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HOUSE BILL NO. 1163

Offered January 22, 1996

A *BILL* to authorize the Woodrow Wilson Bridge and Tunnel Compact and to repeal § 33.1-320.1 of the Code of Virginia.

Patrons—Brickley, Albo, Almand, Callahan, Connally, Darner, Dillard, Fisher, Harris, Howell, Hull, Keating, Marshall, May, McClure, Mims, Moran, O'Brien, Parrish, Plum, Puller, Rollison, Scott, Van Landingham and Watts; Senators: Barry, Colgan, Gartlan, Howell, Saslaw, Ticer, Waddell, Whipple and Woods

Referred to Committee on Interstate Cooperation

Be it enacted by the General Assembly of Virginia:

1. § 1. *The Governor is hereby authorized and directed to execute, on behalf of the Commonwealth of Virginia, an interstate compact with the State of Maryland and the District of Columbia, which compact shall be in a form substantially as it appears in § 2 of this Act.*

§ 2. *Preamble; Woodrow Wilson Bridge and Tunnel Compact.*

Whereas, traffic congestion imposes serious economic burdens on the metropolitan Washington, D.C., area, costing each commuter an estimated \$1,000 per year; and

Whereas, the volume of traffic in the metropolitan Washington, D.C., area is expected to increase by more than 70 percent between 1990 and 2020; and

Whereas, the deterioration of the Woodrow Wilson Memorial Bridge and the growing population of the metropolitan Washington, D.C., area contribute significantly to traffic congestion; and

Whereas, the Bridge serves as a vital link in the Interstate Highway System and in the Northeast corridor; and

Whereas, identifying alternative methods for maintaining this vital link of the Interstate System is critical to addressing the traffic congestion of the area; and

Whereas, the Bridge is the only drawbridge in the metropolitan Washington, D.C., area on the Interstate System; and

Whereas the Bridge is the only segment of the Capital Beltway with only 6 lanes; and

Whereas the Bridge is the only segment of the Capital Beltway with a remaining expected life of less than 10 years; and

Whereas, the Bridge is the only part of the Interstate Highway System owned by the Federal Government; and

Whereas, the Bridge was constructed by the Federal Government; and

Whereas prior to the date of the enactment of this Act, the Federal Government will have contributed 100 percent of the cost of building and rehabilitating the Bridge; and

Whereas the Federal Government has a continuing responsibility to fund future costs associated with the upgrading of the Interstate Route 95 crossing, including the rehabilitation and construction of the Bridge; and

Whereas, the Woodrow Wilson Memorial Bridge Coordination Committee is undertaking planning studies pertaining to the Bridge, consistent with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et. seq.) and other applicable Federal laws; and

Whereas, the transfer of ownership of the Bridge to a regional entity under the terms and conditions described in this Act would foster regional transportation planning efforts to identify solutions to the growing problem of traffic congestion on and around the Bridge; and

Whereas, any material change to the Bridge must take into account the interests of nearby communities, the commuting public, federal, state, and local government organizations, and other affected groups; and

Whereas, a commission of congressional, state, and local officials and transportation representatives has recommended to the Secretary of the United States Department of Transportation that the Bridge be transferred to an independent authority to be established by the State of Maryland and the Commonwealth of Virginia; now, therefore,

The State of Maryland, the District of Columbia and the Commonwealth of Virginia, hereinafter referred to as signatories, do hereby covenant and agree as follows:

WOODROW WILSON BRIDGE AND TUNNEL COMPACT.**CHAPTER I.****GENERAL COMPACT PROVISIONS.****Article I.**

INTRODUCED

HB1163

Authority Created.

There is hereby created the Woodrow Wilson Bridge and Tunnel Authority, hereinafter referred to as the "Authority."

*Article II.**Powers and Duties.*

The Authority shall be an instrumentality and common agency of the Commonwealth of Virginia and the State of Maryland, and shall have the powers and duties set forth in this compact and such additional powers and duties as may be conferred upon it by subsequent action of the signatories.

*Article III.**Board, Terms of Office, Officers.*

1. The Authority shall be governed by a board of nine voting and two nonvoting members appointed as follows:

- a. Three members shall be appointed by the Governor of the Commonwealth of Virginia;*
- b. Three members shall be appointed by the Governor of the State of Maryland;*
- c. Two members shall be appointed by concurrence of the Mayor of the District of Columbia and the Governors of Maryland and Virginia;*
- d. One member shall be appointed by the U.S. Secretary of Transportation; and*
- e. Two additional members, who shall be non-voting members, shall be appointed by the Mayor of the District of Columbia.*

2. Members, other than members who are elected officials, shall have backgrounds in finance, construction lending, and infrastructure policy disciplines. At least 2 members of the Board shall be elected officials each of whom represents a political subdivision that has jurisdiction over the area at an end of the project crossing.

