Public-Private Transportation Partnership Board Meeting

DECEMBER 9, 2021
Agenda

• Call to Order
• Roll Call
• Adoption of 6.16.21 Meeting Minutes
• Chair’s Remarks
• Program/Project Updates
• New Business
• Other Business
• Public Comments
• Adjournment
P3 Program / Project Updates
Unsolicited Proposals Update
<table>
<thead>
<tr>
<th>Project Name</th>
<th>Proposed By</th>
<th>P3 Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>District 4 Northern Tier Counties Bridge Replacements</td>
<td>CDR Maguire</td>
<td>Preparing Financial Analysis Report</td>
</tr>
<tr>
<td>PennDOT Solar Initiative</td>
<td>Solar Renewable Energy, LLC</td>
<td>Under Consideration</td>
</tr>
<tr>
<td>Shared Mobility Incentives</td>
<td>Hytch Rewards</td>
<td>Performing High Level Screening</td>
</tr>
<tr>
<td>Drivewyze PreClear (Weigh Station Bypass) and Other Services</td>
<td>Drivewyze</td>
<td>Performed High Level Screening; next meet with stakeholders</td>
</tr>
<tr>
<td>Mobile Trash Compaction</td>
<td>D.C. Lehman Company (Smash My Trash)</td>
<td>Performing High Level Screening</td>
</tr>
<tr>
<td>I-76 Managed Lanes</td>
<td>CINTRA</td>
<td>Preparing for High Level Screening</td>
</tr>
</tbody>
</table>
## Unsolicited Proposals – On Hold

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Proposed By</th>
<th>P3 Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>PA Smart Transportation Infrastructure Initiative</td>
<td>Keystone Initiative for Network Based Education and Research (KINBER)</td>
<td>Coordinate with Commonwealth Broadband Plan</td>
</tr>
<tr>
<td>PennDOT Truck Parking Expansion Program</td>
<td>Truck Specialized Parking Services, Inc.</td>
<td>On Hold – coordinate with Freight Working Group</td>
</tr>
<tr>
<td>Project Name</td>
<td>Proposed By</td>
<td>P3 Action</td>
</tr>
<tr>
<td>------------------------</td>
<td>--------------------------------------</td>
<td>-----------</td>
</tr>
<tr>
<td>Environmental Solutions P3</td>
<td>Resource Environmental Solutions</td>
<td>Dismissed</td>
</tr>
</tbody>
</table>
Rapid Bridge Replacement (RBR) Project
PennDOT Sponsorship and Advertising Program

Benefits
• Generates sponsorship and advertising revenue to offset the costs of sponsored programs and provided an additional source of funds for other transportation-related projects and initiatives

• Safety Service Patrol, which is the main sponsorship program to be included, enhances the safety of the traveling public and lessens congestion

Status
• PennDOT has selected two (2) firms for the Sponsorship & Advertising program: The Superlative Group and 2i Group

• These teams are now conducting an evaluation of sponsorship opportunities to present to the P3 Office and PennDOT for consideration
Compressed Natural Gas (CNG) Fueling Stations
Partnership 81 Project
Project Purpose

Address needed safety and mobility improvements along a section of I-81 in Luzerne County

Alleviate peak travel congestion through corridor

Utilize innovative P3 delivery to accelerate schedule and realize cost savings
Project Improvements

- Reconstruction and widening of I-81 to 3 lanes in each direction
- Elimination of a left-hand exit on I-81
- Replacement of poor condition bridges
- Redesign of other intersections immediately off I-81
## Project Activities

### Environmental
- Wetlands and Waters Identification Studies
- Purpose and Need Report
- Hazardous and Residual Wastes Studies
- Above Ground Historic Structures
- Phase I Archeological Assessment
- Threatened and Endangered Species Studies

### Highway
- Alignment Analyses to Improve Safety and Mobility
- Traffic Counts and Data Analyses
- Geotechnical Studies for Subsurface Challenges
- Target Schedule for NEPA Clearance: Fall 2022

### Contracting
- Risk Management
- Developed Procurement Schedule based on NEPA Clearance and preliminary engineering activities
- Determined Delivery Method: Design-Build-Finance
Next Steps

