

I-285 & SR 400 Improvements

Informational Meeting
October 8, 2014



State Commitment

“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.”



Governor Nathan Deal

Partners



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



photo - Perimeter CID

Existing I-285 at SR 400 Interchange



Project Visualization



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



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- I-285 Eastbound Movements**
- I-285 Westbound Movements**
- SR-400 Northbound Movements**
- SR-400 Southbound Movements**



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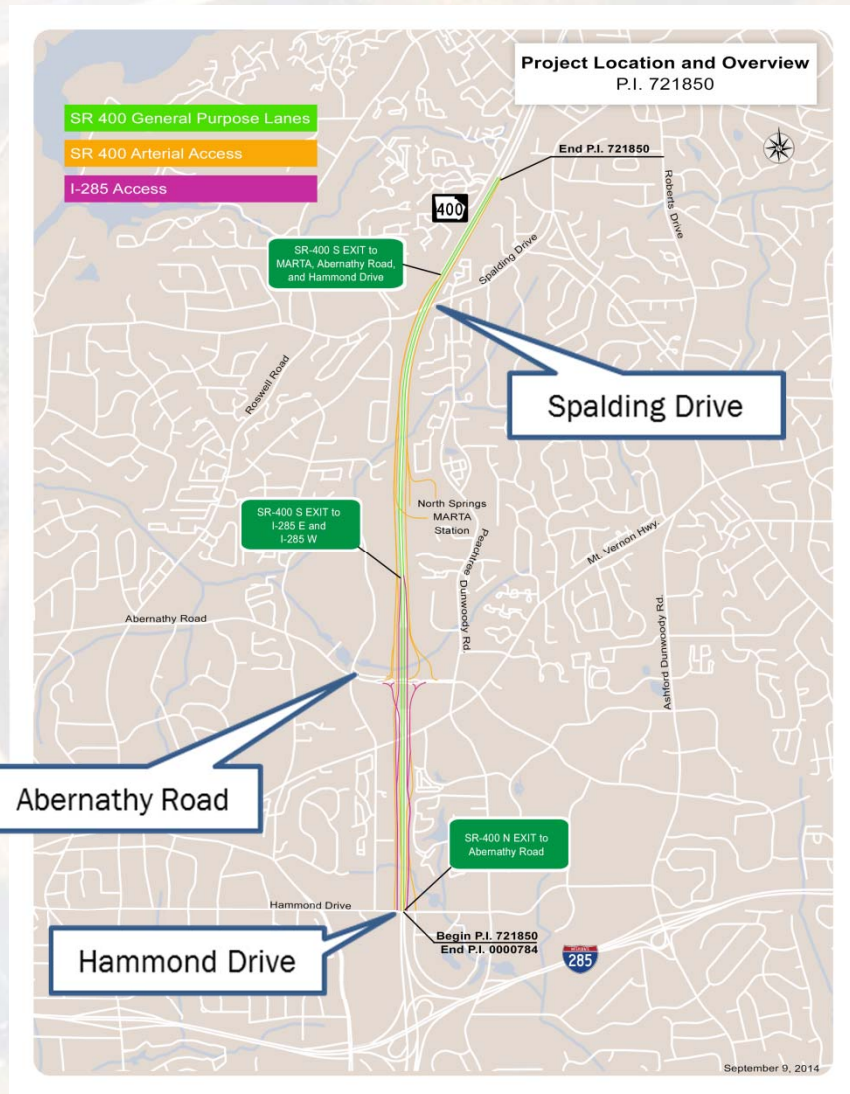


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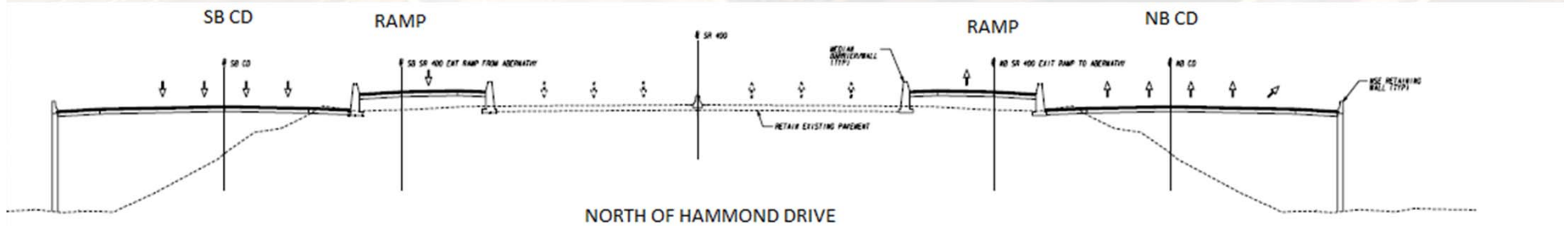
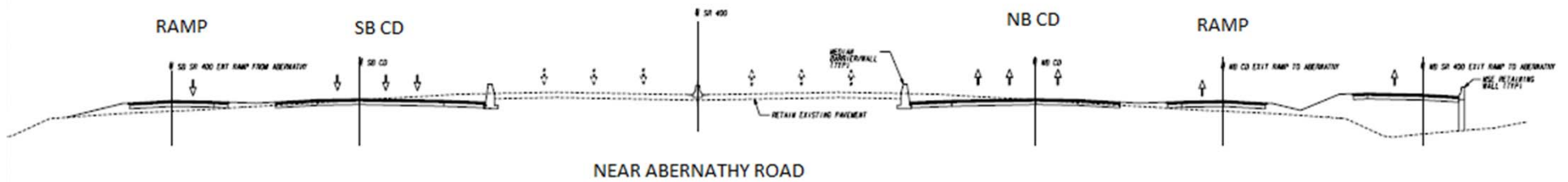