3. No person in the employment of or holding any official relationship to any person or company doing business with the Authority, or having any interest of any nature in any such person or company or affiliate or associate thereof, shall be eligible for appointment as a member or to serve as an employee of the Authority or to have any power or duty or receive any compensation in relation thereto.

4. The Chairperson of the Authority shall be elected from the voting members.

5. The members may also biennially elect a secretary and a treasurer, or a secretary-treasurer, who may be members of the Authority, and prescribe their duties and powers.

6. Each member shall serve a six-year term, except that each signatory shall make its initial appointments as follows:

- a. One member appointed by the Governor of Maryland and one member appointed by the Governor of Virginia shall each be appointed for a six-year term;*
- b. One member appointed by the Governor of Maryland and one member appointed by the Governor of Virginia shall each be appointed for a four-year term;*
- c. One member appointed by the Governor of Maryland and one member appointed by the Governor of Virginia shall each be appointed for a two-year term;*
- d. One member appointed by concurrence of the Governors of Maryland and Virginia and the Mayor of the District of Columbia shall be appointed for a six-year term;*
- e. One member appointed by concurrence of the Governors of Maryland and Virginia and the Mayor of the District of Columbia shall be appointed for a four-year term; and*
- f. The member appointed by the U.S. Secretary of Transportation shall be appointed for a two year term.*

g. The initial terms of the nonvoting members appointed by the Mayor of the District of Columbia shall be as follows:

- (1) One member shall be appointed for a six-year term; and*
- (2) One member shall be appointed for a five-year term.*

7. The failure of a signatory or the Secretary of Transportation to appoint one or more members shall not impair the Authority's creation or operations when the signatories and Authority are in compliance with the other terms of this compact.

8. Any person appointed to fill a vacancy shall serve for the unexpired term. No member of the Authority shall serve for more than two terms.

9. The members of the Authority, including nonvoting members, shall not be personally liable for any act done or action taken in their capacities as members of the Authority, nor shall they be personally liable for any bond, note, or other evidence of indebtedness issued by the Authority.

10. Six members shall constitute a quorum, with the following exceptions:

a. Seven affirmative votes shall be required to approve bond issues and the annual budget of the Authority.

b. Two affirmative votes of the three members appointed solely by each governor shall be required for approval of any motion.

11. Members shall serve without compensation and shall reside within the Washington metropolitan

area. Members shall be entitled to reimbursement for their expenses incurred in attending the meetings of the Authority and while otherwise engaged in the discharge of their duties as members of the Authority.

12. The Authority may employ such engineering, technical, legal, clerical, and other personnel on a regular, part-time, or consulting basis as in its judgment may be necessary for the discharge of its duties. The Authority shall not be bound by any statute or regulation of any signatory in the employment or discharge of any officer or employee of the Authority, except as may be contained in this compact.

13. a. The Authority shall establish its office for the conduct of its affairs at a location to be determined by the Authority and shall publish rules and regulations governing the conduct of its operations.

b. These rules and regulations shall include, but are not limited to, an ethics code, public information access, administrative procedures, and open meetings and shall be consistent with similar practices currently adopted in Maryland or Virginia.

Article IV.

Signatories; Adoption of Compact; Powers.

Nothing herein shall be construed to amend, alter, or in any way affect the power of the signatories and their political subdivisions to levy and collect taxes on property or income or upon the sale of any material, equipment, or supplies or to levy, assess, and collect franchise or other similar taxes or fees for the licensing of vehicles and the operation thereof.

Article V.

Adoption of Compact by Signatories; Withdrawal; Cooperation.

1. This compact shall be adopted by the signatories in the manner provided by law. This compact shall become effective 90 days after its adoption by the signatories.

2. Any signatory may withdraw from the compact upon one year's written notice to that effect to the other signatories. In the event of a withdrawal of one of the signatories from the compact, the compact shall be terminated; provided, however, that no revenue bonds, notes, or other evidence of obligation issued pursuant to Article VI of Chapter II, or any other financial obligations of the Authority remain outstanding and that the withdrawing signatory has made a full accounting of its financial obligations, if any, to the other signatories.

