 Advisory Panel. After several supplemental submittals of information to the Advisory Panel, in July 2003, the Panel recommended to the Commissioner to advance the proposal and begin negotiation for a comprehensive agreement for the entire segment of Route 58 between Stuart and Hillsville. After negotiations related to the cost of Phase 1 and the roles, responsibilities, and risk assignments of the entire project were completed, the comprehensive agreement was executed on December 15, 2003.

VDOT and the Developer have negotiated the following phases of work. Phase 1 (UPC 56352) consisted of a 2.7-mile section in Meadows of Dan. Phase 2 for the completion of the 5.7-mile section known as the Hillsville Bypass (UPC 17535) was signed on October 2, 2007 and the Bypass was completed in November 2011. Two offsite stream mitigation projects were completed to meet the regulatory permitting requirements for the Hillsville Bypass project in 2012 and 2015. Phase 3, known as Laurel Fork (UPC17533) was executed on December 6, 2011 for an additional 8.2 miles.

1.2 Environmental Documentation and Permitting

Federal approval of the procurement process for the PPTA Project was denied by the Federal Highway Administration (FHWA) in March 2009; therefore, it was not eligible for federal funding at that time. The individual projects comprising the Route 58 PPTA Project are federally eligible with exception. With the goal of potentially taking advantage of federal funding to advance future phases of the project, National Environmental Policy Act (NEPA) documentation in the form of Environmental Assessments (EA) were completed and FHWA issued Findings of No Significant Impact (FONSI) in 2011. The EAs and FONSI covered the following segments: Crooked Oak (UPC 17534), Laurel Fork (UPC 17533), Tri-County (UPC 17538), Vesta (UPC 17537) and Lover's Leap (UPC 17536). All work done prior to and since issuance of the

FONSIs has been accomplished with state and local funding only. State and local funding (no federal funding) will continue to be utilized to advance the remaining phases of the PPTA project therefore eliminating the need for the prior federal action by FHWA. In 2018 at the request of VDOT, FHWA rescinded the FONSIs as well as the EAs that supported them. As with the previously completed phases of the project, the remaining phases will be coordinated through the federal permitting process. The U.S. Army Corps of Engineers will be the NEPA lead due to absence of federal funding.

2.0 Project Description and Schedule

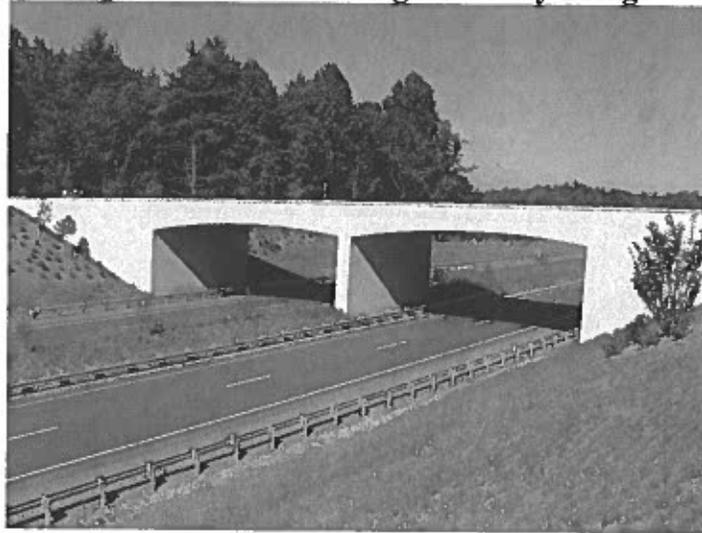
The Route 58 PPTA Project begins at a point just west of Little Reed Island Creek on the southwest side of the Town of Hillsville and continues generally east through Carroll, Floyd and Patrick counties to approximately one mile west of the town limits of Stuart, at which point the project ties into four lanes of existing Route 58. The Project is intended to be designed and constructed in phases. Phase 1 was approximately three miles long, and is referred to as the Parkway Crossing in Meadows of Dan, in Patrick County. Phase 2 is approximately 5.2 miles long and is referred to as the Hillsville Bypass. Phase 3 combines the Laurel Fork and Tri-county sections totaling approximately 8.2 miles long and is referred to as the Laurel Fork section. Two of the remaining sections, Lovers Leap and Vesta are fully funded in fiscal years 2020 and 2021 in the FY2017-2022 Six-Year Improvement Program and a start date is anticipated on or before 2020. The third remaining mainline section, Crooked Oak, is partially funded in FY 2020 and FY 2021 and a start date has not been established.

