

Mobile River Bridge and Bayway

ASCE Alabama Section Winter Meeting

March 1st, 2018

Matt Ericksen, P.E., Project Director



Presentation Overview

- Project Need
- Project Scope
- Funding
- Tolling
- Concessionaire Teams
- Schedule

Mobile River Bridge and Bayway



Purpose and Need

Increase capacity of I-10 to Meet Existing and Predicted Future Traffic Volumes

- Reduce congestion on I-10 and add capacity across the Mobile River

Provide a More Direct Route for Vehicles Transporting Hazardous Materials

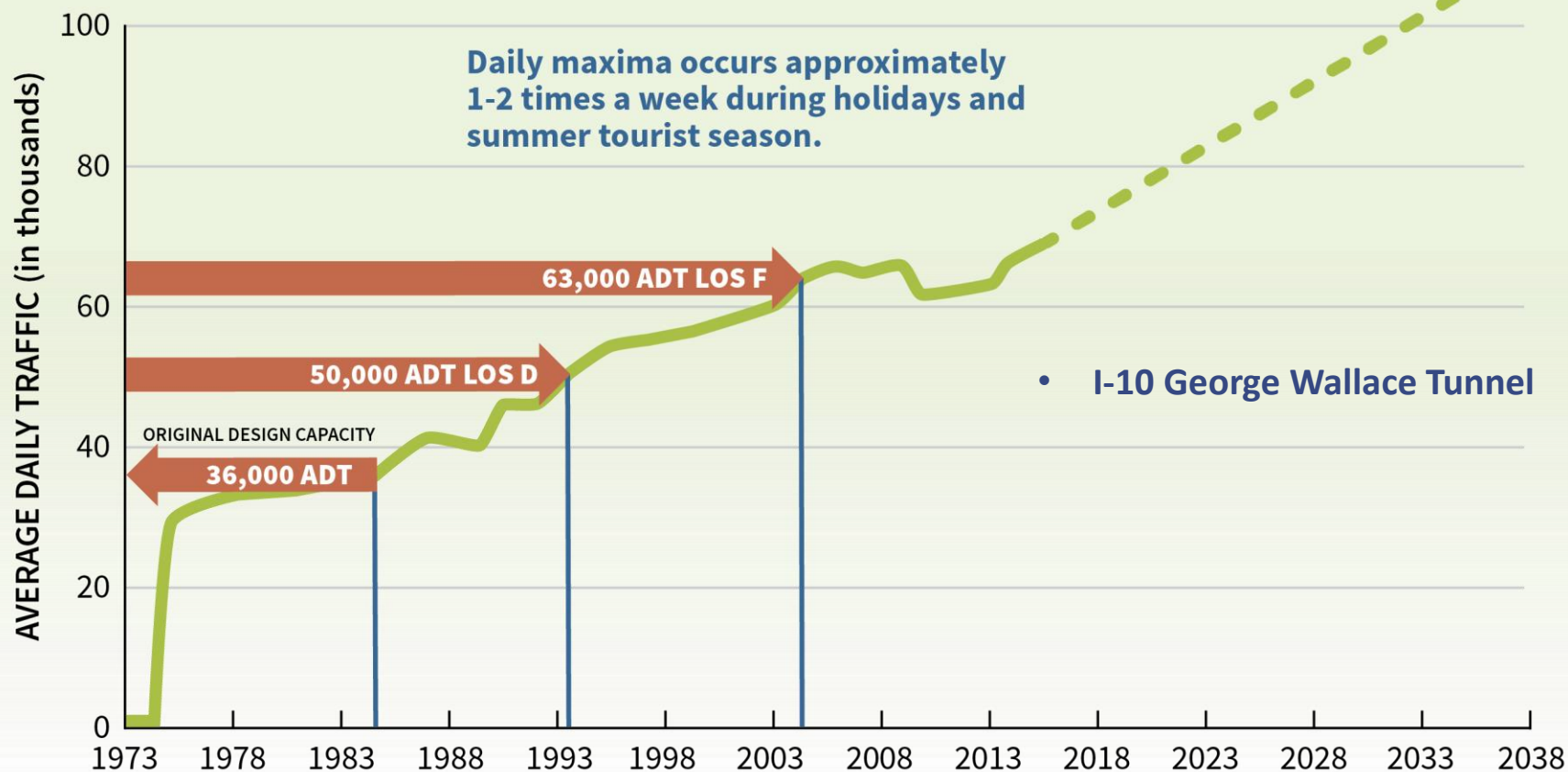
- Haz-mat vehicles are currently prohibited from using the Wallace and Bankhead tunnels and detour from I-10 through Mobile Central Business District via Water Street.