3. Upon the termination of this compact, the jurisdiction over the matters and persons covered by this compact shall revert to the signatories and the federal government, as their interests may appear.

4. Each of the signatories pledges to each of the other signatory parties faithful cooperation in the development and implementation of the project.

Article VI.

Terms of Agreement Between Signatories.

1. Not later than October 1, 1996, the Secretary of the United States Department of Transportation shall submit to Congress a proposed agreement between the Secretary and the Governors of Maryland and Virginia and the Mayor of the District of Columbia that specifies:

a. The selected alternative, implementation schedule, and costs of the project;

b. The federal share of the costs of the activities to be carried out as part of the project including, at a minimum, a 100 percent federal share of:

(1) The cost of continuing rehabilitation of the bridge until such time as the project is operational;

(2) An amount, as determined by the Woodrow Wilson Bridge Coordinating Committee, equivalent to the cost of replacing the bridge with a comparable modern bridge designed according to current engineering standards;

(3) The cost of planning, preliminary engineering and design, right-of-way acquisition, environmental studies and documentation, and final engineering for the project; and

(4) A substantial contribution towards remaining project costs.

c. The federal share of the costs of activities to be carried out as part of the project after September 30, 1997, will be reduced by amounts expended by the United States for activities (other than environmental studies and documentation) described in subparagraph B.3. in fiscal years 1996 and 1997.

2. The Governors of Maryland and Virginia and the Mayor of the District of Columbia shall approve the agreement described in paragraph 1 of this article after the enactment of a federal law approving the agreement provided that the funds provided for the project are not less than the amount specified in subparagraph 1.B.1. through 4. of this article.

3. At least 30 days before the Governor of Maryland enters into an agreement under this article, the Governor shall submit the agreement to the Legislative Policy Committee for its review and comment.

4. After execution of the agreement in paragraph 2. of this article, the Secretary of the United States Department of Transportation shall convey to the Authority all rights, title, and interest of the United States in the bridge, including such related riparian rights and interests in the land underneath the

183 Potomac River as are necessary to carry out the project.

184 5. Until such time as the project is constructed and operational, the conveyance specified in
185 paragraph 4. of this article shall not:

186 a. Relieve the State of Maryland and the Commonwealth of Virginia and the District of Columbia of
187 the sole and exclusive responsibility to maintain and operate the bridge; or

188 b. Relieve the Secretary of the responsibility to rehabilitate the bridge or to comply with the National
189 Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and all other requirements with respect to
190 the bridge.

191 Article VII.

192 Jurisdiction of Courts; Liability for Contracts and Torts.

193 1. Except as provided herein, the Authority shall be liable for its contracts and for its torts and those
194 of its directors, officers, employees, and agents. For tort actions arising out of conduct occurring in
195 Maryland, Maryland tort and sovereign immunity law shall apply. The exclusive remedy for such breach
196 of contracts and torts for which the Authority shall be liable, as herein provided, shall be by suit
197 against the Authority. Nothing contained in this Act shall be construed as a waiver by Maryland or
198 Virginia of any immunity from suit.

199 2. The United States district courts shall have original jurisdiction, concurrent with the courts of
200 Virginia and Maryland, of all actions brought by or against the Authority. Any such action initiated in a
201 state court shall be removable to the appropriate United States district court in the manner provided by
202 act of June 25, 1948, as amended (28 U.S.C. 1446).

203 3. If any part or provision of this compact or the application thereof to any person or circumstances
204 be adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its
205 operation to the part, provision or application directly involved in the controversy in which such
206 judgment shall have been rendered and shall not affect or impair the validity of the remainder of this
207 compact or the application thereof to other persons or circumstances, and the signatories hereby declare
208 that they would have entered into this compact or the remainder thereof had the invalidity of such
209 provision or application thereof been apparent.

210 4. This compact shall be liberally construed to effectuate the purposes for which it is created.

211 CHAPTER II.

212 ADDITIONAL POWERS; FINANCING; PROPERTY ACQUISITION; PROCUREMENT.

213 Article I.

214 Definitions.

215 As used in this Act the following words shall have the following meanings:

216 "Bonds" or "Revenue Bonds" means bonds and notes or refunding bonds and notes or bond
217 anticipation notes or other obligations of the Authority issued under the provisions of this Act.