2.1 Phase I, Parkway Crossing at Meadows of Dan Project

The Parkway Crossing project was a 2.7 mile section of Route 58 along new alignment that bypassed the community of Meadows of Dan to the north and crossed the Blue Ridge Parkway. This is a four-lane divided limited access highway beginning approximately 0.3 miles west of the existing intersection of Route 58 and Route 600 and terminating less than 0.1 miles east of the existing intersection of Route 58 and Route 795.

The Parkway Bridge (figure 1) is an arched structure with an ornamental rock faced parapet that allows the Blue Ridge Parkway to cross over Route 58 with minimal impacts to the view shed. This phase was started on December 16, 2003 and completed on May 5, 2006.

Figure 1 - The Blue Ridge Parkway Bridge



2.2 Phase 2, Hillsville Bypass

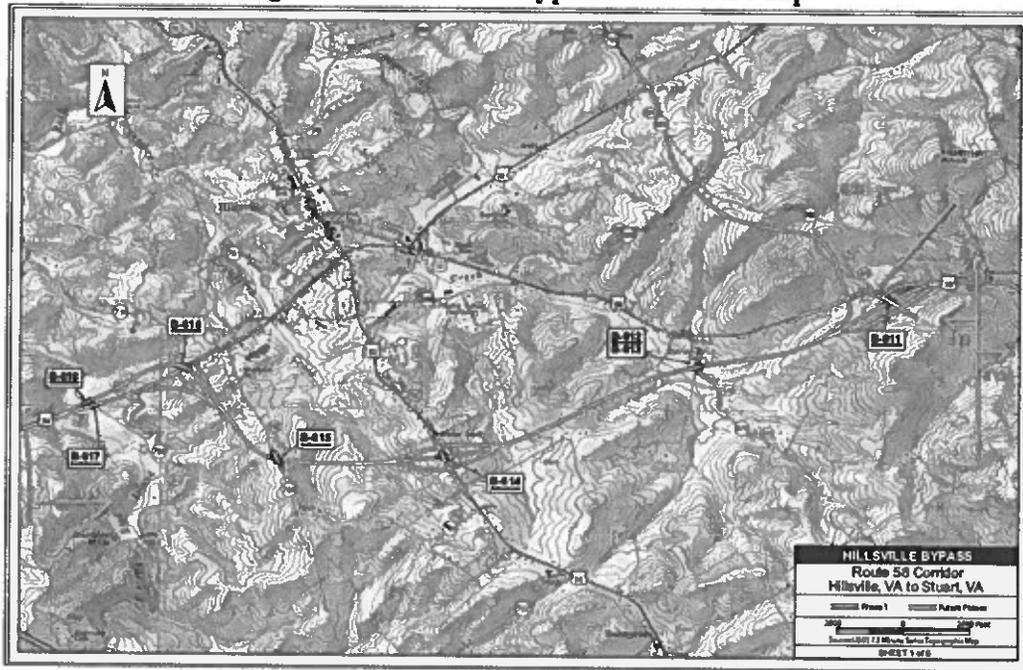
The Phase 2 - Hillsville Bypass section is a new 5.2-mile section of limited access, four-lane divided highway built on new location in Carroll County around the Town of Hillsville. The new road improved the connection between Route 58 and Interstate 77.

Three new interchanges were constructed as part of the project: one at each end of the new bypass to connect to Route 58 Business and one at Route 52. The interchange with Route 52 is located just south of Hillsville provides a direct connection for commercial vehicles from Route 52 to I-77 to minimize current and future congestion in Hillsville.

Phase 2 also includes eight new bridges including one carrying Route 780 (Howlett Street) over the new bypass and a pair to carry Route 58 over Route 670 (Snake Creek Road). Figure 2 shows the general geographic area of the project.