Minimize Impacts to Mobile's Maritime Industry



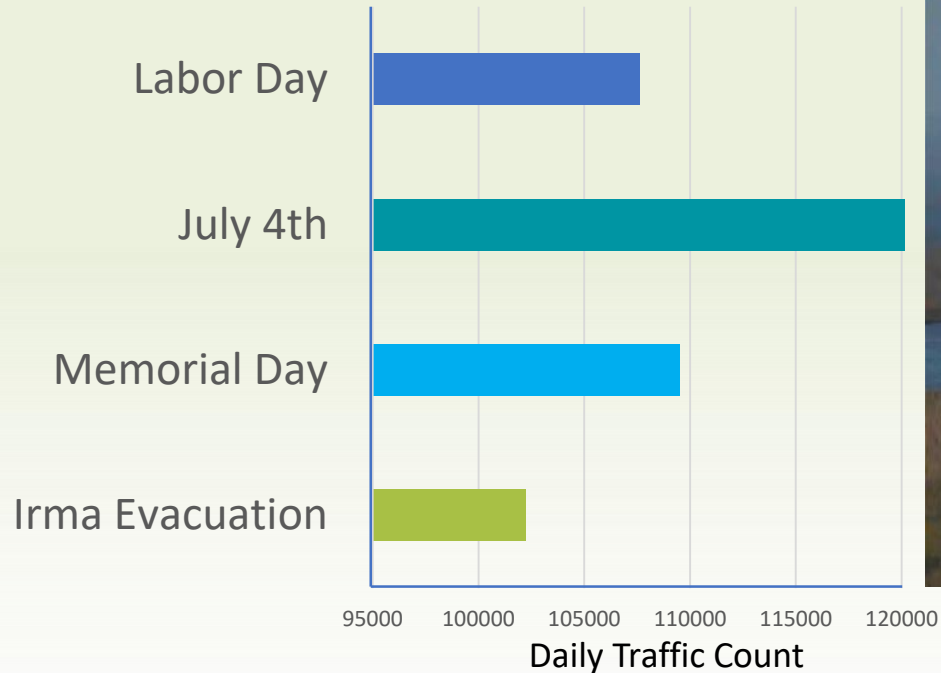
Mobile River Bridge and Bayway

Purpose and Need



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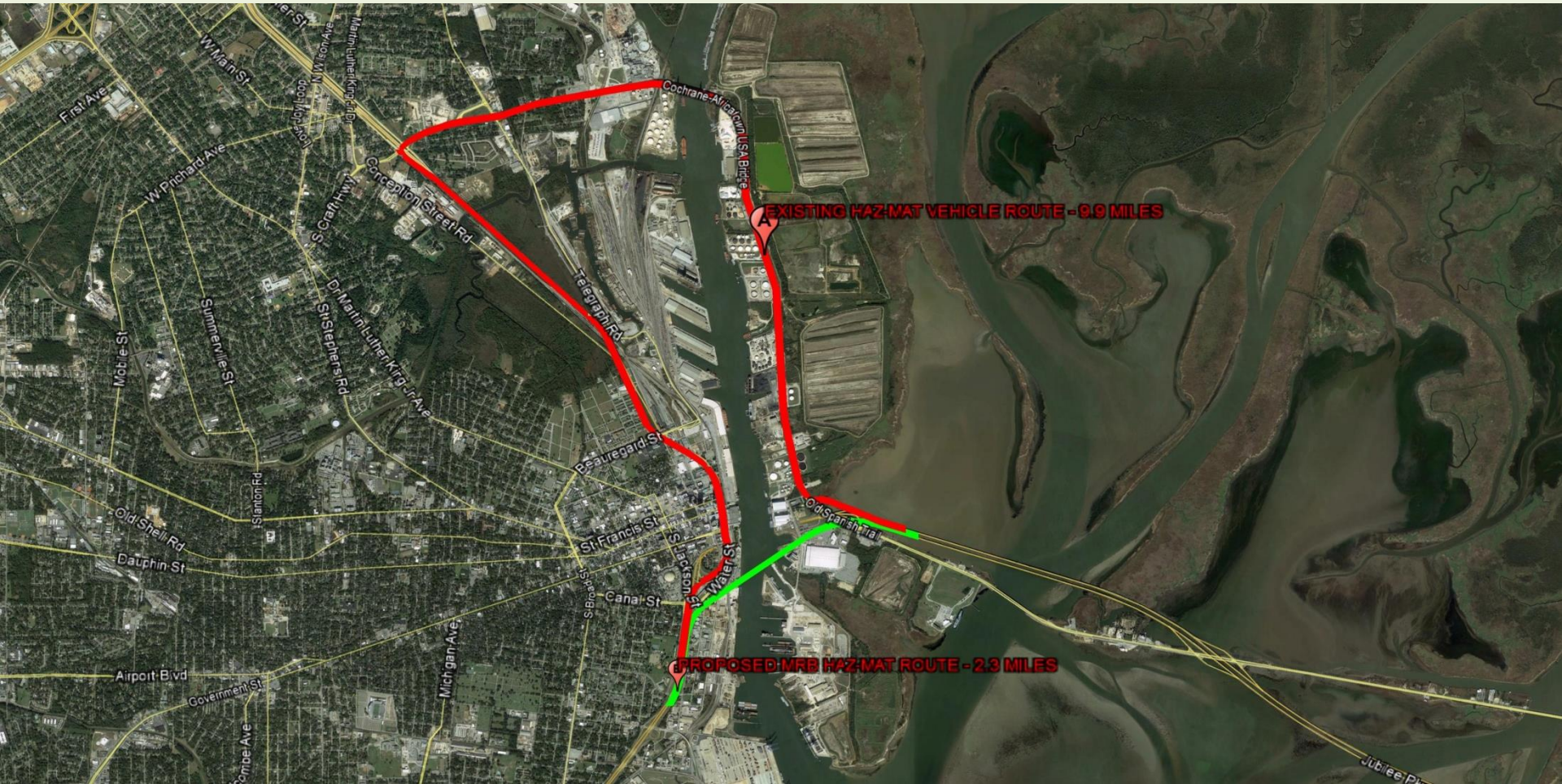
2017 Maximum Traffic Volumes



- 20 year projections of traffic events with no-build scenario

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Haz-Mat Route



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Alabama State Port Authority

- The Port of Mobile is the 9th largest of the nation's seaports in overall cargo volume.
- Provides approximately 129,000 jobs.
- \$25 billion dollars of economic impact.
- Carnival Cruise Lines