218 "Cost," as applied to the project, means the cost of acquisition of all lands, structures, rights-of-way,
219 franchises, easements and other property rights and interests; the cost of lease payments; the cost of
220 construction; the cost of demolishing, removing or relocating any buildings or structures on lands
221 acquired, including the cost of acquiring any lands to or on which such buildings or structures may be
222 moved, relocated, or reconstructed; the cost to relocate residents or businesses from properties acquired
223 for the project; the cost of any extensions, enlargements, additions and improvements; the cost of all
224 labor, materials, machinery and equipment; all financing charges, and interest on all bonds prior to and
225 during construction; and, if deemed advisable by the Authority of such construction, the cost of
226 engineering, financial and legal services; plans, specifications, studies, surveys; estimates of cost and of
227 revenues and other expenses necessary or incident to determining the feasibility or practicability of
228 constructing the project; administrative expenses; provisions for working capital; reserves for interest
229 and for extensions, enlargements, additions and improvements; the cost of bond insurance and other
230 devices designed to enhance the creditworthiness of the bonds; such other expenses as may be necessary
231 or incidental to the construction of the project, the financing of such construction and the planning of
232 the project in operation.

233 "Owner" includes all persons as defined in § 1-13.19 of the Code of Virginia having any interest or
234 title in and to property, rights, franchises, easements and interests authorized to be acquired by this Act.

235 "Project" means the upgrading of the Interstate Route 95 Potomac River crossing, consistent with the
236 selected alternative to be determined in accordance with the provisions of Chapter I, Article VIII.

237 "Project" includes ongoing short-term rehabilitation and repairs to the Bridge and may include one or
238 more of the following:

239 1. Construction of a new bridge or bridges in the vicinity of the Bridge;

240 2. Construction of a tunnel in the vicinity of the Bridge;

241 3. Long-term rehabilitation or reconstruction of the Bridge;

242 4. Work necessary to provide rights-of-way for a rail or bus or high occupancy vehicle lanes in
243 connection with an activity described in subparagraph (A), (B), or (C) of this paragraph;

244 5. Work on Interstate Route 95 approaching the Bridge and other approach roadways if necessitated

by an activity described in subparagraph (A), (B), or (C) of this paragraph; and

6. Construction or acquisition of any building, improvement, addition, extension, replacement, appurtenance, land, interest in land, water right, air right, machinery, equipment, furnishing, landscaping, easement, utility, approach, roadway, or other facility that is necessary or desirable in connection with or incidental to a facility described in subparagraph 1, 2, or 3 of this paragraph.

Article II.

Additional Powers of the Authority.

Without in any manner limiting or restricting the powers heretofore given to it, the Authority is hereby authorized and empowered:

1. To establish, finance, construct, maintain, repair and operate the project;

2. Contingent upon the execution of the agreement referred to in Chapter I, Article VI, to assume full rights of ownership of the existing Woodrow Wilson Bridge;

3. Subject to the approval of the Governor of Maryland and the Virginia Commonwealth Transportation Board, and in accordance with the recommendations of the Woodrow Wilson Bridge Coordinating Committee, to determine the location, character, size and capacity of the project; to establish, limit and control such points of ingress to and egress from the project as may be necessary or desirable in the judgment of the Authority to ensure the proper operation and maintenance of the project; and to prohibit entrance to such project from any point or points not so designated;

4. To secure all necessary federal, state, and local authorizations, permits and approvals for the construction, maintenance, repair and operation of the project;

5. To adopt and amend bylaws for the regulation of its affairs and the conduct of its business;

6. To adopt and amend rules and regulations to carry out the powers granted by this section;

7. To acquire, by purchase or condemnation, in the name of the Authority, and to hold and dispose of real and personal property for the corporate purposes of the Authority;

8. To employ consulting engineers, a superintendent or manager of the project, and such other engineering, architectural, construction, accounting experts, inspectors, attorneys, and other employees as may be necessary; and, within the limitations prescribed in this Act, to prescribe their powers and duties, and fix their compensation;

9. To pay, from any available moneys, the cost of plans, specifications, surveys, estimates of cost and revenues, legal fees and other expenses necessary or incident to determining the feasibility or practicability of financing, constructing, maintaining, repairing and operating the project;

10. To issue revenue bonds of the Authority, for any of its corporate purposes, payable solely from the tolls and revenues pledged for their payment, and to refund its bonds, all as provided in this Act;

11. To fix and revise from time to time and to charge and collect tolls and other charges for the use of the project;

12. To make and enter into all contracts or agreements, as the Authority may determine, which are necessary or incidental to the performance of its duties and to the execution of the powers granted under this Act;

13. To accept loans and grants of money, or materials or property at any time from the United States of America, the Commonwealth of Virginia, the State of Maryland, the District of Columbia or any agency or instrumentality thereof;

14. To adopt an official seal and alter the same at its pleasure;

15. Subject to Chapter I, Article VII, to sue and be sued, plead and be impleaded, all in the name of the Authority;

16. To exercise any power usually possessed by private corporations performing similar functions including the right to expend, solely from funds provided under the authority of this Act, such funds as may be considered by the Authority to be advisable or necessary in advertising its facilities and services to the traveling public; and

17. To do all acts and things necessary or incidental to the performance of its duties and the execution of its powers under this Act.