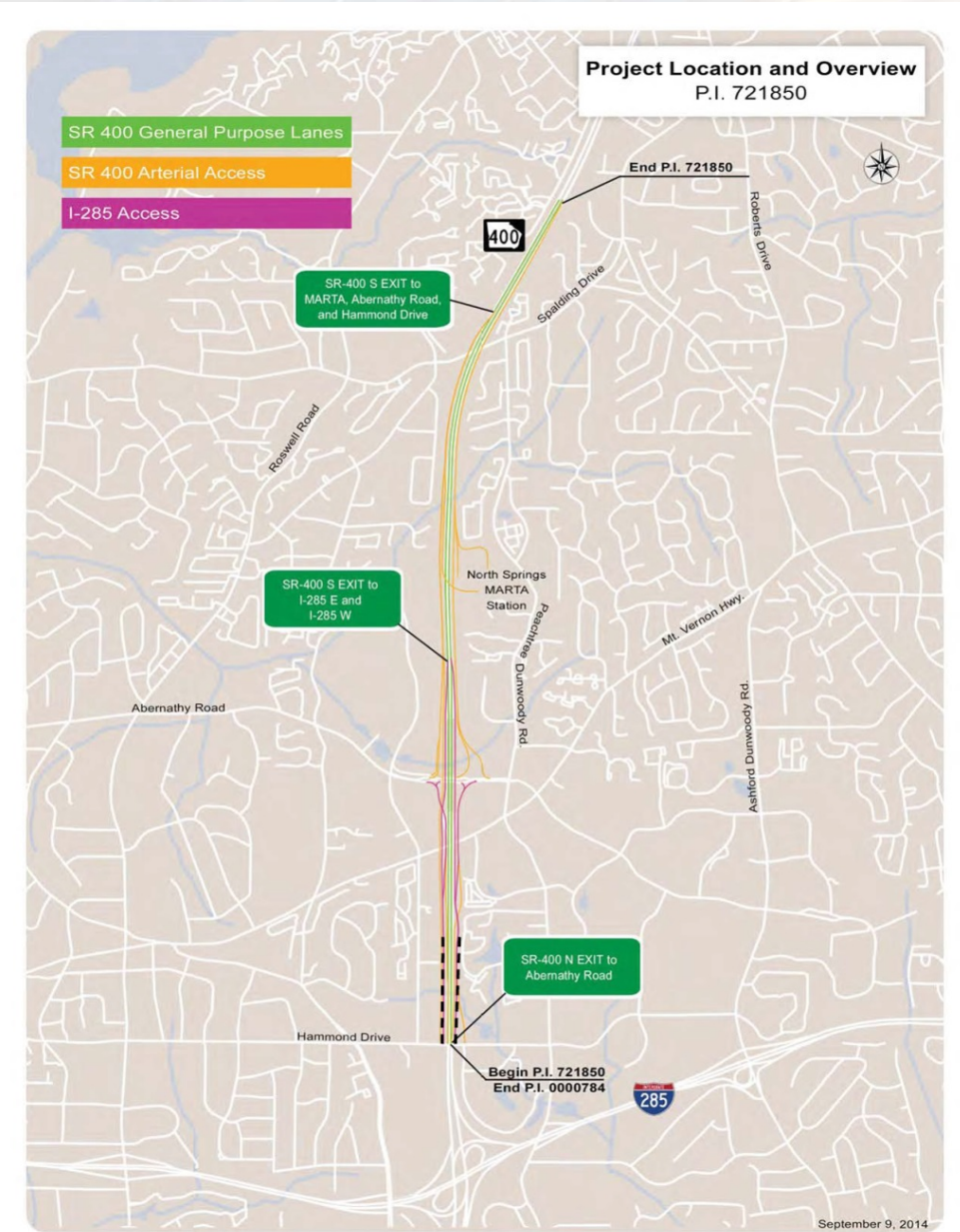
SR 400 Collector-Distributor Lanes

- 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

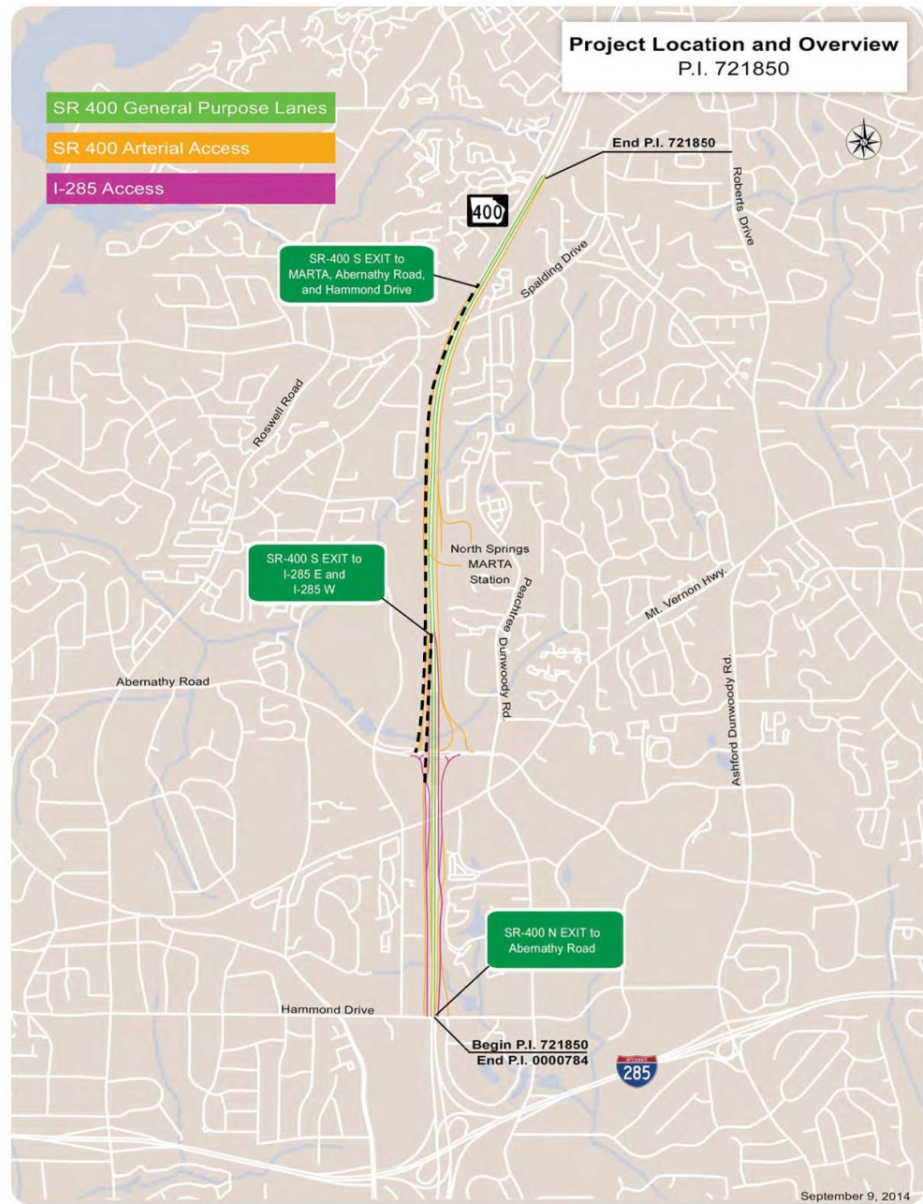


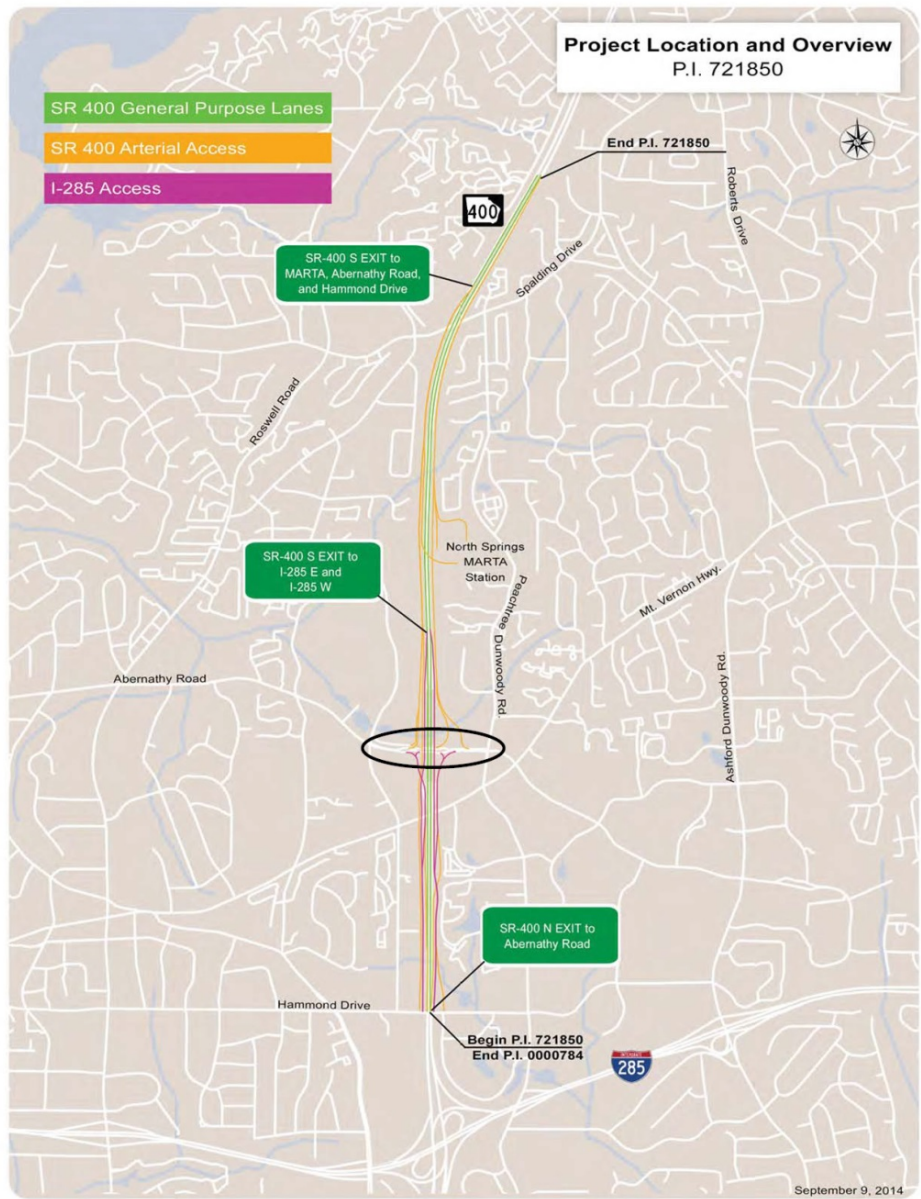












Estimated Major Construction Items*

Paving & Grading	approx. 100 lane-miles paving approx. 1.8m cy exc. approx. 1.2m cy borrow	approx. \$135m
Erosion Control & Drainage	approx. 100 lane-miles mainline, CDs & ramps	approx. \$45m
Bridges	31 bridges approx. 75,000 sf removal	approx. \$140m
Walls	approx. 1.3m sf retaining walls approx. 1.0m sf noise walls	approx. \$140m
Signals/Signing/ITS	approx. 20 signals approx. 12,000 sf interstate signs approx. 101 lane-miles signing & marking	approx. \$40m

