
VDOT
Virginia Department of Transportation

HAMPTON ROADS BRIDGE-TUNNEL EXPANSION

September 15, 2026

Side Letter with HRTAC to Amend PAFA September 15, 2026

Purpose

CTB action is needed to authorize the Commissioner to execute a Side Letter amending the Project Agreement for Funding and Administration (PAFA) between VDOT and HRTAC.

Board action is requested in September 2026.

This action is the required to enable VDOT to issue a Work Order to Hampton Roads Connector Partners (“HRCP”) that modifies certain milestone dates specified in the Comprehensive Agreement.

Issue

As part of the process to deliver the Hampton Roads Bridge Tunnel ("HRBT") Expansion Project:

1) **VDOT and the Hampton Roads Transportation Accountability Commission ("HRTAC") entered into the Project Agreement for Funding and Administration ("PAFA") which establishes the relationship and processes for administering the project**

2) **VDOT and Hampton Roads Connector Partners ("HRCP") entered into the Comprehensive Agreement which provides the framework to design and build the Project**

Facts

VDOT, after receiving the required notices and supporting information to establish entitlement and quantum, has negotiated a Work Order with HRCP.

Scope of the Work Order includes additional time and money for the replacement of tunnel segments that VDOT determined could potentially impact the durability of the tunnel.

Terms of the Work Order provide HRCP:

a) $19.4M in additional compensation
b) 60-day extension to the No Excuses Incentive, Substantial Completion Deadline, and Final Completion Deadline.
   - "No Excuses Incentive" is an early completion bonus if Substantial Completion is achieved ahead of schedule
   - "Substantial Completion" generally means beneficial use of the new tunnels and facility
   - "Final Completion" means full completion of the Project

Facts

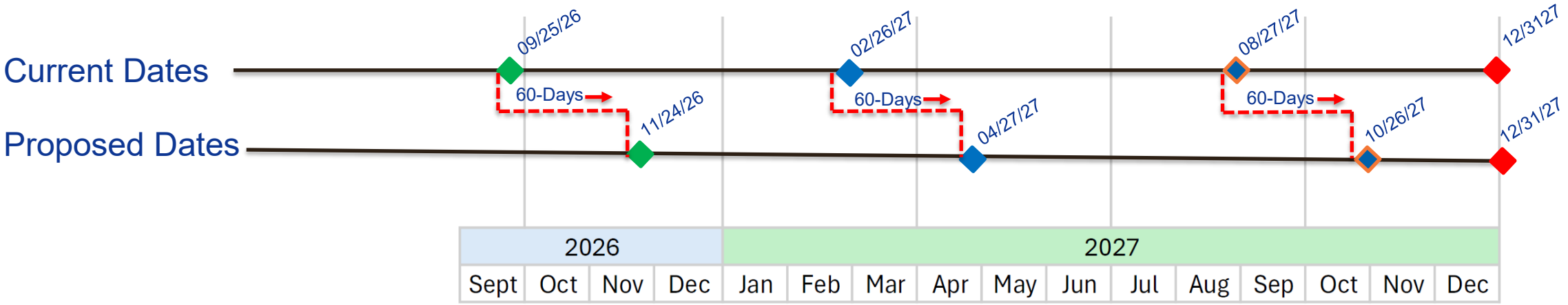
Under the terms of the PAFA, VDOT may not alter the dates associated with the No Excuses Incentive without consent of HRTAC.

The proposed Side Letter would:

1) **Memorialize HRTAC consent to modifying the dates associated with the No Excuses Incentive**
2) **Amend the PAFA to reflect consistent dates with the Work Order (which modifies the Comprehensive Agreement)**
3) **Clarify the mechanics by which VDOT may request reimbursement of the No Excuses Incentive**
    a) **Timing for requesting such reimbursement**
    b) **Limitations on HRTAC's obligation to pay such reimbursement should its Maximum Commission Financial Commitment be met**

Facts

HRBT Expansion Project Dates of Significance



- Start of No Excuses Incentive; $90M earned if Substantial Completion achieved by this date
- End of No Excuses Incentive; $0M earned if Substantial Completion achieved by this date
  Substantial Completion Deadline
- Final Completion Deadline
- Long Stop Deadline → HRCP in default if Final Completion not achieved by this date. Remains unchanged.