Article III.

Incidental Powers.

The Authority shall have power to construct grade separations at intersections of the project with public highways and to change and adjust the lines and grades of such highways so as to accommodate the same to the design of such grade separation. The cost of such grade separations and any damage incurred in changing and adjusting the lines and grades of such highways shall be ascertained and paid by the Authority as a part of the cost of the project.

If the Authority shall find it necessary to change the location of any portion of any public highway, it shall cause the same to be reconstructed at such location as the Authority shall deem most favorable and be of substantially the same type and in as good condition as the original highway. The cost of

305 *such reconstruction and any damage incurred in changing the location of any such highway shall be*
306 *ascertained and paid by the Authority as a part of the cost of the project.*

307 *Any public highway affected by the construction of the project may be vacated or relocated by the*
308 *Authority in the manner now provided by law for the vacation or relocation of public roads, and any*
309 *damages awarded on account thereof shall be paid by the Authority as a part of the cost of the project.*

310 *The Authority shall also have power to make regulations for the installation, construction,*
311 *maintenance, repair, renewal, relocation and removal of tracks, pipes, mains, conduits, cables, wires,*
312 *towers, poles and other equipment and appliances (herein called "public utility facilities") of any public*
313 *utility in, on, along, over or under the project. Whenever the Authority shall determine that it is*
314 *necessary that any such public utility facilities which now are, or hereafter may be, located in, on,*
315 *along, over or under the project should be relocated in the project, or should be removed from the*
316 *project, the public utility owning or operating such facilities shall relocate or remove the same in*
317 *accordance with the order of the Authority, provided that the cost and expenses of such relocation or*
318 *removal, including the cost of installing such facilities in a new location or new locations, and the cost*
319 *of any lands, or any rights or interests in lands, and any other rights, acquired to accomplish such*
320 *relocation or removal, shall be ascertained and paid by the Authority as a part of the cost of the*
321 *project. In case of any such relocation or removal of facilities, the public utility owning or operating the*
322 *same, its successors or assigns, may maintain and operate such facilities, with the necessary*
323 *appurtenances, in the new location or new locations, for as long a period, and upon the same terms and*
324 *conditions, as it had the right to maintain and operate such facilities in their former location or*
325 *locations.*

326 *Article IV.*

327 *Acquisition of Property.*

328 *The Authority is hereby authorized and empowered to acquire by purchase, whenever it shall deem*
329 *such purchase expedient, solely from funds provided under the authority of this Act, such lands,*
330 *structures, rights-of-way, property, rights, franchises, easements and other interest in lands, including*
331 *lands lying under water and riparian rights, which are located within the Washington metropolitan*
332 *area, as it may deem necessary or convenient for the construction and operation of the project, upon*
333 *such terms and at such prices as may be considered by it to be reasonable and can be agreed upon*
334 *between it and the owner thereof; and to take title thereto in the name of the Authority.*

335 *All counties, cities, towns and other political subdivisions and all public agencies and authorities of*
336 *the signatories, notwithstanding any contrary provision of law, are hereby authorized and empowered to*
337 *lease, lend, grant or convey to the Authority at the Authority's request, upon such terms and conditions*
338 *as the governing bodies of such counties, cities, towns, political subdivisions, agencies or authorities*
339 *may deem reasonable and fair and without the necessity for any advertisement, order of court or other*
340 *action or formality, other than the regular and formal action of the authorities concerned, any real*
341 *property which may be necessary or convenient to the effectuation of the authorized purposes of the*
342 *Authority, including public roads and other real property already devoted to public use.*

343 *Whenever a reasonable price cannot be agreed upon, or whenever the owner is legally incapacitated*
344 *or is absent, unknown or unable to convey valid title, the Authority is hereby authorized and empowered*
345 *to acquire by condemnation or by the exercise of the power of eminent domain any lands, property,*
346 *rights, rights-of-way, franchises, easements and other property deemed necessary or convenient for the*
347 *construction or the efficient operation of the project or necessary in the restoration of public or private*
348 *property damaged or destroyed.*