* 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

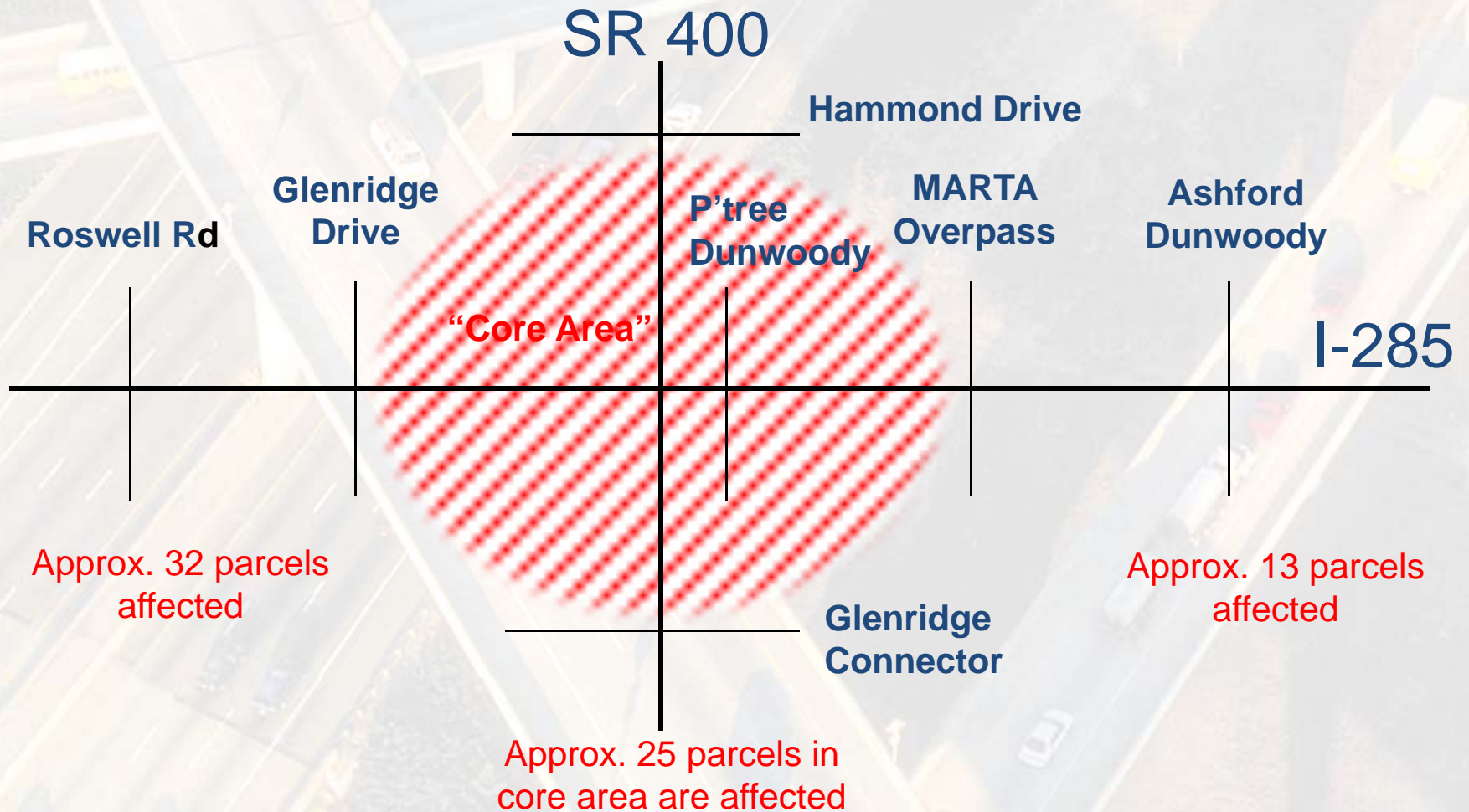
Environmental – Anticipated Impacts

- 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



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

Project Milestone	Anticipated Schedule
Industry Forum & One-on-Ones	October 2014
RFQ Release	November 2014
SOQ Submittal Deadline	December 2014
Short-List Announcement / Initial RFP Release	January 2015
Final RFP Release	July 2015
Proposal Deadlines	November 2015
Selection of Best Value Proposer	December 2015
Commercial / Financial Close	TBD
Notice To Proceed	Early 2016
Project Open to Traffic	Late 2019

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:

Technical	<ul style="list-style-type: none">• Project Understanding and Approach• Design-Build Project Team Qualifications, Experience and Capabilities
Financial	<ul style="list-style-type: none">• Financial Understanding and Approach• Qualifications, experience and/or relationships demonstrating ability to secure the required financing• Ability to provide required performance security package• Sufficient financial strength – balance sheets and credit quality

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:

Technical	<ul style="list-style-type: none">Schedule & Phasing PlanProject Development PlanRisk Management PlanDesign-Build Technical Solutions and ATCsConstruction Sequencing and Traffic ManagementRight of Way Acquisition Approach
Financial*	<ul style="list-style-type: none">Firm, fixed-price for the projectFully committed financingConstruction security packageProposal security

