



A CALL FOR THE RESTRUCTURE OR REMOVAL OF TOLLS ON THE COLEMAN BRIDGE

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Coleman Presentation Topics



- Construction History
- Construction Financing
- Current Users and Tolling Structure
- The Bridges at West Point – A comparison
- Recommendation: Redux or Elimination of Tolls
- The “Ask”
- Conclusions

Brief Construction History



- The George P. Coleman Memorial Bridge is a double swing bridge that spans the York River between Yorktown and Gloucester Point Virginia.
- It connects the Peninsula and Middle Peninsula regions of Tidewater, Virginia. The bridge is the only public crossing of the York River.
- Originally built in 1952, it was reconstructed and widened in 1995.
- The movable span is needed EXCLUSIVELY to allow Navy ship access to several military installations upstream of the bridge, most notably, the U.S. Navy's Naval Weapons Station Yorktown.



Brief Construction History



- The cost to construct the Coleman was \$97 million financed through 25-year bonds:
 - ✓ \$43.3 million in 9a Toll Revenue Bonds
 - ✓ \$38.0 million in Toll Facilities Revolving Account
 - ✓ \$16.0 million in Federal Funding



Financing Construction



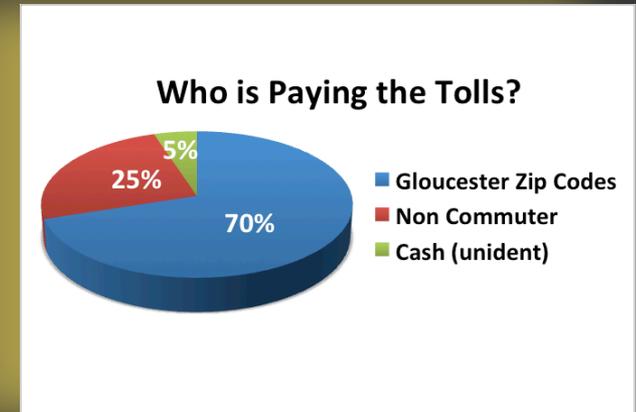
- Financing stipulated at the time that tolls would produce enough revenue to cover bond principal/interest and maintenance
- Cost of operations was not part of the stipulation.
- Cost of operations were subsequently added to expenses.



Current Users & Tolling Structure



- After 20 years, two-thirds of the debt is still owed.
- VDOT indicates original tolls for 3 and 4-axle vehicles were \$6 and \$8, respectively. They were changed to current schedule.
- 70% of toll revenues come from Gloucester citizens.
- Represents an unfair tax to Gloucester.
- The bonds were refinanced in March 2006 at a rate of 3.84-5.15% percent — a reduction from the original 6.6 percent.



CURRENT TOLL RATE SCHEDULE GEORGE P. COLEMAN BRIDGE

	<u>Vehicle Class</u>	<u>Current one-way Toll Rate</u>	<u>Percentage Usage</u>
2 Axle AVI Commuters & Motorcycles	2	\$0.50	77%
Two-Axle Cars, Vans, Pickups & Trucks	2	\$2.00	21%
Tree-Axle Trucks	3	\$3.00	1%
Four or More Axle Trucks	4	\$4.00	1%

The Bridges at West Point



Coleman – Gloucester



Eltham – West Point



Delaware – West Point

- West Point bridges were simultaneously completed in 2006.
- Bridges were built and funded without the use of tolls.

	Length	Cost	Tolls?
Coleman	3,750Ft.	\$97M	Yes
Eltham	5,354Ft	\$38M	No
Delaware	3,545Ft.	\$44M	No

Source: VDOT

- Some truck and automobile patterns take advantage of free West Point bridges and then cross Coleman southbound – no tolls.

Toll Reduction Options:



- Consider modifications to the current bridge financial plan:
 - ✓ Refinance the debt from current 3.5% – 5.0% to current market rates while rates are low
 - ✓ Split operating costs (toll collections vs. span operation)
 - ✓ Toll collections operating expenses funded from toll
 - ✓ Swing span operating expenses funded by those that need the span to open
 - ✓ Split maintenance costs (structural vs. mechanical)
 - ✓ Structural maintenance expenses funded by State, similar to other bridges
 - ✓ Mechanical (swing span) maintenance expenses funded by those that need the span to open
- Roadway toll collections fund toll collecting operations and debt pay-down (bonds and Toll Facility Operating Fund)
- Waterway toll collections fund swing span (draw) operations and mechanical maintenance

Toll Reduction Options:



- Potential desired outcomes:
 - ✓ Option to reduce tolls, while maintaining current debt payoff schedule
 - ✓ Option to keep tolls the same, while reducing the number of years tolls are in effect
 - ✓ Option for a combination of toll reduction and early retirement of tolls
- Potential community impact:
 - ✓ Enhanced appeal to businesses for siting in Gloucester
 - ✓ Enhanced sales and meal tax revenues w/more throughput
 - ✓ More disposable income for residents to spend locally
 - ✓ Reduced barrier for tourism w/ new National Park

The “ASK”:



- Gloucester County requests the HRTPO’s support in asking that the General Assembly consider a new (or amendment / re-enaction of a past) Act of the Assembly to authorize the Commonwealth Transportation Board to assess tolls and direct associated revenues differently.
- Gloucester County requests the HRTPO’s support in asking that the Commissioner of the Department of Transportation, in consultation with the State Treasurer, study the potential to refinance bonds on the project, evaluate additional toll revenue sources and rebalance the destination of toll revenues.
- Gloucester County requests the HRTPO’s support in asking the Commonwealth to assume structural maintenance responsibility for the bridge.

Conclusions:



- Tolls on the Coleman represent an “unfair” tax to the citizens of Gloucester County.
- Restructuring the tolls will make use of the Coleman more “equitable” to all users.
- Maintenance/Operational costs should be borne by the Commonwealth.
- Reduced tolls allows greater economic growth opportunities for Gloucester County and its neighbors hindered by high tolls.