

APPENDIX 3

CRTPO PRIORITY TERMS

#	Topic	Key Term
1.	Toll Rates	<p>Developer will be permitted to adjust the toll rate to manage congestion on the Express Lanes to maintain traffic at or above a set traffic speed.</p> <p>Developer shall be subject to the following limitations on the toll rate that will be determined based on current traffic volume/speed:</p> <p><u>Utilization Toll Rate ("UTR"):</u> The UTR is a maximum toll rate that will apply at times when traffic on the Express Lanes is low (i.e. below an identified number of vehicles per hour).</p> <p><u>Operational Toll Rate ("OTR"):</u> After traffic reaches the UTR upper threshold, the maximum toll rate shall be capped by the OTR until either a specified traffic volume threshold or a minimum traffic speed threshold is reached.</p> <p><u>Toll Increases Beyond the OTR:</u></p> <p>After the specified OTR traffic volume / minimum traffic speed threshold is reached, Developer will be permitted to raise tolls above the OTR, but only in accordance with parameters set out in the Agreement.</p> <p>Parameters could include factors such as:</p> <ul style="list-style-type: none">• Incremental toll rate caps based on traffic volumes (if speed remains above the OTR threshold).• For tolls charged above a specified toll rate ("Rate Share Threshold" or "RST"), a requirement to share with NCDOT a percentage of the difference between the RST and the toll charged. [Note: <i>this mechanism reduces the financial incentive for Developer to charge above the RST. Similar to a hard cap, the RST will be set in excess of the OTR.</i>] <p>UTR, OTR and RST will all be subject to annual escalation. [Note: <i>indices to be determined</i>].</p>

Toll Multipliers: Toll rates will be subject to toll multipliers based on vehicle class/size.

2. Capacity Expansions

Capacity Expansions

In order to keep pace with travel demand and ensure long-term mobility, NCDOT may, in its absolute discretion, deliver a capacity expansion to I-77 South if certain conditions are met ("**Capacity Expansion**").

[Note: such conditions to be determined e.g., time elapsed, traffic, speed, volume, revenue, average toll rates.]

If NCDOT wishes to use this mechanism, NCDOT must first offer Developer the opportunity to submit a proposal to deliver the Capacity Expansion itself as an additional express lane or other Capacity Expansion. The Agreement will include requirements for submission, review and discussion and conditions for rejection of Developer's Proposal.

If NCDOT rejects Developer's change proposal, or Developer fails to submit a change proposal, NCDOT may deliver a Capacity Expansion (which may be a general purpose lane or other Capacity Expansion) at its own cost.

Competing Facilities

Subject to the above carveout, the agreement will have market standard provisions limiting NCDOT's right to deliver an expansion of the corridor that would compete with the project Express Lanes for traffic ("**Competing Facility**") without compensating Developer for any negative impact to the project financials.

3. Operations Review and Amendment

The Agreement will include a mechanism for a periodic (e.g. every [●] years) review of operating requirements / KPIs, against then prevailing industry standards accepted across similar contracts (including to determine any improvement in technology or in accepted industry best practice).

The mechanism will include a process for consultation between NCDOT and Developer as to how to adjust the Agreement to implement improved prevailing industry standards (including adopting new technology, if applicable) and the timeframe for implementation (with major

	technology improvements implemented in the next renewal cycle).
4. HOV 3+	<p>High Occupancy Vehicles (HOVs) will be permitted to use the Express Lanes without paying a toll.</p> <p>The HOV requirement will be a minimum of three occupants while using the Express Lanes and a User must declare or otherwise indicate HOV status.</p>
5. Large Commercial Vehicles	<p>Large commercial vehicles up to and including FHWA Class 10 will be permitted to use the Express Lanes.</p> <p>Large commercial vehicles will be subject to toll rate multipliers that will be stipulated in the Agreement.</p> <p>Developer will be required to publish a schedule of the applicable toll rate multipliers, and the Agreement will limit how often toll rate multipliers can be changed.</p>
6. Toll Discount for Low-Income Residents	<p>Developer will be required to implement and administer a discount program to provide eligible Users with a number of free or discounted trips on the Express Lanes per month/year. Eligible Users will be registered vehicle owners who are low income, e.g. those who receive assistance from USDA's Food and Nutrition Service.</p> <p>To allow Developer to model and commit to the program, the program will target a financial impact of \$1,000,000 per year, escalated. Developer will not be entitled to a NCDOT Compensation Event if that amount is exceeded; however, if that amount is exceeded, Developer will be permitted to adjust the program to ameliorate the financial impact.</p> <p>Developers will be required to include in their Proposal a description of their proposed program and details of how they would implement and administer the program, including how they would ameliorate the financial impact if the \$1,000,000 per year is exceeded. The Instructions to Proposers will allocate a specified number of technical points to the Proposers plan for implementation and administration of the program.</p>
7. Markings/Lighting on Express Lanes Facility	<p>Developer will be required to:</p> <ul style="list-style-type: none"> implement high-visibility signage and pavement markings for the Project, consistent with NCDOT and Federal interstate standards;

