



## Commonwealth Transportation Board

**I-66 Corridor Briefing**

**Outside the Beltway**

**Route 15 to I-495**

January 13, 2015



## I-66 Corridor Briefing Overview

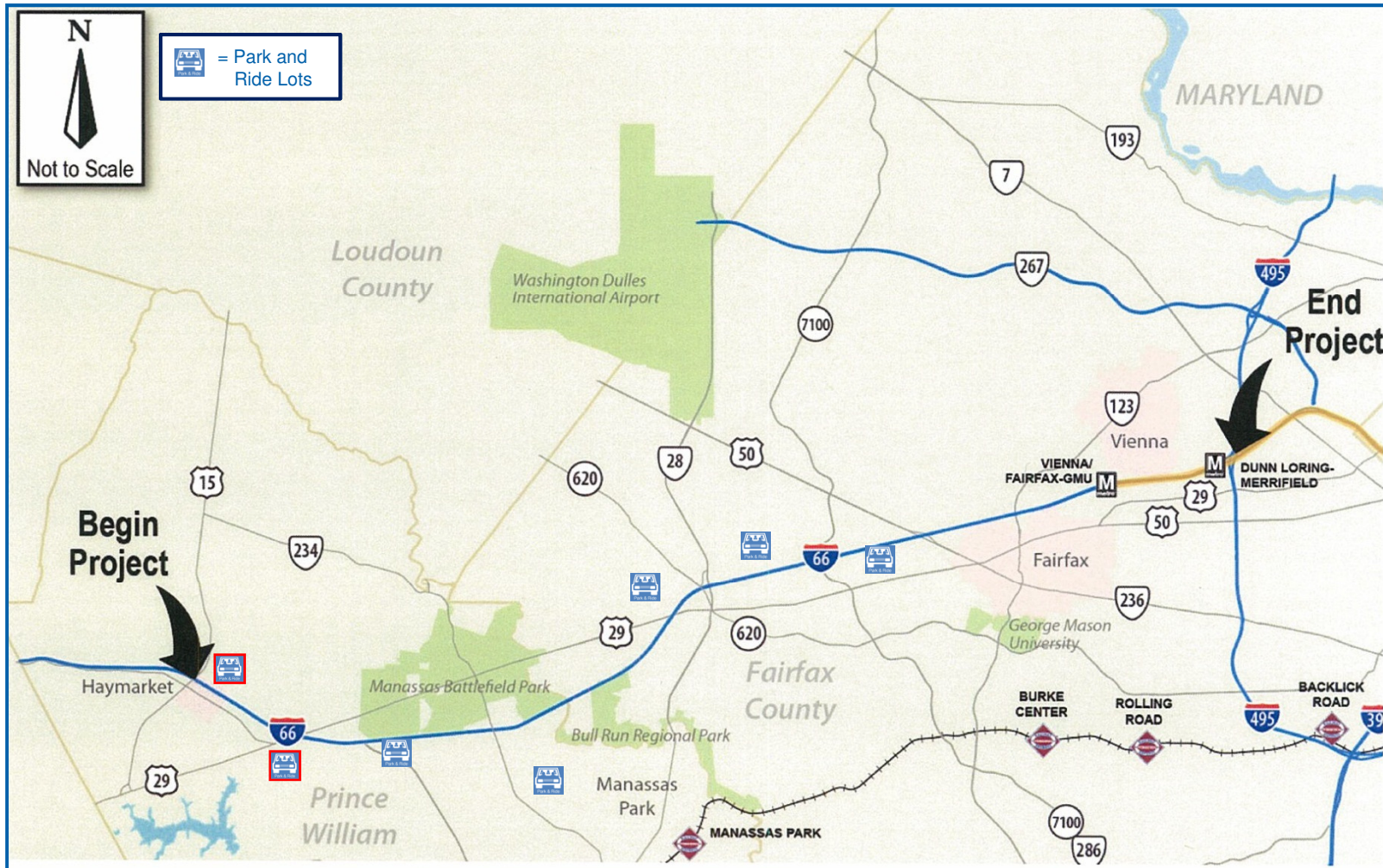
- **Project Status Update**
- **Transit**
- **P3 Procurement**
- **Major Project Milestones**