**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

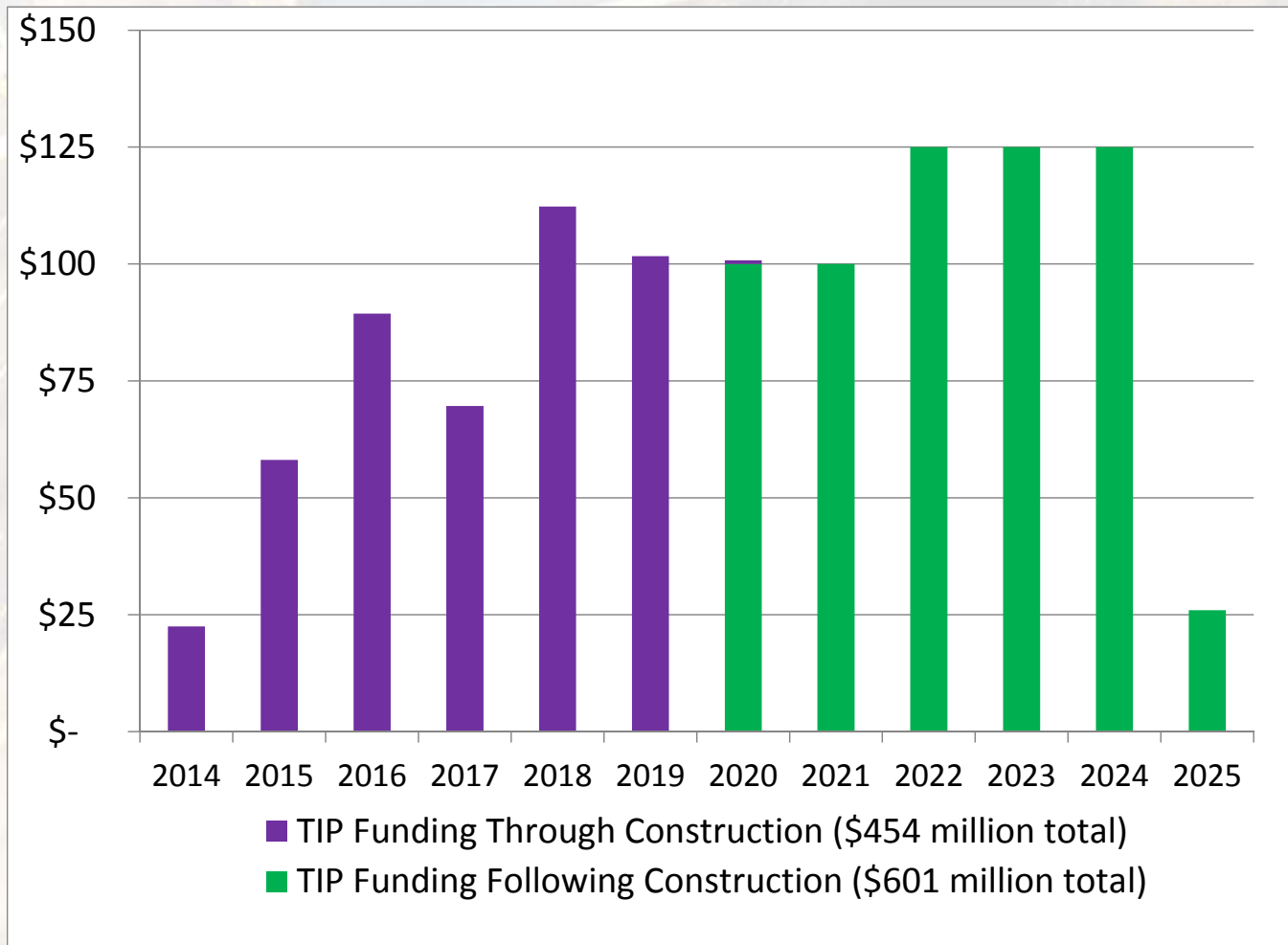


Estimated Total Project Cost by Phase

	721850- SR 400 CD System (\$ Millions)	0000784 I-285 at SR 400 Interchange (\$ Millions)	Total (\$ Millions)
PE	\$23.33	\$32.46	\$55.79
ROW	\$0.00	\$125.00	\$125.00
CST	<u>\$306.42</u>	<u>\$568.40</u>	<u>\$874.82</u>
Total	\$329.75	\$725.86	\$1,055.61