	<ul style="list-style-type: none"> • replace or refresh signage and pavement markings based on specified timeframes; • implement base lighting requirements for the Project and prepare lighting analyses to determine what additional lighting (if any) is necessary to meet NCDOT and Federal interstate standards; and • maintain operationality of lighting during O&M period.
8. Corridor Access for Emergency Vehicles	<p>Emergency vehicles will:</p> <ul style="list-style-type: none"> (a) be exempt from the toll when using the facility to perform their duties; and (b) not be charged any incidental charges (e.g., administrative fees, fees for customary incidental services).
9. Transit Usage of Express Lanes for Free	<p>Transit Vehicles will:</p> <ul style="list-style-type: none"> (a) be exempt from the toll; and (b) not be charged any incidental charges (e.g., administrative fees, fees for customary incidental services). <p>"Transit Vehicle" will include non-profit transit agency buses and non-profit transit agency micro-transit operated by the recognized transit agency in the Charlotte Area, Charlotte Area Transit System (CATS), or its successor.</p>
10. Performance Reporting	<p>Developer will be required to provide monthly and annual reporting including:</p> <ul style="list-style-type: none"> (a) operations and maintenance reports (monthly and annually); (b) electronic toll collection system activity report (monthly); and (c) traffic and revenue reports (monthly and annually). <p>The above reports will address (among other things):</p> <ul style="list-style-type: none"> (i) traffic volumes split by Express Lanes and General Purpose Lanes; (ii) traffic volumes split by vehicle type in the Express Lanes; and

(iii) revenue by type.

The contract will expressly stipulate that NCDOT may disclose the information in (i)-(iii), and that Developer cannot assert that it is confidential, trade secrets, or proprietary information.

11. Transparent Toll Rates

Developer will be required to provide and maintain user-facing, public access platforms, including mobile apps and other relevant technologies meeting then-current industry standards, which use historical toll data to facilitate predictive pricing.

Developer will be required to provide an accessible API or equivalent dataset or data structure containing the same information.

12. Toll Rates During Emergency Declarations

Suspension of Tolls During Emergency/Disaster

In the *limited* circumstances below, NCDOT may suspend tolls on the facility if NCDOT or the State designates the facility:

- (a) as a route to respond to a disaster proclaimed by the Governor or his/her designee (i.e. evacuation route or route to provide emergency services);
- (b) as a route to respond to a Presidential Disaster Proclamation (i.e. evacuation route or route to provide emergency services);
- (c) for immediate use as an evacuation route from an Emergency; or
- (d) as a route to respond to an Emergency (i.e. to provide emergency services).

NCDOT will have no liability to compensate Developer for the suspension of tolls, provided that NCDOT:

- (i) also suspends tolls on other NCDOT operated or controlled facilities that are situated to directly facilitate travel from the evacuation area/disaster; and
 - (ii) lifts suspension as soon as the need to use the facility for evacuation or disaster response ceases,
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(otherwise, Developer can claim compensation for increased costs and loss of toll revenue).

Temporary Cap on Tolls During Emergency/Disaster

In the *limited* circumstances below, NCDOT may require Developer to **cap** toll rates on the facility if any of the following cause a temporary increase in traffic on the facility:

- (a) an Emergency;
- (b) a disaster proclaimed by the governor or his/her designee; or
- (c) a disaster that is subject to a Presidential Disaster Proclamation.

NCDOT will have no liability to compensate Developer for capping tolls, provided that NCDOT:

- (i) caps tolls on other NCDOT operated or controlled facilities that also experience an increase in traffic due to the disaster/Emergency; and
- (ii) lifts the caps promptly after the increase in traffic due to the disaster/Emergency ceases,

(otherwise, Developer can claim compensation for increased costs and loss of toll revenue).

Developer Relief from Performance Requirements During Emergency

Developer is relieved of its obligation to meet operating speed performance requirements during any period where NCDOT has:

- (a) suspended tolls; or
- (b) capped tolls,

in respect of a declared disaster or Emergency, both as set out above.

Relevant definitions

"Emergency" means an unplanned event within the project right of way that threatens property, the environment, safety

of users, or is otherwise recognized as an emergency by a governmental entity.

"Presidential Disaster Declaration" means a declaration of a major disaster by the President of the United States triggering assistance from the Federal Emergency Management Agency.

13. Real-Time Road Condition Updates for the Express Lanes

Developer will be required to implement on-road Intelligent Transportation Systems (ITS) and Automated Traffic Management Systems (ATMS) to ensure real-time information sharing with the public and NCDOT, including:

- (a) use of dynamic message signs to notify users of current toll rates, travel conditions, and travel times;
 - (b) real-time delivery directly to NCDOT of ITS and ATMS data (including CCTV camera feeds, travel conditions, toll pricing, and travel speeds and times) for use in regional traffic management and public information dissemination; and
 - (c) reasonable updates to the ITS and ATMS based on evolving technology.
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14. Real-Time Transit Information System for the Express Lanes

Developer will be required to implement the ITS and ATMS to deliver real-time road conditions (including toll rates, travel conditions, and travel speeds and times) to be distributed to NCDOT and other transit agencies, which may then be distributed to transit users.

15. DBE Outreach

Developer will be required under the Agreement to comply with DBE requirements in accordance with, and subject to, State and Federal law.

The DBE goal will be defined as % of design and construction work payable under the contract.

As part of the DBE requirements, Developer will submit an open-ended DBE performance plan with its proposal.

The open-ended DBE performance plan will be required to describe, among other topics, the processes Developer will use to satisfy the DBE requirements, including its plan for outreach prior to construction, as follows:

- (a) development of a proactive outreach program for DBEs;
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- (b) collaboration with NCDOT to utilize applicable and relevant resources from its existing DBE program;
 - (c) conducting mandatory outreach events directed at DBE firms after execution of the contract; and
 - (d) assistance for DBEs in identifying subcontracting opportunities on the Project.
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