In an effort to expedite the start of construction, VDOT retained permitting responsibilities for the Hillsville Bypass with plans to renew existing permits at the end of 2007. Upon submittal of the renewal application, the United States Corps of Engineers (USCOE) required the expiring Letter of Permission (LOP-1) permit to be replaced with an Individual Section 404 permit. The new permit was received and signed in February 2008. As a requirement of the new USCOE 404 permit, VDOT was required to provide an additional 9,505 stream credits. Because of this new requirement, VDOT developed plans for two stream mitigation sites, the Pine Run site and the Hillsville Elementary site. The Pine Run site was completed in the fall of 2012 and the Hillsville Elementary was completed in the spring of 2015. These two stream mitigation sites remain in a monitoring status at this time. The Hillsville Bypass was open to traffic on schedule and certified Substantially Complete on August 26, 2011 and Final Completion was met on March 31, 2015 with the completion of the Hillsville Elementary mitigation site.

Figure 2 – Hillsville Bypass Location Map



2.3 Phase 3, Laurel Fork

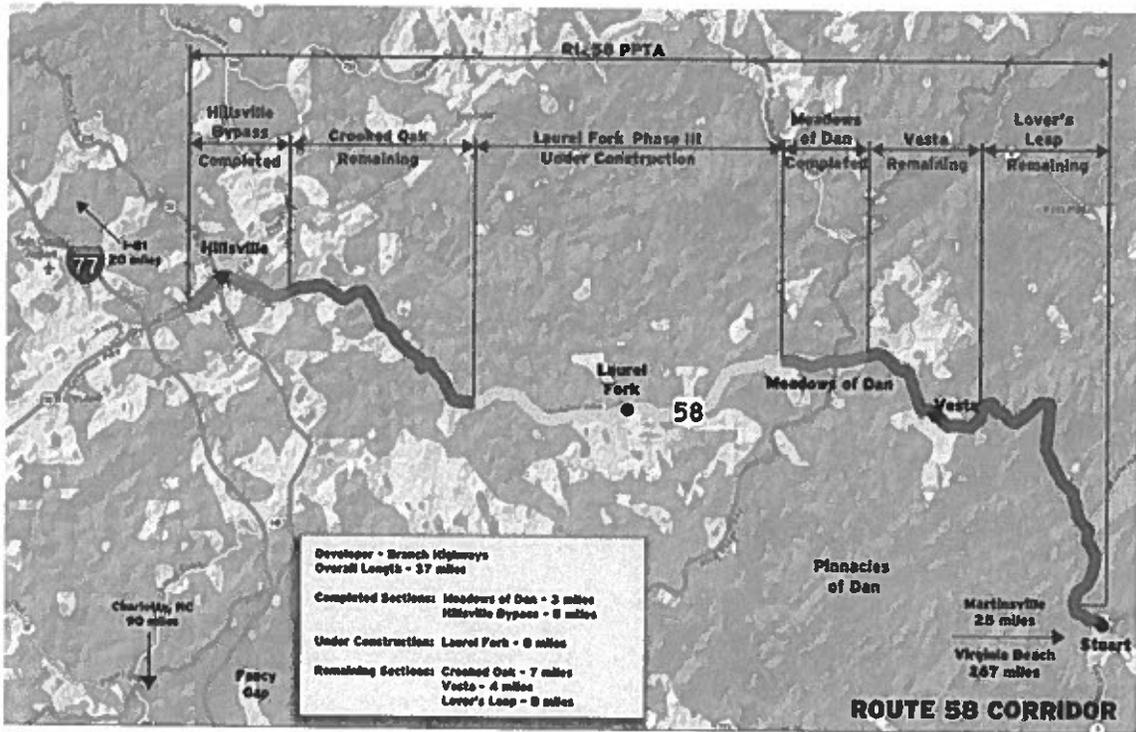
The Phase 3 - Laurel Fork section combines the Tri-County and Laurel Fork sections for a total of 8.2 miles extending from the west limits of the Meadows of Dan project (Phase 1) through Patrick, Floyd and Carroll Counties. The project reconstructs the original two lanes and adds an additional two lanes along the original alignment to provide a four-lane divided facility. Work on Phase 3 commenced on December 6, 2011 and was completed on October 10, 2016.

