I-495 & I-270 P3 Program

SAME/ACEC/CMAA
Joint Conference on Major Construction Program Trends, Strategies & Opportunities

June 26, 2019
Agenda

• P3 Program Team
• Program Need
• P3 Program Overview
• NEPA Status
• Solicitation Process
• Elements of Work
• Opportunity MDOT
• Our Challenge
• Questions
P3 Program Team

• General Engineering Consultant – RS&H, WRA, and Louis Berger
• Financial Advisors – Ernst and Young
• Legal Advisors – Ashurst and Venable
• Traffic & Revenue – CDM Smith
• NEPA – RK&K and Wilson T. Ballard
Program Need
Traffic Congestion Relief

- 2\textsuperscript{nd} highest commuting times in the country
- On average, severe congestion lasts 7 hours each day on I-270 and 10 hours each day on I-495
- Average commuter loses 87 hours and over $2,000 to congestion annually
- Congestion limits economic growth and diminishes quality of life

2040 5 PM
Program Need: Address Current and Future Congestion

Average Annual Daily Traffic (AADT):
- 495:
  - 2018: 253,000
  - 2025: 263,100
  - 2040: 282,000

- 270:
  - 2018: 259,000
  - 2025: 272,900
  - 2040: 299,000
Visualize 2045 – Regional Long Range Transportation Plan

Regional Plan calls for more spending on Transit than on Highway investments
  • 66% Public Transportation ($191 B)
  • 34% Highways ($100 B)

Total: $291.1 Billion
*Units in Billions
Program Solution: Traffic Relief Plan (TRP)

Innovative Improvements

• Balanced approach to addressing congestion with improvements to both transit and highways
• Governor Hogan’s ambitious plan to bring innovative solutions to address challenges on Maryland’s most congested roads
  o The I-495 & I-270 P3 Program is the largest component of the Traffic Relief Plan
• More than just addressing traffic, it’s an opportunity to improve quality of life and enhance Maryland’s economic vitality and growth
P3 Program Overview
I-495 & I-270 P3 Program

- I-495 & I-270 P3 Program – over 70-miles of Interstate corridor
- First Study:
  - I-495 & I-270 Managed Lanes Study (48 miles)
  - VDOT I-495 NEXT Project Environmental Study underway independently
- Future Studies:
  - I-270 from I-370 to I-70 (Preliminary planning underway)
  - I-495 from MD 5 to the Woodrow Wilson Bridge
P3 Program Overview

- P3 Program goals:
  - Reduce **traffic congestion** along I-495 and I-270
  - Minimize impacts to the corridors
  - Accelerate delivery
  - Pursue **shockingly innovative** approaches
  - Deliver the solutions at **no net cost** to the State

- The P3 Program will undertake multiple solicitations to deliver more than 70 miles of new managed lane capacity along I-495 and I-270 through comprehensive DBFOM agreements with private sector partners.

- P3 private sector entities will assume the toll revenue risk for the term of the P3 agreements, with no net cost to the State and all debt being “non-recourse” to the State.
Express Toll Lane (ETL) / High Occupancy Toll (HOT) Lane Benefits

Provides Options
- Opportunity for travelers to choose to pay a toll which varies to maintain constant speeds or throughput for guaranteed reliable and reduced travel times
- All unrestricted free lanes will remain free
- Provides reduced travel times for those who continue to use the free lanes

Upgrades System
- New bridges and smoother pavement will be provided for all users

Reduces Traffic on Local System
- Local roads outside the interstates will have less traffic

Job Accessibility
- Improves access to jobs in the region
Transit Elements

Potential Bethesda-Tysons Bus Service Route

Red Line Metro
Silver Line Metro
Orange Line Metro

Virginia's I-495 Express Lanes

Potential Purple Line Extended Bus Service Route
Additional Benefits of the P3 Approach

