“This interchange is a crucial economic engine, providing valuable access to jobs, supporting business growth, and expanding Georgia’s role as a major logistics hub for global commerce. When built, the (reconstructed) interchange will serve to preserve our quality of life by increasing mobility in the corridor. Due to limited resources, we will be using a design-build finance model for this project. This type of public-private partnership gives us the tools we need to facilitate the construction of major transportation projects.”
Meeting Agenda

- Welcome and Introductions
- State Commitment to the Project
- I-285 & SR 400 Reconstruction Project Overview
- Project Procurement
- Financial, Management and Contracting Overview
- Closing Remarks
- Networking

photo – Jason Getz, AJC
Project Overview
Existing I-285 at SR 400 Interchange
Existing I-285 at SR 400 Interchange
Project Visualization

Existing Conditions
Project Overview and Rationale

• Reduce traffic congestion and improve safety
• Priority for metro Atlanta region
• Accelerated delivery through innovative project delivery methods
• Procure two adjacent projects (I-285/SR 400 Interchange and SR 400 Collector-Distributor Lanes) as one Design-Build-Finance (DBF) Public-Private Partnership (P3)
• Combined Design-Build cost is estimated at $650 - $710 million
• Construction period is estimated to be 42 months, not to exceed 48 months
I-285/SR 400 Interchange

• Construct new Collector-Distributor system EB and WB with braided ramps at Roswell Road, SR 400 and Ashford-Dunwoody Road
• SR 400 NB lanes over I-285
• 4.3-mile I-285 portion begins west of Roswell Road and ends east of Ashford-Dunwoody Road
• 1.2-mile SR 400 portion begins at the Glenridge Connector and extends north to the Hammond Drive interchange area; ties into SR 400 CD System (GDOT P.I. No. 721850)
Project Location and Overview
P.I. 0000784
Project Location and Overview
P.I. 0000784
SR 400 Collector-Distributor Lanes

- Approx. 4.0 miles along SR 400, beginning at Hammond Drive
- Ties into I-285 / SR 400 Interchange (GDOT P.I. No. 0000784)
- Modify Hammond Drive interchange to tie into the proposed CD system
- Replace the Mt. Vernon Road overpass bridge
- Reconfigure the Abernathy Road interchange & approaches
- Build extended ramps north of Abernathy Road to separate traffic accessing Abernathy Road from traffic accessing I-285
SR 400 Collector-Distributor Lanes
## Estimated Major Construction Items*

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paving &amp; Grading</td>
<td>approx. 100 lane-miles paving approx. 1.8m cy exc. approx. 1.2m cy borrow</td>
<td>approx. $135m</td>
</tr>
<tr>
<td>Erosion Control &amp; Drainage</td>
<td>approx. 100 lane-miles mainline, CDs &amp; ramps</td>
<td>approx. $45m</td>
</tr>
<tr>
<td>Bridges</td>
<td>31 bridges approx. 75,000 sf removal</td>
<td>approx. $140m</td>
</tr>
<tr>
<td>Walls</td>
<td>approx. 1.3m sf retaining walls approx. 1.0m sf noise walls</td>
<td>approx. $140m</td>
</tr>
<tr>
<td>Signals/Signing/ITS</td>
<td>approx. 20 signals approx. 12,000 sf interstate signs approx. 101 lane-miles signing &amp; marking</td>
<td>approx. $40m</td>
</tr>
</tbody>
</table>

* Does not include all cost items
Environmental Review

• I-285/SR 400 Interchange
  • FHWA approval of new Environmental Assessment for Interchange anticipated to result in FONSI in May 2015
  • Public Information Open Houses were held in August 2014
• SR 400 CD Lanes
  • FHWA approval of re-evaluation of existing 1998 Environmental Assessment/FONSI for SR 400 CD System anticipated in May 2015
  • Public Information Open Houses are scheduled for November 18, 2014
Environmental – Anticipated Impacts

• Impact to streams - approx. 11,000 LF
• Impacts to open water - approx. 0.5 acres
• Impacts to wetlands - approx. 0.1 acre
• Buffer variances / impacts to buffered areas to be determined
• Sound barriers are anticipated along I-285 and SR 400. Locations will be determined based on additional study and evaluation.
Right of Way Acquisition

• I-285/SR 400 Interchange
  ▪ GDOT anticipates obtaining the Right of Way parcels in the 285/400 Interchange core area
  ▪ None of the Right of Way is currently acquired
  ▪ It is anticipated that the Developer will be responsible for obtaining the Right of Way along I-285 east and west of this core area

• SR 400 CD Lanes
  ▪ GDOT is obtaining all of the Right of Way along the SR 400 corridor
  ▪ Approximately 70% of required Right of Way has been acquired
I-285 @ SR 400 Right of Way Acquisition

- Approx. 32 parcels affected
- Approx. 25 parcels in core area are affected
- Approx. 13 parcels affected

Core Area:
- “Core Area”
- Glenridge Drive
- Hammond Drive
- MARTA Overpass
- Ashford Dunwoody
- Glenridge Connector