Phase 3 is being constructed along existing alignment. See Figure 4 for location.

2.4 Remaining Phases in the PPTA Corridor

There is approximately 19 miles of roadway left in the three remaining phases of this Project excluding the secondary connector, Route 669. The original plans developed prior to 2001 are at 40% to 60% complete. Work was stopped in 2001 following receipt of the PPTA proposal. Environmental permitting activities with regulatory agencies are incomplete and significant work remains in this area. The remaining sections include Lovers Leap, Vesta, Crooked Oak and Route 669 Projects. Figure 4 shows the general geographic area of the remaining phases.

Figure 4 - Remaining Phases of Route 58 Corridor Projects



2.5 Right of Way Status

Table 1 below shows the current right of way status for each of the phases.

Table 1 – Right of Way Status

UPC	Project #	Project Name	Parcels	Parcels Cleared	Status
17535	0058-017-E13, RW 201	Hillsville Bypass	79 Parcels	79 Cleared	Project Complete, R/W Complete
18107	0669-017-E36, RW 201	Route 669	26 Parcels	26 Cleared	100% complete
17534	0058-017-E12, RW 201	Crooked Oak	103 Parcels	89 Cleared	86% complete
17533	0058-017-E11, RW 201	Laurel Fork	114 Parcels	114 Cleared	100% complete
17538	0058-962-E02, RW 201	Tri-County	139 Parcels	137 Cleared	99% complete
56352	0058-070-E02, C501	Parkway Crossing			Project Complete, R/W Complete
17537	0058-070-E19, RW 201	Vesta	77 Parcels	69 Cleared	90% complete
17536	0058-070-E18, RW 201	Lovers Leap	78 Parcels	50 Cleared	64% complete

3.0 Cost Estimates

The PPTA Comprehensive Agreement for this project includes six Route 58 mainline sections and the secondary connector, Route 669 to be completed in phases as funding becomes available.

3.1 Phase 1, Parkway Crossing at Meadows of Dan

The original cost estimate for Phase 1 was \$22,483,000. The contract obligation was for \$19,971,672 with the balance being used VDOT contract administration. The project was completed for \$20,381,931 as outlined in table 2 and the surplus funds were transferred to other phases.

Table 2 – Phase 1 Cost Estimate - UPC 56352

	Approved Estimate	Expenditures
PE	\$0	\$0
RW	\$0	\$0
CN	\$20,381,931	\$20,381,931
Total	\$20,381,931	\$20,381,931

3.2 Phase 2, Hillsville Bypass

The Hillsville Bypass original cost estimate was \$102,687,240. The original construction contract value was \$83M. Two additional offsite stream mitigation projects, Pine Run and Hillsville Elementary, were added for \$2,180,000 and \$1,700,000 respectively. Phase 2 cost estimate is shown in table 3 and the phase is expected to be completed under the current estimate. Post construction monitoring is required for the first 5 growing seasons for both sites and following year seven (2020) for the Hillsville Elementary site.

Table 3 – Phase 2 Cost Estimate - UPC 17535

	Approved Estimate	Expenditures
PE	\$5,567,795	\$5,567,795
RW	\$10,234,677	\$10,234,677
CN	\$90,764,768	\$90,643,169
Total	\$106,567,240	\$106,445,641

3.3 Phase 3, Laurel Fork

The cost estimate for Phase 3 is \$142,214,913. Phase 3 was originally developed as two projects, Tri-County (UPC 17538) and Laurel Fork (17533). Following execution of the Laurel Fork work order, a separate UPC (102629) was created to track the construction and engineering contract costs. However, services provided by the Developer for right of way acquisition are being accounted for under the original UPCs 17538 and 17533. The construction contract value for Phase 3 is \$119,750,000, which includes allowances for right of way and stream/wetland mitigation. There is currently a deficit on UPC 17533

and we are currently working to cover the expenditures by transferring funds from UPC 17538 and UPC 102629. The phase estimates are outlined in tables 4, 5 and 6.