Preliminary Engineering
• Complete Alternatives Analysis and Identify Preferred Alignment
• Traffic Safety & Operations Analyses
• Point of Access Study
• Conduct first Public Involvement Meeting on project
• Identify and Quantify Environmental Impacts and Mitigation Requirements
• Geotechnical Baseline Investigations
• Design Field View
• Preliminary engineering, including Right-of-Way plans and utility relocations

Project & Procurement Milestones
• Industry Day (Spring 2022)
• Issue RFQ (Summer 2022)
• Shortlisting (Early Fall 2022)
• NEPA Clearance (Late Fall 2022)
• DFV Approval (Winter 2023)
• Final RFP (Summer 2023)
• Select Development Entity (Fall 2023)
• Contract Closings (Winter 2024)
Major Bridge P3 Initiative
Key Takeaways

Major Sources of Revenues are Declining

PennDOT Needs are Large and Increasing

Lack of Funding Impacts Pennsylvanians

Final PEL Study Outcomes

The Final PEL Study can be used to determine which alternative funding options to pursue in the near-term and long-term that can help build stable and dedicated transportation funding for Pennsylvania.

Funding Options Analyzed

- Sales Tax
- Personal Income Tax
- Real Estate and Property Taxes
- Fuel/gas Tax Increase
- Other Taxes and Fees
- Mileage-based User Fee
- Various Forms of Tolling

Options were analyzed based on those that could be advanced in near-term (2-4 years). Near-term is essential because bridges are in critical need of repairs today.

Why Tolling?

- Those who use the facility pay for it
- Provides dedicated funding that is used to construct and maintain the facility
- Avoids local and regional funding from being diverted
- Toll collection systems already exist in Pennsylvania, lowering costs

Each option has merit for PennDOT’s long-term strategy. However, without action by legislature, only bridge tolling and managed lanes can be advanced near-term.
Key Updates Since Last P3 Board Meeting

**TROC**

- Guiding Principles
  - User Fees
  - Be Fair
  - Diversify Revenue Base
  - Reduce Funding Restrictions

- Strategic Funding Proposal
  - Road User Charges (MBUF)
  - Tolling
  - Funding Redirection
  - Fees
  - Taxes
  - Other

**Federal Funding**

- **ARPA Stimulus Funding**
  - $279M (one-time)

- **Bi-Partisan Infrastructure Law (BIL)**
  - Highway / Bridge
    - Year 1 - $640M (8% of annual need)
    - Increase of ~$75M per year for 4 years
      - In Year 5 - $950M (11.7% of annual need)
Scope of Need

Federal Funding
- ARPA Stimulus Funding
  - One-time $279M
- Bi-Partisan Infrastructure Law (BIL)
  - Year 1: $640M (8% of annual need)
  - Increase of ~$75M per year for 4 years
  - In Year 5: $950M (11.7% of annual need)
# NEPA Processes

<table>
<thead>
<tr>
<th>Bridge</th>
<th>NEPA Action</th>
<th>Diversion Workshops (All Complete)</th>
<th>30-day Comment Begin</th>
<th>30-day Comment End</th>
<th>Public Meeting</th>
<th>Anticipated Environmental Clearance</th>
</tr>
</thead>
<tbody>
<tr>
<td>I-79 Bridgeville</td>
<td>CE</td>
<td>9/14/2021</td>
<td>Late March 2022</td>
<td>Late April 2022</td>
<td>Early April 2022</td>
<td>6/30/2022</td>
</tr>
<tr>
<td>I-95 Girard Point</td>
<td>CE</td>
<td>11/4/2021</td>
<td>Late April 2022</td>
<td>Late May 2022</td>
<td>Early May 2022</td>
<td>July 2022</td>
</tr>
</tbody>
</table>

* A public hearing for South Bridge will be scheduled for March 2022
Major Bridge P3 Initiative Studies

**Technical Analyses**
- Engineering Drawings
- Reference Information Documents
- Diversion Analyses
- Traffic Modeling
- Low Income Population Impact Studies

**Financial Modeling**

**Procurement Documents**

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**Example Diversion Route Improvements**
- Intersection Reconstruction / Realignment Reconfiguration
- Modified Intersection Controls
- Signal Installation
- Signal Retiming
- EMS Preemption Retrofits
- Mill/Overlay of Primary Diversion Route
- Cross Walk Beacons
- Sidewalks

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**Program Updates – One Way Tolling on I-80 Bridges**
ONE-WAY TOLLING

• PennDOT has decided to pursue one-way tolling on the four I-80 bridge projects.