# I-66 CORRIDOR IMPROVEMENTS

VDOT | DRPT

# I-66 Corridor, Outside the Beltway US 15 to I-495

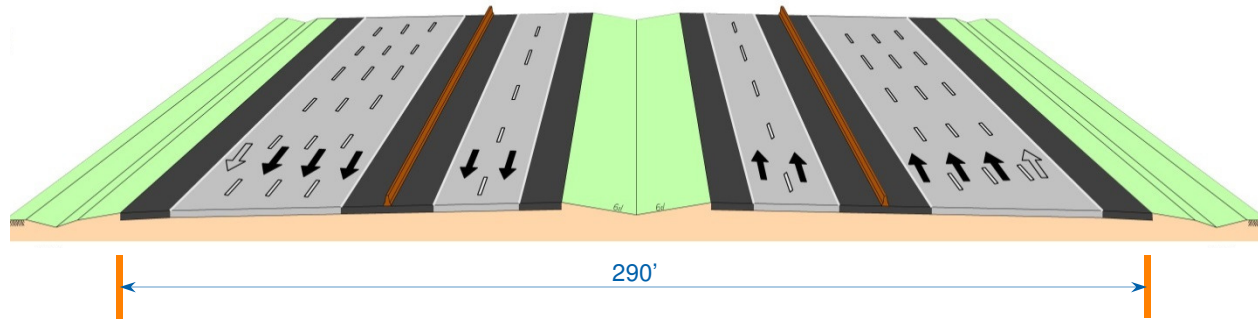




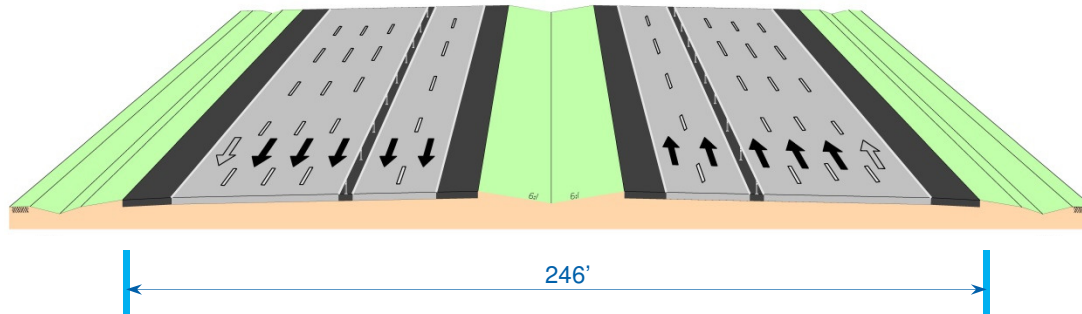
# Project Scope

- **Two Express Lanes (convert existing HOV lane & add one lane)**
  - **HOV-3 and buses travel free**
  - **Non-HOV tolled**
  - **Congestion-based tolls**
  - **Converting HOV-2 to HOV-3 by 2020, consistent with the Constrained Long Range Plan**
- **Three regular lanes**
  - **Open to all traffic**
  - **No tolls**
  - **Ramp-to-ramp connections (auxiliary lanes)**
- **Rapid bus service and other multimodal improvements**
  - **High frequency of service beyond peak hours**
  - **Travel in express lanes for predictable travel times**
  - **Park-and-Ride lots, Transportation Demand Management**