Table 4 – Phase 3 Cost Estimate - UPC 17538

	Approved Estimate	Expenditures
PE	\$4,986,000	\$4,768,294
RW	\$7,368,163	\$6,752,505
CN	\$0	\$0
Total	\$12,354,163	\$11,520,799

Table 5 – Phase 3 Cost Estimate - UPC 17533

	Approved Estimate	Expenditures
PE	\$2,865,000	\$2,783,458
RW	\$2,920,750	\$4,151,565
CN	\$0	\$0
Total	\$5,785,750	\$6,935,023

Table 6 - Phase 3 Cost Estimate - UPC 102629

	Approved Estimate	Expenditures
PE	\$0	\$0
RW	\$0	\$0
CN	\$124,075,000	\$120,136,752
Total	\$124,075,000	\$120,136,752

Total Costs for Phase 3

	Approved Estimate	Expenditures as of 12/09/2019
Preliminary Engineering	\$ 7,851,000	\$ 7,551,752
Right of Way	\$ 10,288,913	\$ 10,904,070
Construction	\$ 124,075,000	\$ 120,136,752
Total	\$ 142,214,913	\$ 138,592,574

3.4 Remaining Phase, Lovers Leap

The Lovers Leap section is legislated as the first priority of the remaining phases located at the eastern limits of the corridor near Stuart. This Phase is fully funded in the current Six Year Plan with significant construction funding in Fiscal Years 2020 and 2021. This project is 7.8 miles in length over mountainous terrain making it the most expensive and challenging to construct. Engineering and right of way acquisition has begun and environmental permitting activities are currently underway. This project could be under contract in 2020.

In October 2019, VDOT and Branch Civil, Inc. (BCI) executed an agreement to advance the environmental permitting for the Lovers Leap project to a draft joint permit application (JPA), refine the project design and update the cost estimate for the project using the opinion of probable cost (OPCC) and open book pricing (OBP) processes currently being developed for Progressive Design Build projects. VDOT and BCI are currently working through the OPCC and OBP processes in order to update the base cost estimate for the project and reach contract terms for completion of project.

Table 7 – Lovers Leap Cost Estimate - UPC 17536

	Approved Estimate	Expenditures
PE	\$8,750,000	\$6,249,051
RW	\$8,750,000	\$5,168,340
CN	\$240,800,000	\$0
Total	\$258,300,000	\$11,417,391

3.5 Remaining Phase, Vesta

The Vesta section is located between Lovers Leap and the already completed Parkway Crossing to the west and is 4.0 miles in length. This Phase is fully funded in the current Six Year Plan with significant construction funding in Fiscal Years 2020 and 2021. Engineering and right of way acquisition was initiated in the 1990’s but remains incomplete. Plans for advancing this project are incomplete at this time.

Table 8 – Vesta Cost Estimate - UPC 17537

	Approved Estimate	Expenditures)
PE	\$4,500,000	\$2,296,616
RW	\$4,500,000	\$3,329,173
CN	\$89,300,000	\$0
Total	\$98,300,000	\$5,625,789

3.6 Remaining Phase, Crooked Oak

Crooked Oak is 7.2 miles in length and is located between completed Laurel Fork and the Hillsville Bypass projects. Engineering and right of way acquisition was initiated in the 1990s and is incomplete. Plans for advancing this project are incomplete at this time.

Table 9 – Crooked Oak Cost Estimate - UPC 17534

	Approved Estimate	Expenditures
PE	\$7,850,000	\$3,426,012
RW	\$7,850,000	\$4,253,953
CN	\$152,800,000	\$0
Total	\$168,500,000	\$7,679,965

3.6 Remaining Phase, Route 669

Route 669 was originally envisioned to be completed along with the Hillsville Bypass but has not received sufficient funding to complete. Route 669 is a 1.7 mile secondary route connecting the Hillsville Bypass to primary routes 221 and 100 in Carroll County. Engineering and right of way acquisition was initiated in the 1990s but remains incomplete. This is the only unfunded project and plans for advancing the project are incomplete at this time.

