

Information and Discussion.

Update on Public-Private-Partnership (P3) Initiatives in Arizona

Transportation Policy Committee
August 13, 2014

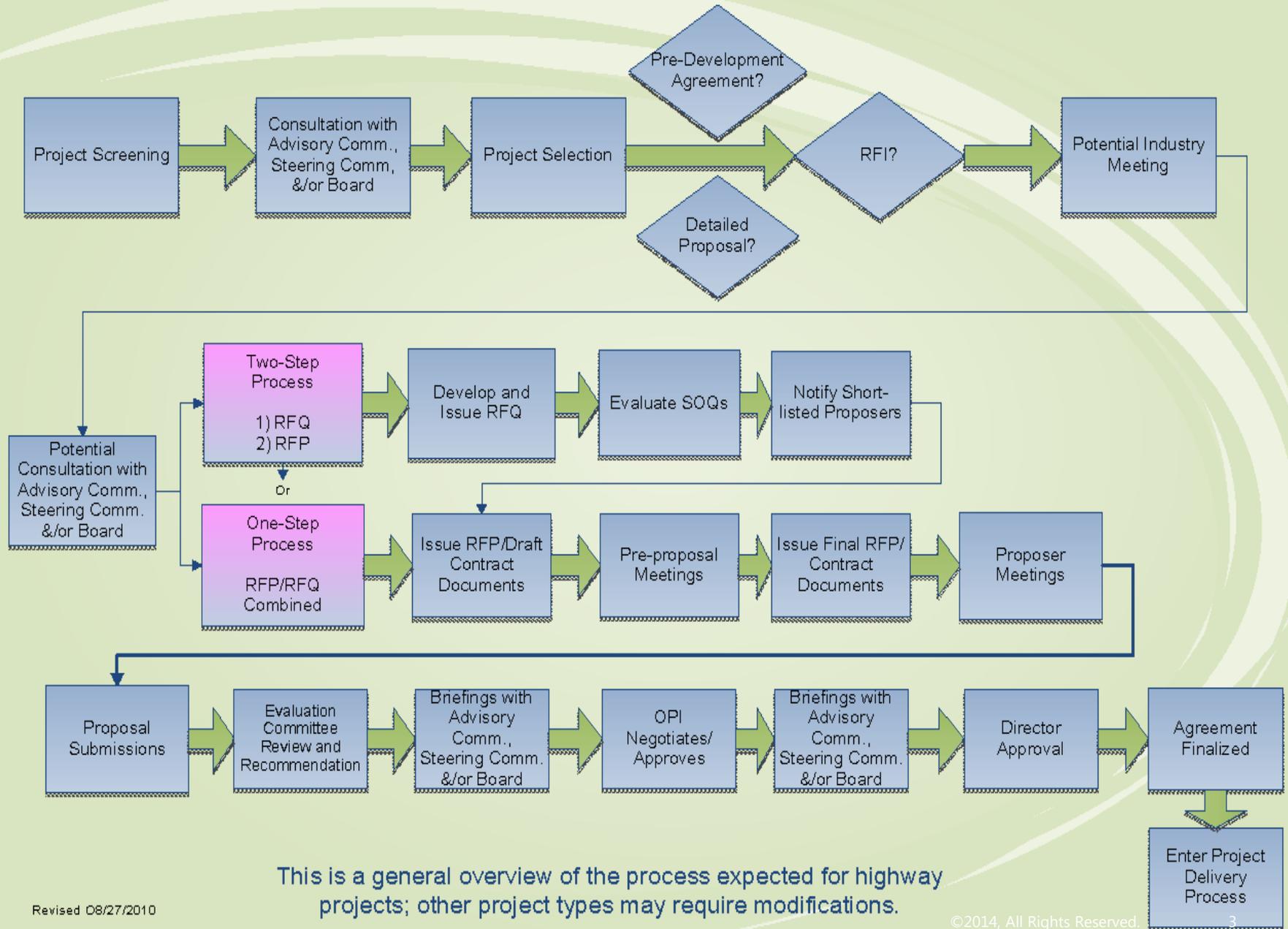


Public-Private-Partnerships (P3) Legislation

- HB 2396, signed July 13, 2009, allows ADOT to enter into P3 agreements.
 - For enhancing, upgrading or new transportation facilities.
 - Using different partnership types.
 - With funding from different revenue sources for repayment.
- Allowing **solicited and unsolicited project proposals.**



ADOT P3 Solicited Proposal Process



Solicited Proposal Process

This is a general overview of the process expected for highway projects; other project types may require modifications.