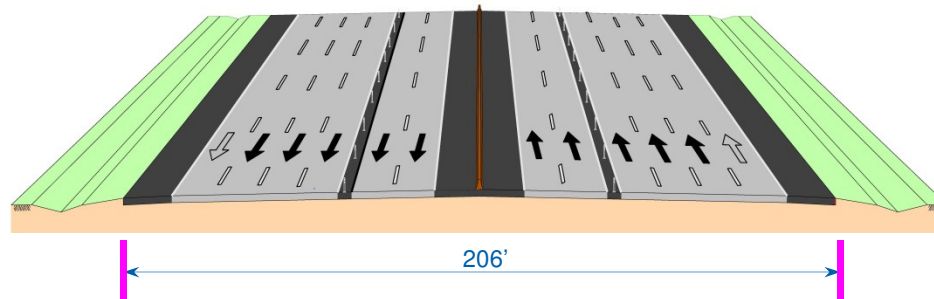
# Typical Sections



Alt. 1 – Concrete Barrier with Full Shoulders and Median for Future Center Transit  
(with auxiliary lanes, if needed)



Alt. 2A – Flexible Barrier with Buffer and Median for Future Center Transit  
(with auxiliary lanes, if needed)



Alt. 2B – Flexible Barrier with Buffer and No Median  
(with auxiliary lanes, if needed)



# NEPA Status

## Scope of the Environmental Assessment

- Purpose & Need
- Alternatives
- Environmental Consequences

## Environmental Data Collection

- Waters of the US delineation
- Parks
- Historic properties
- Threatened & endangered species
- Other resources

## Corridor Operations

- Improve travel time reliability (predictability)
- Improve person throughput
- Provide travelers with options
- Improve safety





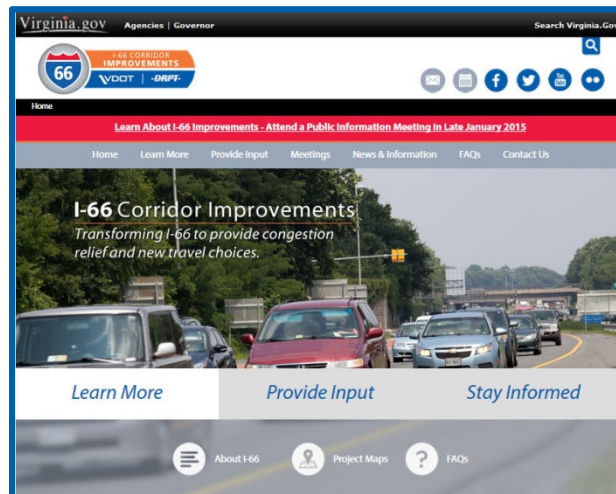
# Project Outreach & Agency Coordination

## Public Information Meetings (6:00 – 8:30 p.m.)

- January 26, 27, 28, and 29

## Continued briefings to key stakeholder groups

- Update briefings to transportation groups
- Update briefings to state and local elected officials
- Initial briefings to HOAs and community groups