Programmed Funding

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

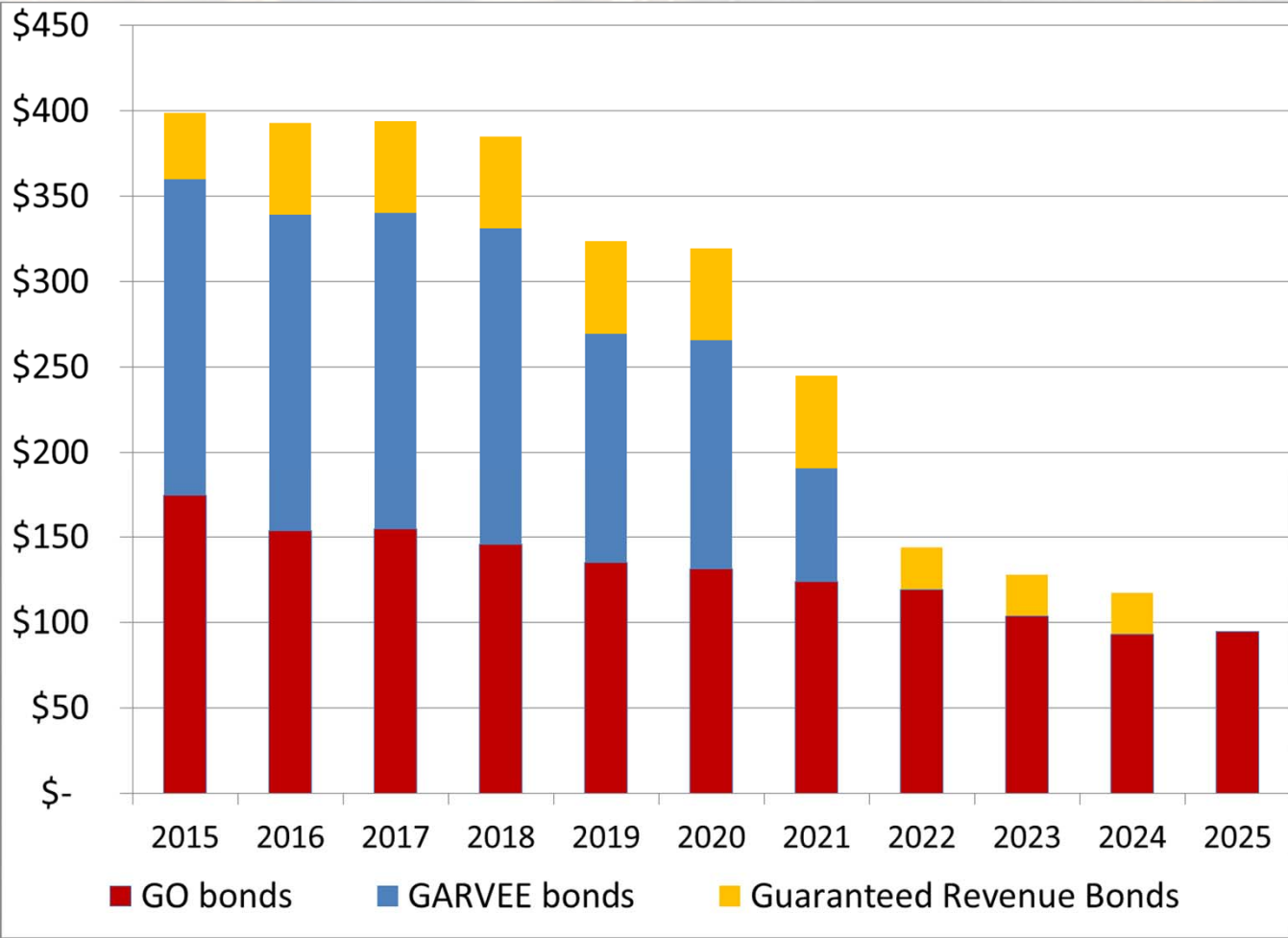


Sources of Funding for Developer Work

- **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)