349 *Whenever the Authority acquires property under this Article IV of this Chapter, it shall comply with*
350 *the applicable federal law relating to relocation and relocation assistance. If there is no applicable*
351 *federal law, the Authority shall comply with the provisions of the state law of the signatory in which the*
352 *property is located governing relocation and relocation assistance.*

353 *In advance of undertaking any acquisition of property or easements in Maryland or the*
354 *condemnation of such property, the Authority must obtain from the Maryland Board of Public Works*
355 *approval of a plan identifying the properties to be obtained for the project. In advance of undertaking*
356 *any acquisition of property or easements in Virginia or the condemnation of such property, the*
357 *Authority must obtain from the Virginia Commonwealth Transportation Board approval of a plan*
358 *identifying the properties to be obtained for the project. Condemnation proceedings shall be in*
359 *accordance with the provisions of state law of the signatory in which the property is located governing*
360 *condemnation by the highway agency of such state. Nothing in this act shall be construed to authorize*
361 *the authority to condemn the property of the Commonwealth of Virginia or the State of Maryland.*

362 *Article V.*

363 *Procurement.*

364 *1. Except as provided in sections 2, 3, and 6 of this article, and except in the case of procurement*
365 *procedures otherwise expressly authorized by statute, the Authority in conducting a procurement of*
366 *property, services, or construction shall obtain full and open competition through the use of competitive*

procedures in accordance with the requirements of this section and use the competitive procedure or combination of procedures that is most suitable under the circumstances of the procurement.

The Authority shall solicit sealed bids if (i) time permits the solicitation, submission, and evaluation of sealed bids; (ii) the award will be made on the basis of price and other price-related factors; (iii) it is not necessary to conduct discussions with the responding sources about their bids; and (iv) there is a reasonable expectation of receiving more than one sealed bid. If the Authority does not solicit sealed bids, it shall request competitive proposals.

2. The Authority may use procedures other than competitive procedures if:

a. the property, services, or construction needed by the Authority are available from only one responsible source and no other type of property, services, or construction will satisfy the needs of the Authority;

b. the Authority's need for the property, services, or construction is of such unusual and compelling urgency that the Authority would be seriously injured unless the Authority limits the number of sources from which it solicits bids or proposals; or

c. the property or services needed can be obtained through federal or other governmental sources at reasonable prices.

3. For the purpose of applying section 2. a. of this article:

a. in the case of a contract for property, services, or construction to be awarded on the basis of acceptance of an unsolicited proposal, the property, services, or construction shall be deemed to be available from only one responsible source if the source has submitted an unsolicited proposal that demonstrates a concept:

(1) that is unique and innovative or, in the case of a service, for which the source demonstrates a unique capability to provide the service; and

(2) the substance of which is not otherwise available to the Authority and does not resemble the substance of a pending competitive procurement.

b. in the case of a follow-on contract for the continued development or production of a major system or highly specialized equipment or the continued provision of highly specialized services, the property, services, or construction may be deemed to be available from only the original source and may be procured through procedures other than competitive procedures if it is likely that award to a source other than the original source would result in:

(1) substantial duplication of cost to the Authority that is not expected to be recovered through competition; or

(2) unacceptable delays in fulfilling the Authority's needs.

4. If the Authority uses procedures other than competitive procedures to procure property, services, or construction under section 2 b of this article, the Authority shall request offers from as many potential sources as is practicable under the circumstances.

5 a. To promote efficiency and economy in contracting, the Authority may use simplified acquisition procedures for purchases of property, services and construction.

b. For the purposes of this section, simplified acquisition procedures may be used for purchases for an amount that does not exceed the simplified acquisition threshold adopted by the federal government.

c. A proposed purchase or contract for an amount above the simplified acquisition threshold may not be divided into several purchases or contracts for lesser amounts in order to use the procedures under subdivision a of this section.

d. In using simplified acquisition procedures, the Authority shall promote competition to the maximum extent practicable.

6. The Board shall adopt policies and procedures to implement this article. The policies and procedures shall provide for publication of notice of procurements and other actions designed to secure competition where competitive procedures are used.

7. The Authority in its discretion may reject any and all bids or proposals received in response to a solicitation.

8. In structuring procurements under this article, the Authority shall comply with federal law, regulations, grant agreements, or other federal requirements, as they may be amended from time to time, governing minority business enterprise participation.