## Project Website

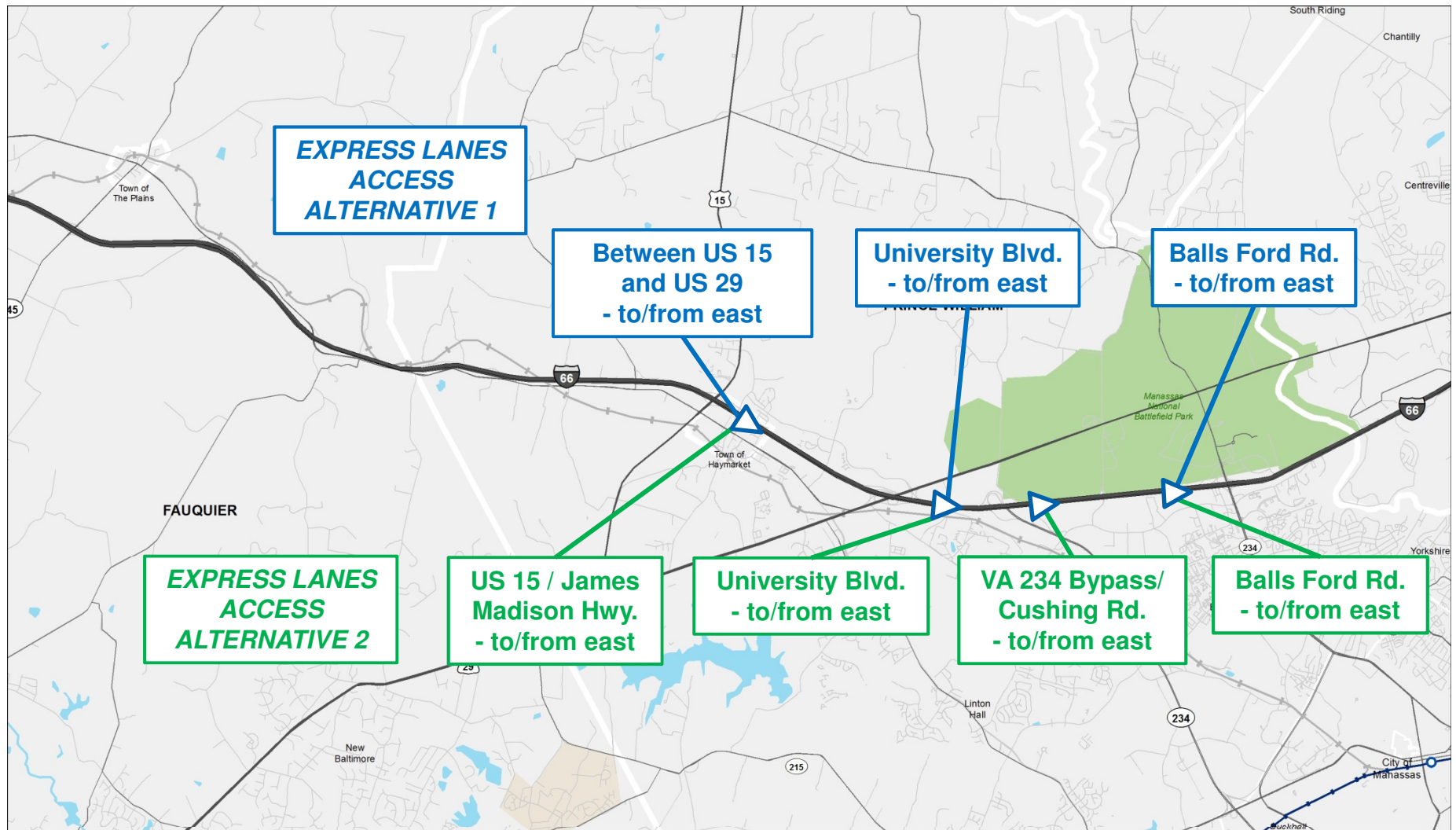
- Dedicated website
- Distinct project identity with easy to access and up-to-date information
- Interactive features encouraging open dialogue with the public