Parcels Affected:
- Roswell Rd
- Glenridge Drive
- P’tree Dunwoody
- Ashford Dunwoody
- I-285

Approx. 32 parcels affected
Approx. 25 parcels in core area are affected
Approx. 13 parcels affected
DBE Involvement

- GDOT is taking a proactive approach to ensure adequate involvement by DBE resources
- DBE goal range is anticipated to be between 12% - 18% of the overall project design and construction costs
- Developer will be required to exercise good faith efforts to achieve the DBE participation goal
- GDOT intends to conduct project specific DBE workshops in the future
Project Procurement
Delivery Method Rationale

• Procured through the State’s P3 procurement process as a single, Design-Build Finance (DBF) only contract
• Developer participation will accelerate the completion of all work versus pay-as-you-go funding. It also:
  ▪ Accelerates economic and user benefits as well as job creation
  ▪ Achieves economies of scale and avoids cost escalation
  ▪ Reduces the duration of construction disruption to traffic
• The Design-Build contracting structure increases coordination between the design and construction teams:
  ▪ Encourages innovation
  ▪ Rewards adherence to budget and schedule
  ▪ Improves maintenance of traffic planning
# Current Schedule

<table>
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<tr>
<th>Project Milestone</th>
<th>Anticipated Schedule</th>
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<td>Early 2016</td>
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<td>Project Open to Traffic</td>
<td>Late 2019</td>
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</table>
Request for Qualifications (RFQ)

- GDOT anticipates issuing an RFQ in November 2014, in which respondents will be required to submit a Statement of Qualifications (SOQ) and describe, among other matters, their technical and financial qualifications to serve as Developer for the Project. Technical and Financial submittals are anticipated to include:

<table>
<thead>
<tr>
<th>Technical</th>
<th>Financial</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Project Understanding and Approach</td>
<td>• Financial Understanding and Approach</td>
</tr>
<tr>
<td>• Design-Build Project Team Qualifications, Experience and Capabilities</td>
<td>• Qualifications, experience and/or relationships demonstrating ability to secure the required financing</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financial</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Ability to provide required performance security package</td>
</tr>
<tr>
<td>• Sufficient financial strength – balance sheets and credit quality</td>
</tr>
</tbody>
</table>
Short-List Selection

• Statements of Qualifications (SOQs) will be reviewed and ranked according to criteria established in RFQ

• Structure for evaluations

  - GDOT anticipates short-listing the highest scoring SOQs
  - GDOT anticipates short-listing no less than 3 and no more than 5 proposers per the P3 Rules
Request for Proposals (RFP)

- Proposals will be evaluated using a “Best Value” approach that will incorporate a scored Technical and Financial portion. Specific evaluation and scoring criteria will be detailed in the RFP, but it is anticipated that considerations will include:

<table>
<thead>
<tr>
<th>Technical</th>
<th>Financial*</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Schedule &amp; Phasing Plan</td>
<td>• Firm, fixed-price for the project</td>
</tr>
<tr>
<td>• Project Development Plan</td>
<td>• Fully committed financing</td>
</tr>
<tr>
<td>• Risk Management Plan</td>
<td>• Construction security package</td>
</tr>
<tr>
<td>• Design-Build Technical Solutions and ATCs</td>
<td>• Proposal security</td>
</tr>
<tr>
<td>• Construction Sequencing and Traffic Management</td>
<td></td>
</tr>
<tr>
<td>• Right of Way Acquisition Approach</td>
<td></td>
</tr>
</tbody>
</table>

*Financial Proposals will be subject to a validity period - GDOT understands that financing commitments cannot be held indefinitely
RFP Process

- The RFP will be comprised of multiple volumes, including Instructions To Proposers and a form of contract with technical requirements

- A process for proposer feedback on the RFP is anticipated
  - Release of a draft RFP for review and comment
  - One-on-One meetings

- Proposals will be required to include firm fixed pricing secured by a proposal bond with committed financing (subject to a validity period)

- To address the costs of work associated with a proposal and acquire ownership of the ideas in the proposals, GDOT plans to provide a Payment for Work Product to responsive proposers that are not selected for award
Alternative Technical Concepts

• To encourage innovative proposals, GDOT anticipates allowing proposers to submit Alternative Technical Concepts (ATCs)
• GDOT will maintain confidentiality of submitted ATCs throughout the RFP process
• One-on-One meetings with GDOT will be held with respect to ATCs
• Accepted ATCs will be approved on a proposer specific basis
Required Performance Security Package

• The RFP will establish minimum requirements for Developers’ performance security package as well as project specific insurance coverages and limits
Financial, Management, and Contracting Overview
## Estimated Total Project Cost by Phase