Article VI.

Revenues.

The Authority is hereby authorized to fix, revise, charge and collect tolls for the use of the project, and to contract with any person, partnership, association or corporation desiring the use of the project, and to fix the terms, conditions, rents and rates of charges for such use.

Such tolls shall be so fixed and adjusted in respect of the aggregate of tolls from the project as to provide a fund sufficient with other revenues, if any, to pay (i) the cost of maintaining, repairing and operating such project and (ii) the principal of and the interest on such bonds as the same shall become

428 *due and payable, and to create reserves for such purposes. Such tolls shall be not subject to supervision*
429 *or regulation by any other authority, board, bureau, or agency of the Commonwealth of Virginia or the*
430 *State of Maryland or the District of Columbia. The tolls and all other revenues derived from the project*
431 *in connection with which the bonds of any issue shall have been issued, except such part thereof as may*
432 *be necessary to pay such cost of maintenance, repair, and operation and to provide such reserves*
433 *therefor as may be provided for in the resolution authorizing the issuance of such bonds or in the trust*
434 *indenture securing the same, shall be set aside at such regular intervals as may be provided in such*
435 *resolution or such trust indenture in a sinking fund which is hereby pledged to, and charged with, the*
436 *payment of the principal of and the interest on such bonds as the same shall become due, and, upon the*
437 *approval of the Governors of the Commonwealth of Virginia and the State of Maryland, the redemption*
438 *price or the purchase price of bonds retired by call or purchase as therein provided. Such pledge shall*
439 *be valid and binding from the time when the pledge is made; the tolls or other revenues or other*
440 *moneys so pledged and thereafter received by the Authority shall immediately be subject to the lien of*
441 *such pledge without any physical delivery thereof or further act, and the lien of any such pledge shall*
442 *be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise*
443 *against the Authority, irrespective of whether such parties have notice thereof. Neither the resolution nor*
444 *any trust indenture by which a pledge is created need be filed or recorded except in the records of the*
445 *Authority. The use and disposition of moneys to the credit of such sinking fund shall be subject to the*
446 *provisions of the resolution authorizing the issuance of such bonds or of such trust indenture. Except as*
447 *may otherwise be provided in such resolution or such trust indenture, such sinking fund shall be a fund*
448 *for all such bonds without distinction or priority of one over another.*

449 *Revenues generated by the project shall not exceed those required to meet payments under any*
450 *applicable trust indenture for the project.*

451 *Article VII.*

452 *Revenue Bonds.*

453 *The Authority is hereby authorized to provide by resolution, at one time or from time to time, for the*
454 *issuance of revenue bonds of the Authority to pay all or a part of the cost of all or a part of the*
455 *project.*

456 *Article VIII.*

457 *Bonds Not to Constitute a Debt or Pledge of Taxing Power.*

458 *Revenue bonds issued under the provisions of this Act shall not be deemed to constitute a debt or a*
459 *pledge of the faith and credit of the Authority or of any signatory government or political subdivision*
460 *thereof, but such bonds shall be payable solely from the funds provided from tolls and other revenues.*
461 *The issuance of revenue bonds under the provisions of this Act shall not directly or indirectly or*
462 *contingently obligate the Authority, or any signatory government or political subdivision thereof, to levy*
463 *or to pledge any form of taxation whatever. All such revenue bonds shall contain a statement on their*
464 *face substantially to the foregoing effect.*

465 *Article IX.*

466 *Bonds Eligible for Investment.*

467 *Bonds issued by the Authority under the provisions of this Act are hereby made securities in which*
468 *all public officers and public bodies of the Commonwealth and its political subdivisions, all insurance*
469 *companies, trust companies, banking associations, investment companies, executors, administrators,*
470 *trustees and other fiduciaries may properly and legally invest funds, including capital in their control or*
471 *belonging to them. Such bonds are hereby made securities which may properly and legally be deposited*
472 *with and received by any Commonwealth or municipal officer or any agency or political subdivision of*
473 *the Commonwealth for any purpose for which the deposit of bonds or obligations is now or may*
474 *hereafter be authorized by law.*

475 *Article X.*

476 *Trust Funds.*

477 *All moneys received pursuant to this Act, whether as proceeds from the sale of bonds or as revenues,*
478 *shall be deemed to be trust funds to be held and applied solely as provided in this Act. The resolution*
479 *authorizing the bonds of any issue or the trust indenture securing such bonds shall provide that any*
480 *officer with whom, or any bank or trust company with which, such moneys shall be deposited shall act*
481 *as trustee of such moneys and shall hold and apply the same for the purposes thereof, subject to such*
482 *regulations as this Act and such resolution or trust indenture may provide.*