I-66 CORRIDOR IMPROVEMENTS

VDOT | DRPT

# Preliminary Access Alternatives (Prince William County)



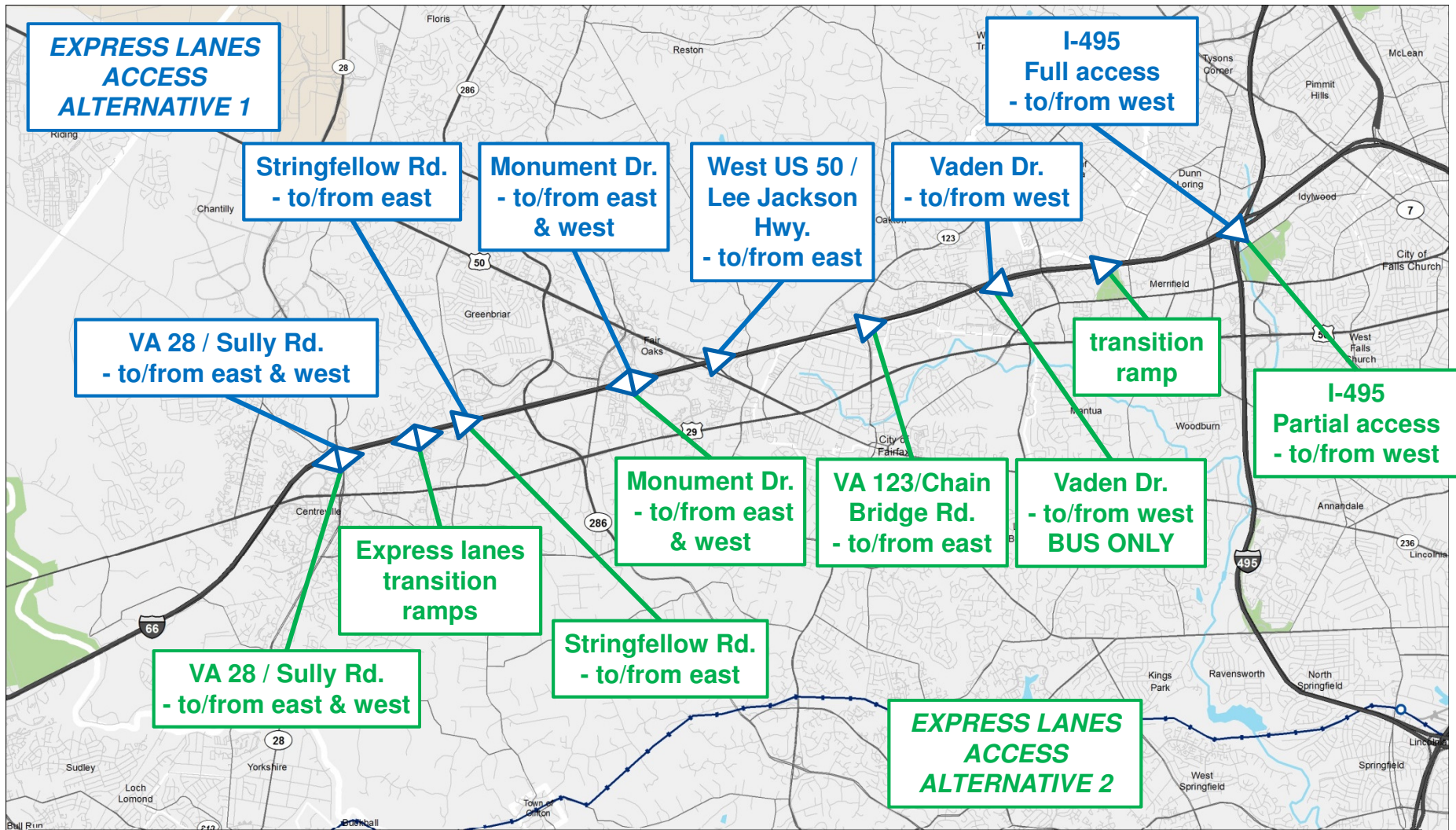




I-66 CORRIDOR IMPROVEMENTS



# Preliminary Access Alternatives (Fairfax County)





# Multimodal Solutions

- **Transit Services**
  - Commuter Bus Services
  - Rapid Bus Service
- **Park-and-Ride Facilities**
- **Transportation Demand Management (TDM)**