Table 10 – Route 669 Cost Estimate - UPC 18107

	Approved Estimate	Expenditures
PE	\$1,050,000	\$1,009,225
RW	\$1,050,000	\$693,311
CN	\$17,100,000	\$0
Total	\$19,200,000	\$1,702,537

4.0 Financial Plan

The Virginia General Assembly established the Route 58 Corridor Development Program (Program) in 1989 to enhance economic development potential across this largely rural portion of the state. Work is now completed through to the Town of Stuart, County seat for Patrick County. The Program was initially funded through the sale of bonds through the early 2000s. Due to 2013 House Bill 1953 and 2313, bonds are anticipated to again be a primary source of funding beginning in fiscal year 2020.

4.1 Phase 1, Parkway Crossing at Meadows of Dan

The cost estimate was \$20,381,931 and was fully funded with various funding state and local fund sources as shown in table 8.

Table 11 - Funding sources for Parkway Crossing (UPC 56352)

Revenue Sharing Funds: State Match	\$100,300
Revenue Sharing Funds: Local Match	\$100,300
FRAN Bond Proceeds: Primary FRANS	\$17,646,331
Priority Transportation Funds: Primary PTF	\$2,535,000
Formula - Primary: Primary Formula – State	\$0
Total	\$20,381,931

4.2 Phase 2, Hillsville Bypass

The Hillsville Bypass had an original construction contract was valued at \$83M. Two additional offsite stream mitigation projects, Pine Run and Hillsville Elementary, were added for \$2,180,000 and \$1,700,000 respectively. The project is fully funded with

various state and local fund sources as shown in table 9. Carroll County contributed \$150,000 to the Revenue Sharing Program for an equal match.

Table 12 - Funding sources for Hillsville Bypass (UPC 17535)	
Revenue Sharing Funds: Local Match	\$150,000
Revenue Sharing Funds: State Match)	\$150,000
Bond Proceeds: Route 58 Bond CDP Funds	\$14,199,712
Transportation Partnership Opportunity Fund: TPOF - FY08	\$77,000,000
Formula - Primary: Primary Formula - State	\$4,649,140
FRAN Bond Proceeds: Primary FRANS	\$3,804,968
Priority Transportation Funds: Primary PTF	\$6,613,420
Total	\$106,567,240

4.3 Phase 3, Laurel Fork

The cost estimate is \$142,214,913. The construction contract value for Phase 3 is \$119,750,000 which includes allowances for right of way allowance and stream/wetland mitigation. Phase 3 is funded with various state funds as shown in tables 10, 11 and 12. There is currently a deficit on UPC 17533 and we are currently identifying funds to cover the expenditures; however, there are sufficient remaining funds on UPC 17538 and 102629 to cover the deficit on UPC 17533.

Table 13 - Funding sources for Laurel Fork (UPC 17533)	
Bond Proceeds: Route 58 Bond CDP Funds	\$5,932,466
Total	\$5,932,466

Table 14 - Funding sources for Laurel Fork/Tri County (UPC 17538)	
Bond Proceeds: Route 58 Bond CDP Funds	\$10,723,244
Priority Transportation Funds: Primary PTF	\$1,630,919
Total	\$12,354,163

Table 15 - Funding sources for Laurel Fork (UPC 102629)	
Bond Proceeds: Bond Proceeds - Capital Projects Revenue	\$119,883,204
Bond Proceeds: Route 58 Bond CDP Funds	\$4,083,896
Residue Parcel Revenue: Residue Parcel - Salem	\$107,900
Total	\$124,075,000

4.4 Remaining Phase, Lovers Leap

Funding allocations for the Lovers Leap project as shown in the Fiscal Year 2020 Six Year Plan (approved by CTB 6/19/2019):

Table 16 - Funding sources for Lovers Leap (UPC 17536)

	Previous	2020	2021	2022	2023	2024	2025
Bond Proceeds: Route 58 Bond Proceeds	\$4,409,365	\$102,712,372	\$138,087,628	\$0	\$0	\$0	\$0
Bond Proceeds: RT58 Corridor Funds	\$8,287,628	\$0	\$0	\$0	\$0	\$0	\$0
FRAN Bond Proceeds: Primary FRANS	\$798,000	\$0	\$0	\$0	\$0	\$0	\$0
Priority Transportation Funds: Primary PTF	\$4,005,007	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$17,500,000	\$102,712,372	\$138,087,628	\$0	\$0	\$0	\$0
						Total Allocations	\$258,300,000
						Total Estimate	\$258,300,000
						Remaining Balance after 2025	<u>\$0</u>

