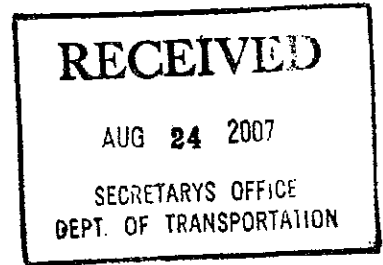




STATE OF DELAWARE  
**DEPARTMENT OF TRANSPORTATION**  
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P.O. BOX 778  
DOVER, DELAWARE 19903



CAROLANN WICKS, P.E.  
SECRETARY

August 17, 2007

The Honorable John D. Porcari  
Secretary, Maryland Department of Transportation  
7201 Corporate Center  
Hanover, MD 21076

Dear Secretary Porcari,

At our meeting on Friday, August 3, 2007, I committed to you that I would work with my staff to develop a clear understanding of the issues with regard to the toll plaza on Interstate 95, and formally communicate our position to you. The idea of creating a joint toll facility on the Maryland/Delaware state line has been looked at several times in the past few years, and in each instance, has been found to be an unattractive option for our state. Our staff has identified several key issues that presently prohibit us from pursuing such a joint endeavor.

As you know, the Delaware Turnpike is a significant contributor to Delaware's Transportation Trust Fund. That revenue stream is critically important to our state's transportation infrastructure and any proposed changes to those revenue sources are looked at with a critical eye. A disruption or reduction of those revenues would have a significant adverse impact on our statewide transportation program.

Today, we collect tolls on the turnpike in both directions. Sharing a toll facility with your state would result in us each collecting tolls in one direction. In order to collect the same amount of revenue, Delaware would have to more than double the toll rates, due to expected diversion. We already have a significantly high toll rate (as is frequently pointed out by the media) and any further substantial increase will likely drive a significant number of motorists to the roads in the surrounding communities and lead to other problems.

We also have concerns about the impact such a joint facility might have on our ability to unilaterally seek toll increases or establish discounts. Today, our toll schedules are set by the Delaware Transportation Authority, with significant input from our General Assembly and the Office of Management and Budget. Having a joint facility would make future unilateral changes far more difficult, as there would surely be a desire to have consistency in the rate structure in both directions.

Additionally, as our turnpike revenues are pledged to secure bonds, we cannot take any action that might jeopardize the revenue stream. The bond covenants do not anticipate the



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sharing of revenues between our states, and we believe doing so may well require the consent of the bondholders. Delaware also currently enjoys an impeccable bond rating from each of the rating agencies. Any adverse change to the revenue stream used to secure those bonds could jeopardize those ratings and lead to a significant increase in costs associated with our borrowing program.


Furthermore, our respective agencies today use different vendors to maintain the toll collection equipment, process electronic toll transactions, and capture violations. Also, as each of us are Full Member Agencies of the E-ZPass InterAgency Group (IAG), we would also have to investigate the impact such a facility would have on the IAG reciprocity process whereby “home” agencies send toll revenues to “away” agencies. It is unclear how reciprocity would work in the future with a joint facility.

There are a number of other significant issues that make this proposal difficult to accept. Our agency is currently undertaking a turnpike improvement program whereby we expect to modernize our facility with state of the art Express E-ZPass lanes. We also anticipate studying the possibility of converting the facility to an Open Road Toll environment, once the technology and back office systems become more reliable. These are decisions that we can make unilaterally today, but that would have to be jointly agreed to under the proposal for a joint facility. This would place an undo burden on our ability to effectively manage our capital spending program.

I fully understand the issues you are faced with. The residents of Cecil County have for some time now expressed a desire for moving your current toll facility closer to the Delaware/Maryland state line in order to further stimulate economic growth within the county. While I can empathize with the situation you are facing, it is clear to me that building a joint toll facility presents a slew of significant hurdles that make such a facility unfeasible.

We are committed to continuing the close coordination and planning with MDOT for the other regional issues that we share, and look forward to working with you to provide the best transportation system possible for each of our constituencies.

Sincerely,



Carolann Wicks  
Secretary

CW:pw

cc: Mark Brainard, Chief of Staff  
Jim McNinch, Director Maintenance and Operations  
Bob Taylor, Chief Engineer  
PJ Wilkins, Toll Administrator