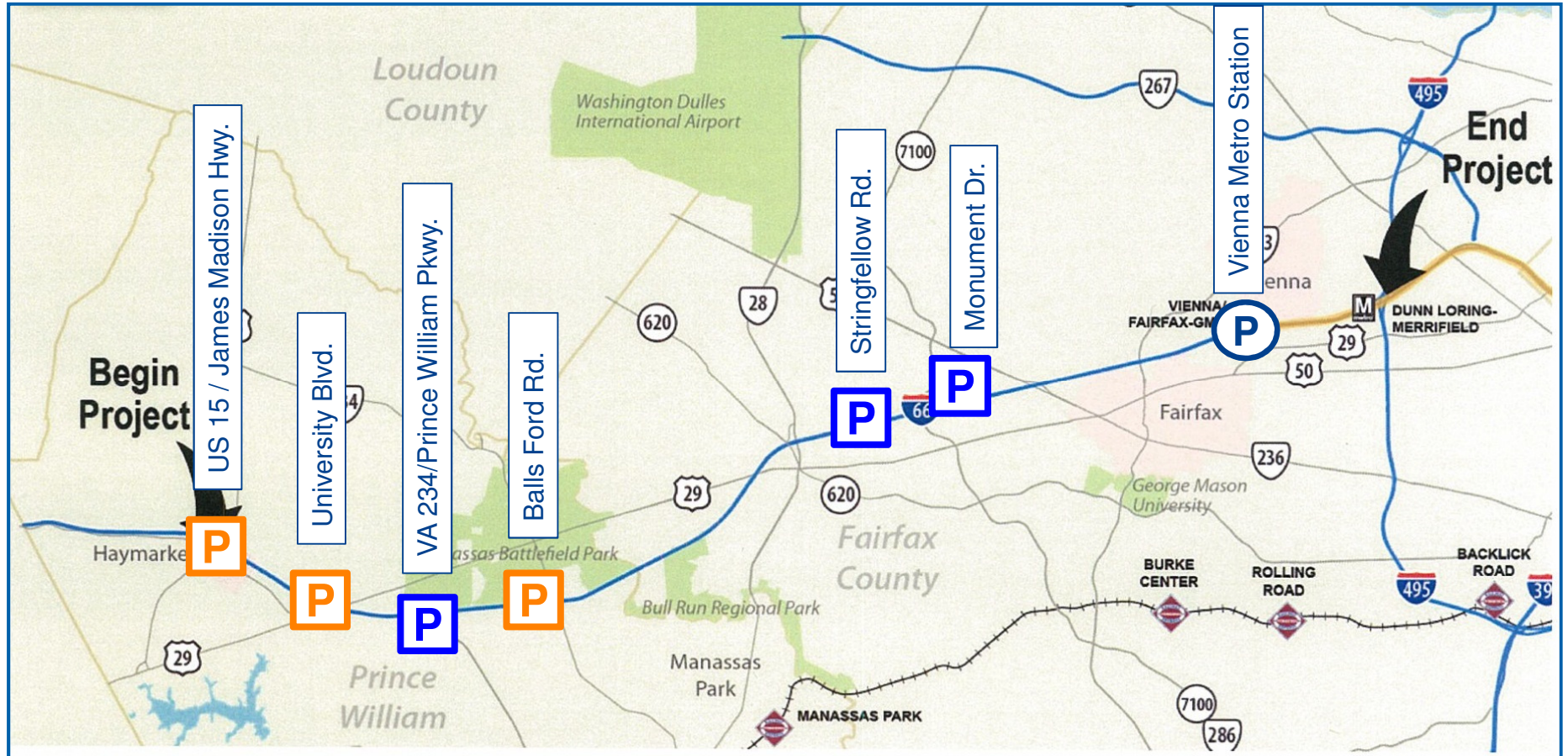
## Transit Services

- **Commuter Bus Services – existing services, new routes, and modified existing routes**
  - One-seat rides
  - Enhanced connectivity between new park-and-ride facilities and major regional destinations
  - Peak-oriented service
- **Rapid Bus Service – new service**
  - Complements Metrorail
  - Frequent and all-day service
  - To/from key park-and-ride facilities that have direct access to Express Lanes