• Delivery of the 70-mile system will involve multiple long-term P3 agreements with private developers to design, build, finance, operate and maintain the priced managed lanes which provides benefits to Maryland:
  
  o **Whole Lifecycle Planning and Cost Optimization** — Developer will require efficient lifecycle maintenance of the priced managed lanes from construction through the life of the contract
  
  o **Innovation in Design** — The P3 Program’s solicitation will spur competition, maximizing efficiency, reducing impacts, reducing costs, and optimizing revenues
  
  o **Risk Transfer** — Traditional risks that would be borne by the State of Maryland (e.g. construction cost and schedule, traffic and revenue, operating and maintenance cost inflation, etc.) will be contractually transferred to the developer
PHASE 1A
I-270 from I-495 to I-370
PHASE 1B
I-270 from I-370 to I-70

PHASE 1A
I-270 from I-495 to I-370
PHASE 2
I-495 from the George Washington Memorial Parkway in Virginia to I-95 in Maryland, including improvements to the American Legion Bridge

PHASE 1A
I-270 from I-495 to I-370
PHASE 3A
I-495 from I-95 to west of MD 5
National Environmental Policy Act (NEPA) PROCESS

I-495 & I-270 Managed Lanes Study
I-495 & I-270 Managed Lanes Study Purpose and Need

• **Purpose:** Develop a travel demand management solution(s) that addresses congestion, improves trip reliability on I-495 and I-270 within the study limits and enhances existing and planned multimodal mobility and connectivity.

• **Needs:**
  - Accommodate Existing Traffic and Long-Term Traffic Growth
  - Enhance Trip Reliability
  - Provide Additional Roadway Travel Choices
  - Accommodate Homeland Security
  - Improve Movement of Goods and Services

• **Goals:**
  - Financial Viability
  - Environmental Responsibility
Alternatives Development

Preliminary Range of Alternatives
- July 2018 Public Workshops: 15 Alternatives

Screened Alternatives
- February 2019: 7 Alternatives

Alternatives Retained for Detailed Study (ARDs)
- Spring 2019 Public Workshops: 7 Alternatives

Recommended Preferred Alternative Draft EIS
- Early 2020 Public Hearings: Preferred Alternative

Fall 2018 - Winter 2019: Initial Screening of Alternatives applying Screening Criteria

Winter 2019: Additional Traffic, Financial and Environmental Analyses

Spring - Fall 2019: Further Avoidance and Minimization Analyses

AGENCY AND PUBLIC INPUT THROUGHOUT SCREENING PROCESS
### Recommended Alternatives Retained for Detailed Study

<table>
<thead>
<tr>
<th></th>
<th>Alternative Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td><strong>No Build</strong> (Under this alternative, no improvements are planned to I-495 and I-270 to provide congestion relief.)</td>
</tr>
<tr>
<td>5</td>
<td><strong>1-Lane, HOT</strong> Managed Lane Network on both I-495 &amp; I-270</td>
</tr>
<tr>
<td>8</td>
<td><strong>2-Lane, ETL</strong> Managed Lanes Network on I-495 and <strong>1-ETL</strong> and <strong>1-Lane HOV</strong> Managed Lane on I-270</td>
</tr>
<tr>
<td>9</td>
<td><strong>2-Lane, HOT</strong> Managed Lanes Network on both I-495 &amp; I-270</td>
</tr>
<tr>
<td>10</td>
<td><strong>2-Lane, ETL</strong> Managed Lanes Network on I-495 &amp; I-270 plus <strong>1-Lane HOV</strong> Managed Lane on I-270</td>
</tr>
<tr>
<td>13B</td>
<td><strong>2-Lane, HOT</strong> Managed Lanes Network on I-495; HOT Managed, Reversible Lane Network on I-270</td>
</tr>
<tr>
<td>13C</td>
<td><strong>2-Lane, ETL</strong> Managed Lanes Network on I-495; ETL Managed, Reversible Lane Network and <strong>1-Lane HOV</strong> Managed Lane on I-270</td>
</tr>
</tbody>
</table>