<table>
<thead>
<tr>
<th></th>
<th>721850-SR 400 CD System ($ Millions)</th>
<th>0000784 I-285 at SR 400 Interchange ($ Millions)</th>
<th>Total ($ Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PE</td>
<td>$23.33</td>
<td>$32.46</td>
<td>$55.79</td>
</tr>
<tr>
<td>ROW</td>
<td>$0.00</td>
<td>$125.00</td>
<td>$125.00</td>
</tr>
<tr>
<td>CST</td>
<td>$306.42</td>
<td>$568.40</td>
<td>$874.82</td>
</tr>
<tr>
<td>Total</td>
<td>$329.75</td>
<td>$725.86</td>
<td>$1,055.61</td>
</tr>
</tbody>
</table>
Programmed Funding

Atlanta Transportation Improvement Program & Long Range Plan ($ millions)

$-  $25  $50  $75  $100  $125  $150


TIP Funding Through Construction ($454 million total)
TIP Funding Following Construction ($601 million total)
Sources of Funding for Developer Work

• **During Construction**
  - Public Payments of approximately $235 million
    - Federal Funding
    - State Motor Fuel Tax Revenue
    - Local Funding (PCID)
  - Developer “Gap” Financing
    - Potential sources: bank loans, capital markets, balance sheet financing
    - Currently estimated at up to $600 million

• **Post-Construction Payments to Developer**
  - Federal Funding
  - State Motor Fuel Tax Revenue
Declining Debt Service

Schedule of Future Debt Service ($ millions)

- GO bonds
- GARVEE bonds
- Guaranteed Revenue Bonds
Financing Considerations

• The amount to be financed is substantial and may not be able to be financed on a contractor’s balance sheet.

• GDOT looks forward to industry feedback on how to achieve the most economical outcome, recognizing that funding and legal constraints may exist.

• GDOT has begun its own research and anticipates learning more about industry views on areas of interest such as:
  ▪ Lenders’ exposure to construction risk
  ▪ Certification of construction progress
  ▪ Potential assignment of future payments
  ▪ Waiver of certain set-off rights
  ▪ Interest rate risk between proposal submittal & financial close
### Project Management

<table>
<thead>
<tr>
<th>Key Decisions</th>
<th>GDOT and SRTA Leadership</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project Team</strong></td>
<td></td>
</tr>
<tr>
<td>Sponsor Lead</td>
<td>GDOT Office of Innovative Delivery</td>
</tr>
<tr>
<td>Technical Advisor</td>
<td>HNTB</td>
</tr>
<tr>
<td>Financial Advisor</td>
<td>Ernst &amp; Young Infrastructure Advisors</td>
</tr>
<tr>
<td>Legal Advisor</td>
<td>Ballard Spahr LLP</td>
</tr>
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</table>
Project Management Structure

GDOT
- Procurement
- Project Management (Design-Build Phase)
- Project Funding
- Operations and Maintenance
- Grantor of Property Interest

• Intergovernmental Agreement
• Memorandum of Understanding (“MOU”)
• Property Interest

State Road and Tollway Authority (SRTA)
- Grantee of Property Interest
- Design-Build-Finance Agreement with Developer
- Payment to Developer

Georgia Department of Transportation
Contracting Arrangement

Property Interest

Intergovernmental Agreement

Annual Funding MOU

DBFA

DEVELOPER
Contracting Arrangement / Commitments

• GDOT will procure a single entity to design, build, construct and partially finance the Project under a DBFA.
• GDOT and SRTA will enter into additional agreements to jointly undertake the Project and allocate between themselves rights, roles and responsibilities for the life of the project:
  ▪ GDOT to convey to SRTA a property interest in the land owned and controlled by GDOT that is needed for the construction of the Project.
  ▪ Intergovernmental Agreement (IGA) covering the life of the Project.
  ▪ Memorandum of Understanding (MOU) covering responsibility allocation including the funding and GDOT’s commitments for payment to SRTA.
• GDOT will seek State or Federal Appropriations for all Funding Requirements.
Contracting Arrangement / Commitments

• SRTA will enter into the DBFA with Developer and provide Developer with access rights to the Project site.
• The DBFA with SRTA will require Developer to design, construct and partially finance the Project for a fixed price (the DBF Contract Sum).
• SRTA will enter into an IGA with GDOT to grant GDOT the responsibility for overall project management and oversight, including (but not limited to) construction monitoring and approval of payment applications.
• Developer will be paid for work completed and approved by GDOT (based upon the availability of public funds).
• Payment to Developer over the years following construction (anticipated through 2025).
Disclaimer

While the information provided in this presentation is believed to be accurate and reliable, the State of Georgia, the Georgia Department of Transportation and the State Road and Tollway Authority (the "State Parties") do not make any representations or warranties, express or implied, as to the accuracy or completeness of such information. The State Parties shall not be liable in damages of whatever kind as a result of the information provided hereunder. Nothing contained within this presentation is or should be relied upon as a promise or representation as to the future. The estimated financial information contained herein was prepared expressly for use herein and are based on certain assumptions and analysis of information available at the time that this presentation was prepared. There is no representation, warranty, or other assurance that any of the estimated financial information is accurate.
Closing Remarks
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Contact Information

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