• Traffic would be tolled:
  • Eastbound at Canoe Creek
  • Westbound at North Fork
  • Eastbound at Lehigh River
  • Westbound at Nescopenck Creek

• Tolls are expected to be $1-$2 for passenger cars using E-ZPass at each toll location.

• One-way tolling reduces the number of tolls drivers would have to pay on I-80, as well as overall diversions and the need for additional tolling infrastructure.
Major Bridge P3 Initiative Goals

- Accelerate renewal of major bridges
- Enhance public safety
- Avoid costly detours due to weight restrictions or closures of bridges
- Create a financially sustainable model for the Commonwealth’s major bridges on interstates and expressways
Candidate Bridge Locations

Candidate Bridge Projects

A  I-81 Susquehanna
B  I-80 Nescopeck
C  I-78 Lenhartsville
D  I-80 Lehigh
E  I-95 Girard Point
F  I-83 South Bridge
G  I-80 Canoe Creek
H  I-80 North Fork
I  I-79 Bridgeville
Project Overview: The purpose of the Project is to deliver infrastructure improvements focusing on the rehabilitation and replacement of nine major bridges (and associated roadways) across the Commonwealth.

<table>
<thead>
<tr>
<th>Procurement Method</th>
<th>Construction Cost ($m)</th>
<th>Concession Period</th>
<th>Repayment Method</th>
<th>Toll Collection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Progressive P3 DBFM</td>
<td>~$2,368</td>
<td>TBD</td>
<td>Availability Payments funded by toll revenues backstopped by PennDOT</td>
<td>Operated by PTC with toll setting authority maintained by PennDOT</td>
</tr>
</tbody>
</table>

Project Milestones:
- 11/12/20: Project received P3 Board approval
- 02/22/21-03/12/21: Project RFI release and submission date
- 03/29/21-04/02/21: Virtual One-on-One Meetings with Industry
- 3/29/21 and 05/06/21: Industry Outreach Presentations
- 06/28/21: RFQ Release
- 08/12/21: SOQ Submissions Due
- 09/20/21: Shortlisted Teams Announced
Major Bridge P3 Initiative Overview Timeline

RFQ Issued June 2021
SOQs Submitted August 2021
Shortlist Announced / Draft RFP Issued September 2021
One-on-Ones / Draft RFP Revisions September 2021- December 2021
Final RFP Issued December 2021
Proposals Due January 2022
Proposer Selected February 2022
Commercial Close For PDA February/March 2022

Selection of Development Entity
(Equity Partners and other Lead Firms)

Notes
- Number of packages are under development and subject to change.
- Actual dates are under development and subject to change.

Collaborate with Development Entity to finalize plan for delivery and prices for packages, with an initial focus on Package #1 March 2022- December 2022

Financial Close on DBFM Package #1 by December 2022

Industry Outreach Events
March/April 2021

Bridges to be executed in “packages” under separate DBFM agreement
Bridges to be executed in “packages” under separate DBFM agreement. Each DBFM Agreement will have a certain % of the PDA DE in the DBFM DE, but the DBFM DE may have additional equity, construction and/or engineering partners that were not involved in the progressive phase.

Number of packages are under development and subject to change.
Development Entity Structure for SOQ

- Respondents that submitted Statements of Qualification were required to include the following roles for Major Team Members:

  - Equity Members
  - Lead Construction Contractor
  - Lead Engineering Firm
  - Independent Quality Firm
# PDA Development Entity Shortlisted Proposers