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

Key Decisions

GDOT and SRTA Leadership

Project Team

Sponsor Lead

GDOT Office of Innovative Delivery

Technical Advisor

HNTB

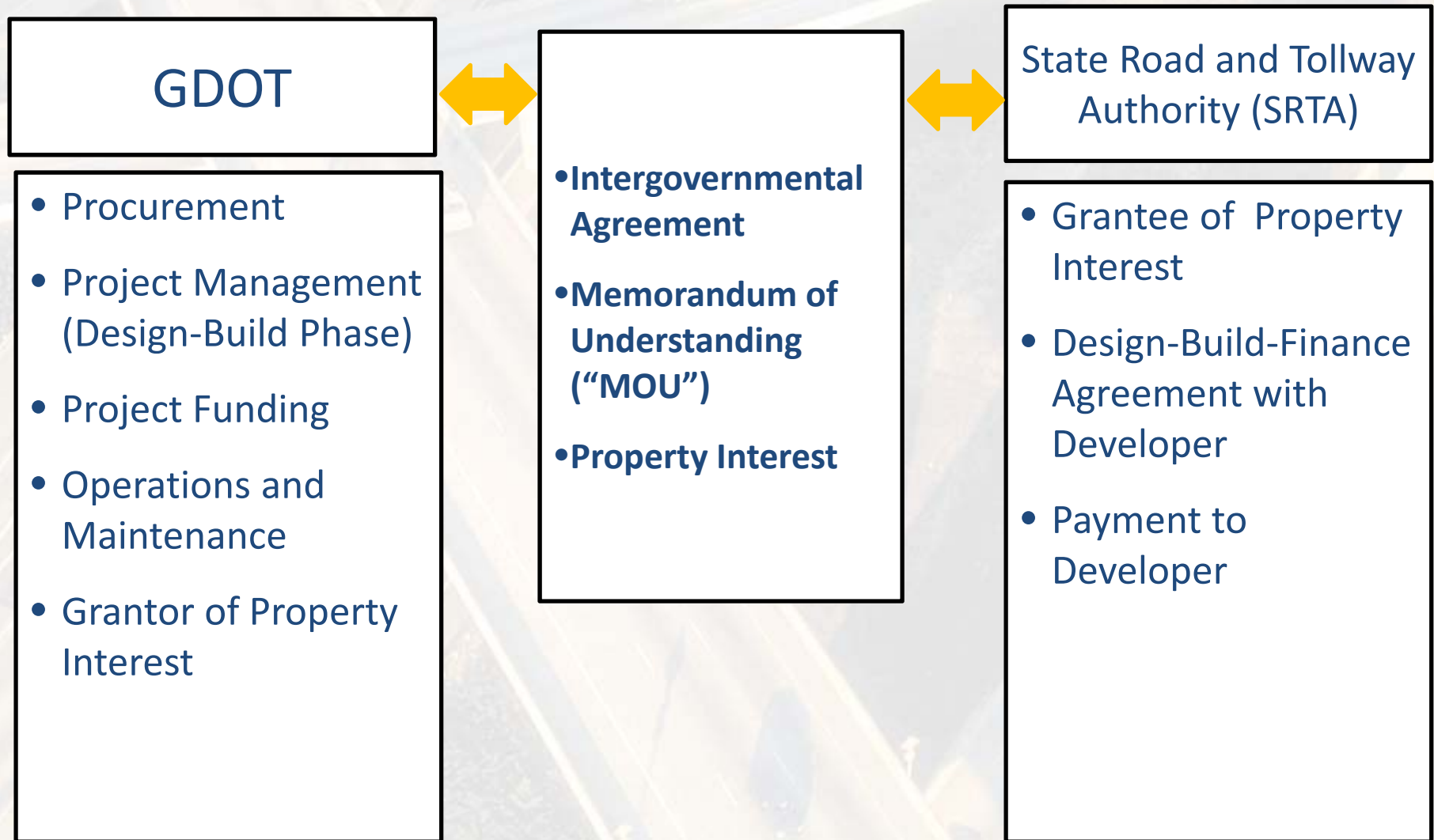
Financial Advisor

Ernst & Young Infrastructure Advisors

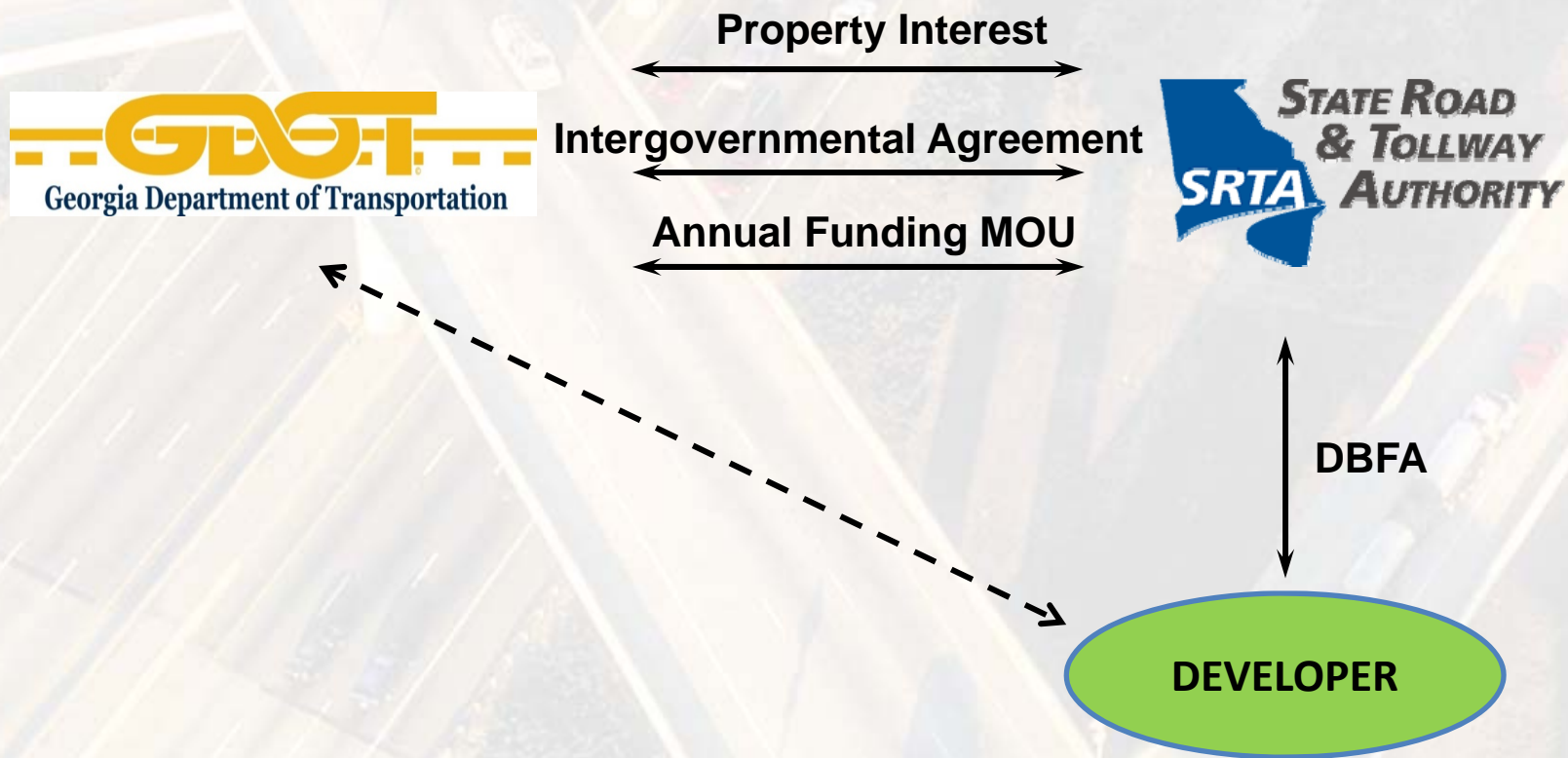
Legal Advisor

Ballard Spahr LLP

Project Management Structure



Contracting Arrangement



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).

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Closing Remarks



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Contact Information

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