# Park-and-Ride Facilities



I-66 Park-and-Ride Focus Locations

- P New
- P Existing with planned or proposed expansion
- P Existing



# Transportation Demand Management (TDM) Strategies

- Incentivize carpooling
- Form vanpools
- Provide employer and destination outreach, services, and information
- Provide home-based outreach
- Enhance web-based and mobile applications
- Provide ride-matching services
- Promote bicycling, walking, transit, vanpooling, and carpooling
- Support casual carpooling (slugging)





**\*Chairman of House and Senate Transportation Committee to be notified and briefed after the Oversight Board Decision**  
**\*Other parties to be notified and briefed upon request after the Oversight Board decision:**

- Chairs of General Assembly committees
- MPO's
- Interested members of General Assembly
- Special interest groups
- Regulatory Agencies
- Public

**Briefing Focus:**

- RFI results (as appropriate)
- Schedule
- Refresh on the high points from Project Development
- Preliminary Procurement documents
- Risk Analysis and Value-for-Money
- Estimated project cost
- Potential public subsidy
- Potential economic benefits
- Preliminary Major Business Points
- Initial Finding of Public Interest

**Briefing Focus:**

- Major Business Points
- Updated Risk Allocation & Management Plan
- Statutory Audit results
- Final Value-for-Money Analysis
- Updated economic benefits
- Project bid results
- Public subsidy (if required)
- Final Finding of Public Interest



**We are Here**

**Draft and Final Contract Documents posted on P3 Website for review & comment**

**Final Contract Documents posted on P3 Website**



# P3 Process

## ➤ Request for Information (June-November 2013)

- 19 private sector firms and 9 citizens provided written responses
- In general, respondents believed a P3 approach could facilitate delivery of a multi-modal transportation improvement for I-66
- Technical challenges include: minimizing right-of-way impacts, maintaining flexibility for future improvements and designing efficient access points
- Private sector is interested in design, construction, finance, operation and maintenance of a multi-modal improvement (managed lane and rapid bus system)
- Private sector raised concerns regarding financial feasibility of the potential scope for improvements

## ➤ Refresh on the High Points from Project Development

- Stakeholder Support
- Transparency
- Competition



## P3 Process

### ➤ Preliminary Procurement Documents

A commercial workgroup was formed in November 2014 to start drafting procurement documents :

- Request for Qualifications (RFQ) – Scheduled to be issued in February 2015
  - Technical Qualifications
  - Financial Qualifications
  - Term-sheet
- Draft Request for Proposals (RFP) – Scheduled to be issued in Summer 2015
  - Instruction to Offerors
  - Technical Requirements
  - Comprehensive Agreement
- Final RFP – Scheduled to be issued by end of 2015





## P3 Process

### ➤ Risk Analysis

The following Project risks are considered to be among the most important to address, mitigate and/or resolve. Project risks were initially identified during a multi-disciplined workshop in July 2014 and continue to be further refined.

- Right-of-Way impacts and acquisition
- Defined, financially viable Project scope with adequate public funding.
- Continued coordination with the Washington Metropolitan Area Transit Authority (WMATA) regarding associated facility impacts, federal agencies, and the Northern Virginia Transportation Authority (NVTA)
- Completed NEPA process and required environmental clearances in time to concurrently move forward with project procurement
- Efficient execution of the project development schedule to meet established milestone dates
- Maintenance of traffic and continuity of operational features during construction



## P3 Process

### ➤ Initial Finding of Public Interest

- Attached to CTB Resolution
- Identifies Project scope, development activities, anticipated benefits, allocation, management and mitigation of key risks
- Commissioner's Recommendation for approval and Secretary's approval

### ➤ Benefit Cost Analysis (BCA)

- At this stage of project development, the BCA is a high-level conceptual analysis of the potential economic impact of the I-66 express lanes in terms of reductions in travel time, fuel consumption, and vehicle exhaust emissions as well as potential increases in economic productivity.
- The analysis indicates the benefit/cost ratio (the discounted value of future benefits divided by the discounted cost of construction) will range between **2.0 and 3.0 times** (using high and low project cost estimates).
- The BCA will be updated after detailed traffic projections and project cost estimates have been developed.