The following three teams were shortlisted on September 20, 2021

<table>
<thead>
<tr>
<th>Keystone Pathway Developers</th>
<th>Bridging Pennsylvania Partners</th>
<th>Keystone Pathways Mobility Partners</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Equity Members</strong></td>
<td><strong>Lead Construction Contractors</strong></td>
<td><strong>Lead Engineering Firm</strong></td>
</tr>
<tr>
<td>- Kiewit Development Corporation</td>
<td>- Kiewit Infrastructure Co. dba Keystone Pathway Constructors</td>
<td>- Kiewit Engineering Group, Inc.</td>
</tr>
<tr>
<td>- Star America PA Bridges</td>
<td>- Shikun &amp; Binui - America Inc</td>
<td>- SAI Consulting Engineers, Inc.</td>
</tr>
<tr>
<td><strong>Lead Construction Contractors</strong></td>
<td><strong>Lead Engineering Firm</strong></td>
<td><strong>Independent Quality Firm</strong></td>
</tr>
<tr>
<td>- Kiewit Infrastructure Co. dba Keystone Pathway Constructors</td>
<td>- STV Incorporated</td>
<td>- Urban Engineers, Inc.</td>
</tr>
<tr>
<td>- Shikun &amp; Binui Concessions USA Inc</td>
<td>- Jacobs Engineering Group, Inc.</td>
<td>- SAI Consulting Engineers, Inc.</td>
</tr>
<tr>
<td><strong>Lead Engineering Firm</strong></td>
<td><strong>Independent Quality Firm</strong></td>
<td><strong>Keystone Pathways Mobility Partners</strong></td>
</tr>
<tr>
<td>- Kiewit Engineering Group, Inc.</td>
<td>- KS Engineers, P.C.</td>
<td>- Cintra Infrastructure SE</td>
</tr>
<tr>
<td>- STV Incorporated</td>
<td></td>
<td>- Itinera Infrastructure and Concessions Inc.</td>
</tr>
<tr>
<td>- Jacobs Engineering Group, Inc.</td>
<td></td>
<td>- North Tarrant Infrastructure, LLC</td>
</tr>
<tr>
<td>- KS Engineers, P.C.</td>
<td></td>
<td>- Halmar International LLC</td>
</tr>
</tbody>
</table>
Draft RFP Documents Released to the Shortlisted Proposers

Since September 30th, multiple draft versions of RFP documents have been released for review and comment by Shortlisted Proposers, with the release of the Final RFP scheduled for mid-December.

**Instructions to Proposers**

The Instructions to Proposers document provides the Shortlisted Proposers with all information needed to submit their Proposals in January, including scope of work, procurement requirements, and evaluation criteria.

**Project Agreement Term Sheet**

The draft Project Agreement Term Sheet serves as the basis for the Project Agreement documents for each of the future Packages. It includes key terms related to each of the future DBFM P3s.

**Draft Predevelopment Agreement (PDA) & Exhibits**

The PDA document will be finalized and signed by PennDOT and the selected PDA DE in Spring 2022. The PDA outlines the PDA DE's obligations to perform PDA Work, deliver Package Proposals, finalize individual package Project Agreements and ultimately reach financial close for each Package.

Exhibits to the PDA include the technical requirements during the PDA period.
Reference Information Documents (RIDs) have been uploaded continuously throughout the RFP process. Currently, there are over 4,900 separate RIDs documents in the Data Room.

The RIDs include the following subcategories of documents:

- Constructability Assessment
- Geotechnical Investigations
- Hydrology & Hydraulics
- Local Coordination
- Pavement Design
- Plans of the Existing
- Plans of the Proposed
- Project Summary Sheet
- Railroads Information
- Right-of-Way
- Survey Data
- Traffic Information
- Utilities
- Environmental & Permitting

Note: additional RIDs on NEPA Timeline and Tolling are also provided for all of the bridge projects.
# Procurement Schedule

<table>
<thead>
<tr>
<th>Date</th>
<th>Milestone</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 30, 2021</td>
<td>First Draft RFP issued to Shortlist</td>
</tr>
<tr>
<td>November 16, 2021</td>
<td>DBE Outreach Event</td>
</tr>
<tr>
<td>December 13, 2021</td>
<td>Final RFP issued to Shortlist</td>
</tr>
<tr>
<td>January 12, 2022</td>
<td>Proposals Due</td>
</tr>
<tr>
<td>February 2022</td>
<td>Proposer Selected</td>
</tr>
<tr>
<td>February/March 2022</td>
<td>PDA Commercial Close</td>
</tr>
<tr>
<td>Summer / Fall 2022</td>
<td>Commercial Close for 1&lt;sup&gt;st&lt;/sup&gt; DBFM Package</td>
</tr>
<tr>
<td>December 2022</td>
<td>Financial Close for 1&lt;sup&gt;st&lt;/sup&gt; DBFM Package</td>
</tr>
</tbody>
</table>
P3 Board Meeting

New Business

Other Business

Public Comments

Adjournment

Next TENTATIVE Board Meeting:
June 15, 2022 - 1:00 P.M.