*See Handout for Details*
Solicitation Process
Concurrent NEPA and P3 Solicitation

**NEPA**

- **Scoping**
  - Winter 2017-Spring 2018

- **Alternatives Development**
  - Summer 2018-Spring 2019

- **DEIS/Public Comment Period**
  - Summer 2019-Winter 2020

- **FEIS/ROD**
  - Fall 2020
  - Winter 2021-Spring 2021

**P3 Solicitation**

- **Request for Information**

- **Pre-solicitation / BPW P3 Designation**

- **Request for Qualifications & Request for Proposals**

- **Selection**
Solicitation Process

• **Innovative Approach** - to drive competition and value for the P3 Program

• **Transparency to Bring Value** – offerors will know at the outset of the Solicitation Process not only what factors are important, but exactly how they will compete against each other

• **Competition** - based on quantifiable, objectively defined metrics to communicate clearly with the industry exactly what we want and allow the industry to better respond

• **Open and Objective Formula** -- will clearly show how the technical and financial factors will be considered
Innovative Dialogue Process (IDP)

- **Confidential, continual and collaborative process** with offerors to spur innovation
- Exchanges across the full breadth of the P3 delivery (e.g., technical, financial, commercial, and operations and maintenance)
- Program focused on **performance, outcome-based requirements** - allow offerors to discuss their solutions and allow MDOT to provide constructive feedback
- Feedback may include: identification and sharing of risks; approvals and mitigation to implement a solution; or other information to provide offerors confidence their solution can be implemented while minimizing risk to both parties
- Both verbal and written communication - **flexible and adaptive** to each offeror’s schedule and needs in developing their solutions
- **Our goal**: To have each offeror and MDOT fully understand and agree to the requirements for implementing each innovative solution before the final technical and financial proposals are submitted
Elements of Work
Elements of Work

- Excavation
- Storm Drainage
- Stormwater Management
- Erosion & Sediment Control
- 162 Bridges, including ALB
- Culverts
- Retaining Walls
- Noise Barriers
- Pavement
- Roadside Barrier, including Concrete and w-Beam Barriers
- Curb and Gutter
- Fencing
- Signing
- Pavement Markings
- Lighting
- ITS/Tolling
- Landscaping and Reforestation
- Wetland Mitigation
- Stream Restoration and Relocation
- Utility Coordination and Relocation
- Design and Design Quality Management
- Construction Quality Management and Inspection
Opportunity MDOT
P3 Program Opportunities

Developer

- Design & Construction Contractor
  - Lead Design Firm
  - Design Subconsultants
- Quality Management Firm
  - Trade Subcontractors
  - Testing Labs
- Operations & Maintenance
  - Quality Management Subcontractors
  - Operations & Maintenance Subcontractors

Potential MBE / DBE Opportunities
• Change construction project delivery by empowering citizens for economic growth
• Treat inclusion as a strategic initiative and it will be a strategic outcome
• Key Components:
  • **Opportunity MDOT Center of Excellence** with web-based tools to prepare businesses and jobseekers for work opportunities and connect primes with small, minority and disadvantaged firms and help achieve goals throughout the Program life.
  • **Advisory Council** representing a diverse cross-section of business owners and leaders
  • **Partnership with COMTO** to provide a voice for increased small, minority, women, veteran and disadvantaged business opportunities and access to training opportunities.
  • **Preferred Training Partner Program** to foster inclusion and offer targeted workforce development training for jobseekers
Our Challenge
Challenge to the Industry –
The Next Innovation
We Need You!

• A large-scale, long-term program
• DBE/MBE opportunities
• MDOT needs the **intelligence, insights and innovation** that only Maryland businesses can provide
Questions?

Presented by:

Lisa B. Choplin, DBIA
Director
I-495 & I-270 P3 Office

Jeffrey T. Folden, PE DBIA
Deputy Director
I-495 & I-270 P3 Office

www.495-270-p3.com

I495_I270_p3@mdot.Maryland.gov