Arizona Applications

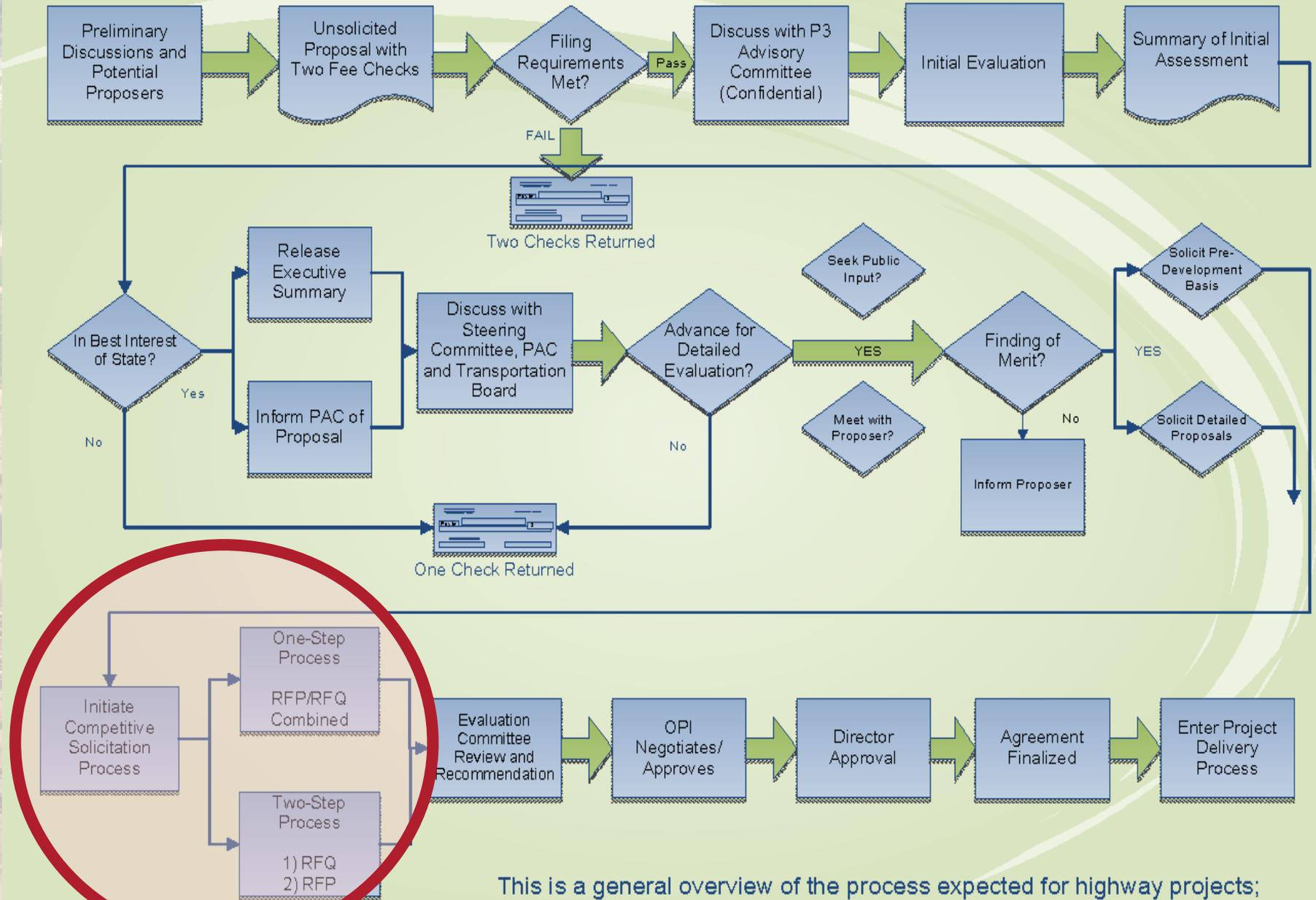
SOLICITED PROPOSALS

- **Flagstaff District Office Building.**
- Rest Areas **daily maintenance and operation**, including new **“Safe Phone Zone”** sponsorship.
- Under Consideration:
 - Statewide Asset Sponsorship Program.
 - Solar projects.
 - SR-189/Mariposa Rd in Nogales.
 - Pinal North-South Corridor.
 - Interstate 11.



Unsolicited Proposal Process

ADOT P3 Unsolicited Proposal Process



This is a general overview of the process expected for highway projects; other project types may require modifications.

Arizona Application

UNSOLICITED P3 PROPOSAL

- Design/Build/Finance the SR-202L/ South Mountain Freeway.
- Received February 22, 2013 from South Mountain Development Group to:
 - Accelerate construction of the freeway corridor.
 - Provide development services for the freeway under a P3.



Unsolicited P3 Proposal

EVALUATION PROCESS

- ADOT/MAG/FHWA conducted detailed evaluation (in three steps):
 - Pass/Fail.
 - Initial Evaluation (7 Tasks).
 - Detailed Evaluation (17 Tasks).
- **Findings:**
 - Merit to **accelerating** the project.
 - Merit to using **P3 tools** to deliver the project.



Project Development Steps

Planning

Environmental

Design

Right-of-Way and Utilities

Construction (Build)

Operate and Maintain

P3 Tools Considered

MOVING FORWARD WITH ACCELERATING SOUTH MOUNTAIN FREEWAY PROJECT

- **Design-Build-Maintain (DBM)** – accelerated design build with maintenance contract.
- **Design-Build-Finance-Maintain (DBFM)** – same as DBM, but with developer responsibility for financing a portion of the project.
- **Enhanced Design-Build (EDB)** – without maintenance contract.



Moving Forward

ACCELERATING SOUTH MOUNTAIN FREEWAY PROJECT

- **Design-Build-Maintain** (DBM) – selected as the project delivery method July 31, 2014.
- **SR-202L/South Mountain Freeway project** remains in the environmental process.
- **Next steps** include Request for Qualifications (RFQ), followed by Request of Proposals (RFP).
- **Late 2018-Early 2019** – estimated project completion; about **3-4 years ahead** of current program.



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