4.5 Remaining Phase, Vesta

Funding allocations for the Vesta project as shown in the Fiscal Year 2020 Six Year Plan:

Table 17 - Funding sources for Vesta (UPC 17537)

	Previous	2020	2021	2022	2023	2024	2025
Bond Proceeds : Route 58 Bond Proceeds	\$6,010,596	\$31,919,401	\$54,870,003	\$0	\$0	\$0	\$0
Bond Proceeds : RT58 Corridor Funds	\$5,500,000	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$11,510,596	\$31,919,401	\$54,870,003	\$0	\$0	\$0	\$0
						Total Allocations	\$98,300,000
						Total Estimate	\$98,300,000
						Remaining Balance after 2025	\$0

4.6 Remaining Phases, Crooked Oak and Route 669

Funding allocations for remaining phases Crooked Oak and Route 669 projects as shown in the Fiscal Year 2020 Six Year Plan:

Table 18 - Funding sources for Crooked Oak (UPC 17534)

	Previous	2020	2021	2022	2023	2024	2025
Bond Proceeds : Route 58 Bond Proceeds	\$3,874,678	\$8,695,596	\$26,000,000	\$0	\$121,483,499	\$0	\$0
Bond Proceeds : RT58 Corridor Funds	\$4,631,773	\$0	\$0	\$0	\$0	\$0	\$0
Priority Transportation Funds:	\$3,814,454	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$12,320,905	\$8,695,596	\$26,000,000	\$0	\$121,483,499	\$0	\$0
						Total Allocations	\$168,500,000
						Total Estimate	\$168,500,000
						Remaining Balance after 2025	\$0

Table 19 - Funding sources for Route 669 (UPC 18107)

	Previous	2020	2021	2022	2023	2024	2025
Bond Proceeds: Route 58 Bond Proceeds	\$1,644,000	\$0	\$0	\$0	\$0	\$0	\$0
FRAN Bond Proceeds: Secondary FRANS	\$375,000	\$0	\$0	\$0	\$0	\$0	\$0
Priority Transportation Funds: Secondary PTF	\$325,000	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$2,344,000	\$0	\$0	\$0	\$0	\$0	\$0
						Total Allocations	\$2,344,000
						Total Estimate	\$19,200,000
						Remaining Balance after 2025	\$16,856,000

5.0 Project Cash Flow

The Comprehensive Agreement between the Developer and VDOT establishes the maximum allowable monthly draw for each phase in Exhibit D, Plan of Finance. The monthly draw requests for Phases 1 and 2 followed slightly behind Exhibit D during most of construction and accelerated in the final months to 100% paid.

5.1 Phase 3, Laurel Fork

Exhibit C to Comprehensive Agreement – Design-Build Contract establishes in Exhibit D the maximum monthly draws to ensure adequate available funding. The Developer has submitted his final draw request for Phase 3 with a cumulative total of \$118,447,844.

6.0 Involvement of Private Enterprise

As outlined above, VDOT signed a PPTA Comprehensive Agreement with the Developer in December of 2003 to design and construct a planned four-lane section of Route 58 between Stuart and Hillsville (36-mile segment). There is no private capital on this project at this time.

7.0 Risk and Mitigation Measures

Phase 2 was certified substantially complete on August 26, 2011 on time. As outlined above, a requirement of the new USCOE 404 permit, VDOT was required to provide an additional 9,505 stream credits. As a result of this new requirement, VDOT developed plans for two stream mitigation sites under this phase, the Pine Run site and the Hillsville Elementary site. The Pine Run site was completed in the fall of 2012. The Hillsville Elementary Stream Mitigation site was completed in the spring of 2015. The cost of the mitigation sites were added for a total of \$3,880,000 and took 4 additional years to design and construct. Post construction monitoring is required for the first 5 growing seasons for both sites and following year seven (2020) for the Hillsville Elementary site.