# P3 Process

## ➤ Initial Value for Money (IVFM) Analysis

### ➤ Quantitative Discussion

- Scenario 1 - P3 Procurement (DBFOM)
- Scenario 2 - Public Sector off-balance sheet financing
- Scenario 3 - Pay As You Go (DB Option)

Due to current limitations on Commonwealth’s and VDOT’s debt capacity, an on-balance sheet financing has not been considered as a potential practical scenario in this IVFM analysis

### ➤ Qualitative Discussion

- Private Sector Innovation and Efficiencies
- Commonwealth Financing Options
- Deferred cost related to Phasing of the project

|                            | Scenario 1 | Scenario 2 | Scenario 3 |
|----------------------------|------------|------------|------------|
| Cost versus P3 Procurement | \$0M       | \$249 M    | \$600M     |
| Percent of Cost Increase   | 0%         | 7%         | 15%        |



## P3 Process

- **Cost Estimates, Financial Analysis and Potential Public Funds for the Project**
  - **Capital Cost (FY17-FY21) = \$2.3 B to \$3.6 B (YOE) or \$2.1 B to \$3.3 B (NPV)**

**This estimate includes:**

    - Express Lane Design, Construction and ROW, Contract Administration
    - Transit Capital Costs
    - Park-and-Ride Facilities (Capital Cost and ROW)
    - TDM Program (During Construction)
  - **Annual Operation and Maintenance Cost = \$27 M to \$33 M (in 2020 \$)**
    - Express Lanes (transferred to private sector)
    - Transit Operations
    - TDM Program (Post Construction)
    - Park-and-Ride Facilities
  - **Total Private Investment = \$1 B to \$1.1 B**
    - Equity
    - Debt
    - TIFIA



# P3 Process

## Preliminary Major Business Points for the P3 Procurement

- Term of Agreement – 40-50 years
- Financing – VDOT to facilitate application for PABs allocation and TIFIA Credit Support
- Concessionaire is responsible for O&M of the Express Lanes
- Concessionaire will have Revenue Risk and operate a dynamic open-road tolling system
- ROW Acquisition services will be provided by the Concessionaire with a Risk Sharing of property costs
- VDOT will require performance and payment securities related to the Concessionaire's responsibilities and a limited NTP prior to permit acquisition
- VDOT will require appropriate levels of insurance, indemnification and warranties
- Concessionaire is required to make a good faith effort to achieve DBE and SWaM Goals
- Comprehensive Agreement will have standard termination, delay and compensation events



# Procurement Recommendations

## ➤ VDOT, DRPT and VAP3 recommendations:

- Issue an RFQ under PPTA to utilize a P3 procurement method to design, build, operate, maintain and finance the multimodal Project, except for specific elements as noted.
- Continue to explore all options to select the best procurement method(s) for delivery of individual park-and-ride facilities where strategic and feasible, “TDM Strategies” and “Rapid Bus Service” for delivery of multimodal solutions.
- Continue to refine the Project Scope to improve affordability, bring the greatest value for the Commonwealth’s investment and enhance the multimodal benefits to the users along the entire Corridor.



## Major Project Milestones

| Key Milestones                       | Dates         |
|--------------------------------------|---------------|
| Submit project for inclusion in CLRP | December 2014 |
| Public Information Meetings          | January 2015  |
| P3 RFQ                               | February 2015 |
| NEPA Public Hearing                  | May 2015      |
| CTB Briefing                         | Summer 2015   |
| Draft RFP                            | Summer 2015   |
| NEPA / FHWA Decision                 | End of 2015   |
| Final P3 RFP                         | End of 2015   |
| Financial Close                      | December 2016 |
| Construction Start                   | 2017          |



*Questions / Comments*

**THANKS!**

I-66 Corridor Briefing  
January 13, 2015