483 *Article XI.*

484 *Trust Indenture.*

485 *In the discretion of the Authority, any bonds issued under the provisions of this Act may be secured*
486 *by a trust indenture by and between the Authority and a corporate trustee, which may be any trust*
487 *company or bank having the powers of a trust company within or without the Commonwealth. Such*
488 *trust indenture or the resolution providing for the issuance of such bonds may pledge or assign the tolls*
489 *and other revenues to be received, but shall not convey or mortgage the project or any part thereof.*

Article XII.
Remedies.

Any holder of bonds issued under the provisions of this Act or any of the coupons appertaining thereto, and the trustee under any trust indenture, except to the extent the rights herein given may be restricted by such trust indenture or the resolution authorizing the issuance of such bonds, may, either at law or in equity, by suit, action, mandamus or other proceeding, protect and enforce any and all rights under the laws of the Commonwealth of Virginia or granted hereunder or under such trust indenture or the resolution authorizing the issuance of such bonds, and may enforce and compel the performance of all duties required by this Act or by such trust indenture or resolution to be performed by the Authority or by any officer thereof, including the fixing, charging and collecting of tolls.

Article XIII.

Tax Exemption.

The exercise of the powers granted by this Act will be in all respects for the benefit of the people of the Commonwealth and for the increase of their commerce and prosperity, and as the operation and maintenance of the project will constitute the performance of essential governmental functions, the Authority shall not be required to pay any taxes or assessments upon the project or any property acquired or used by the Authority under the provisions of this Act or upon the income therefrom, and the bonds issued under the provisions of this Act, their transfer and the income therefrom (including any profit made on the sale thereof), shall at all times be free from taxation within the Commonwealth.

Article XIV.

Miscellaneous.

Any action taken by the Authority under the provisions of this Act may be authorized by resolution at any regular or special meeting, and each such resolution shall take effect immediately and need not be published or posted.

The project when constructed and opened to traffic shall be maintained and kept in good condition and repair by the Authority. The project shall also be policed and operated by such force of police, toll-takers and other operating employees as the Authority may in its discretion employ. The Authority may enter into a contractual agreement with an existing governmental entity in Maryland or Virginia to provide these services. An Authority police officer shall have all the powers granted to a peace officer and a police officer of the State of Maryland. However, an Authority police officer may exercise these powers only on property owned, leased, operated by, or under the control of the Authority, and may not exercise these powers on any other property unless:

1. Engaged in fresh pursuit of a suspected offender;
2. Specially requested or permitted to do so in a political subdivision by its chief executive officer or its chief police officer; or
3. Ordered to do so by either the Governor of Virginia or Maryland.

All other police officers of the signatory parties and of each county, city, town or other political subdivision of the Commonwealth through which any project, or portion thereof, extends shall have the same powers and jurisdiction within the limits of such projects as they have beyond such limits and shall have access to the project at any time for the purpose of exercising such powers and jurisdiction.

On or before the last day of August in each year, the Authority shall make an annual report of its activities for the preceding fiscal year to the Governors of Maryland and Virginia and the city council of the District of Columbia. Each such report shall set forth a complete operating and financial statement covering its operations during the year. The Authority shall cause an audit of its books and accounts to be made at least once in each year by certified public accountants and the cost thereof may be treated as a part of the cost of construction or operation of the project. The records, books and accounts of the Authority shall be subject to examination and inspection by duly authorized representatives of the governing bodies of Maryland, the District of Columbia and Virginia, and by any bondholder or bondholders at any reasonable time, provided the business of the Authority is not unduly interrupted or interfered with thereby.

Any member, agent or employee of the Authority who contracts with the Authority or is interested, either directly or indirectly, in any contract with the Authority or in the sale of any property, either real or personal, to the Authority shall be guilty of a misdemeanor, and, upon conviction, shall be punished by a fine of not more than \$1,000 or by imprisonment for not more than one year, or both.

Any person who uses the project and fails or refuses to pay the toll provided therefor shall be guilty of a misdemeanor, and, upon conviction, shall be punished by a fine of not more than \$100 or by imprisonment for not more than thirty days, or both.

3. That § 33.1-320.1 of the Code of Virginia is repealed.