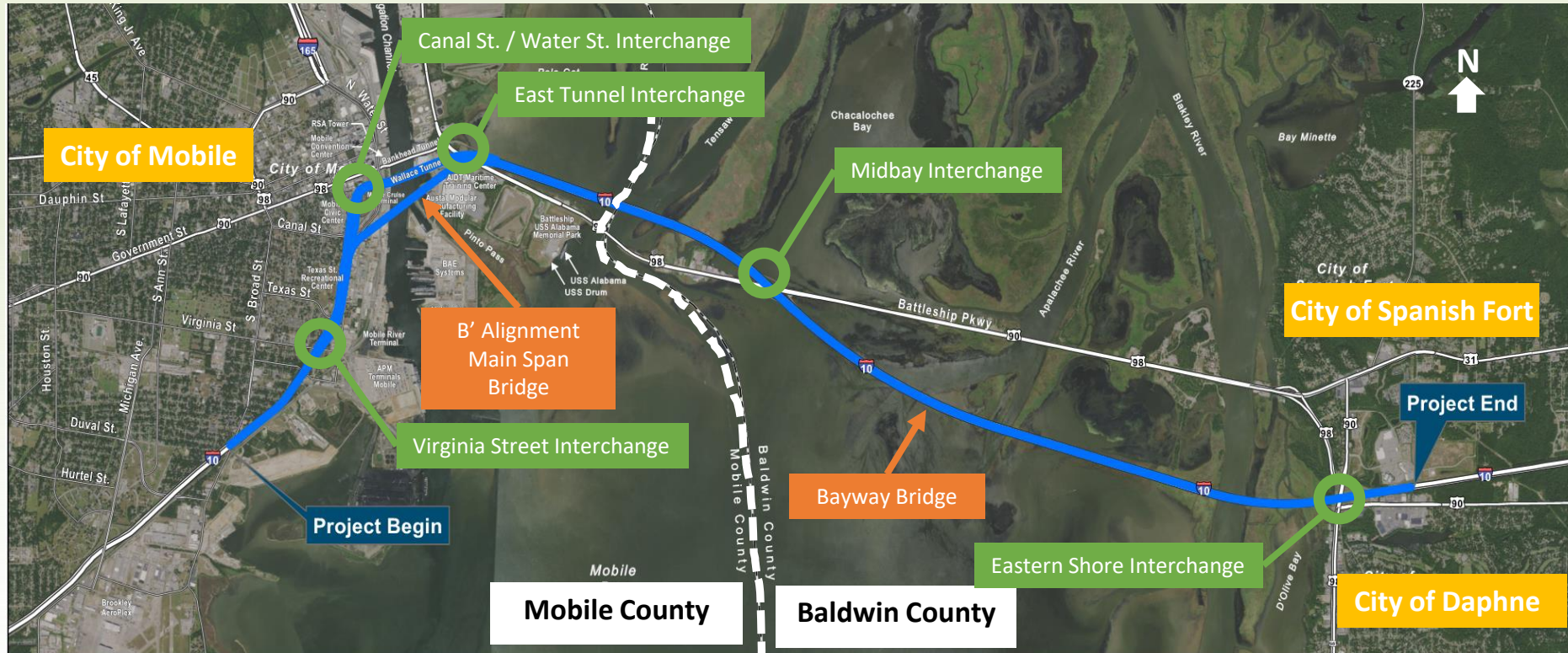
Mobile River Bridge and Bayway

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Project Scope



Project Area Overview



Mobile River Bridge and Bayway

Mobile River Bridge

- Six-lane
- Cable-stayed bridge

Mobile River Bridge and Bayway



Bayway

- Replace existing 7-mile, four-lane bridges above 100-year storm surge level
- 8 lanes of travel
- 7.5 miles
- Approximately 14 feet higher than existing
- Existing bridges opened in 1978 with 50-year design
- Without replacement, major maintenance projects would start soon, with multiple lane closures intensifying existing traffic conditions



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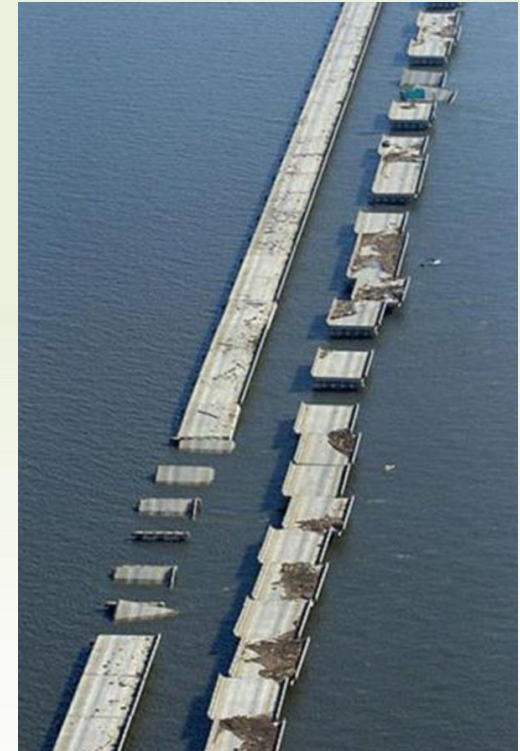
Typical Storm Surge Bridge Impacts



**I-10 Escambia Bay
Pensacola, FL**



**Hwy 90
Biloxi, MS**



**I-10 Twin Spans
New Orleans, LA**

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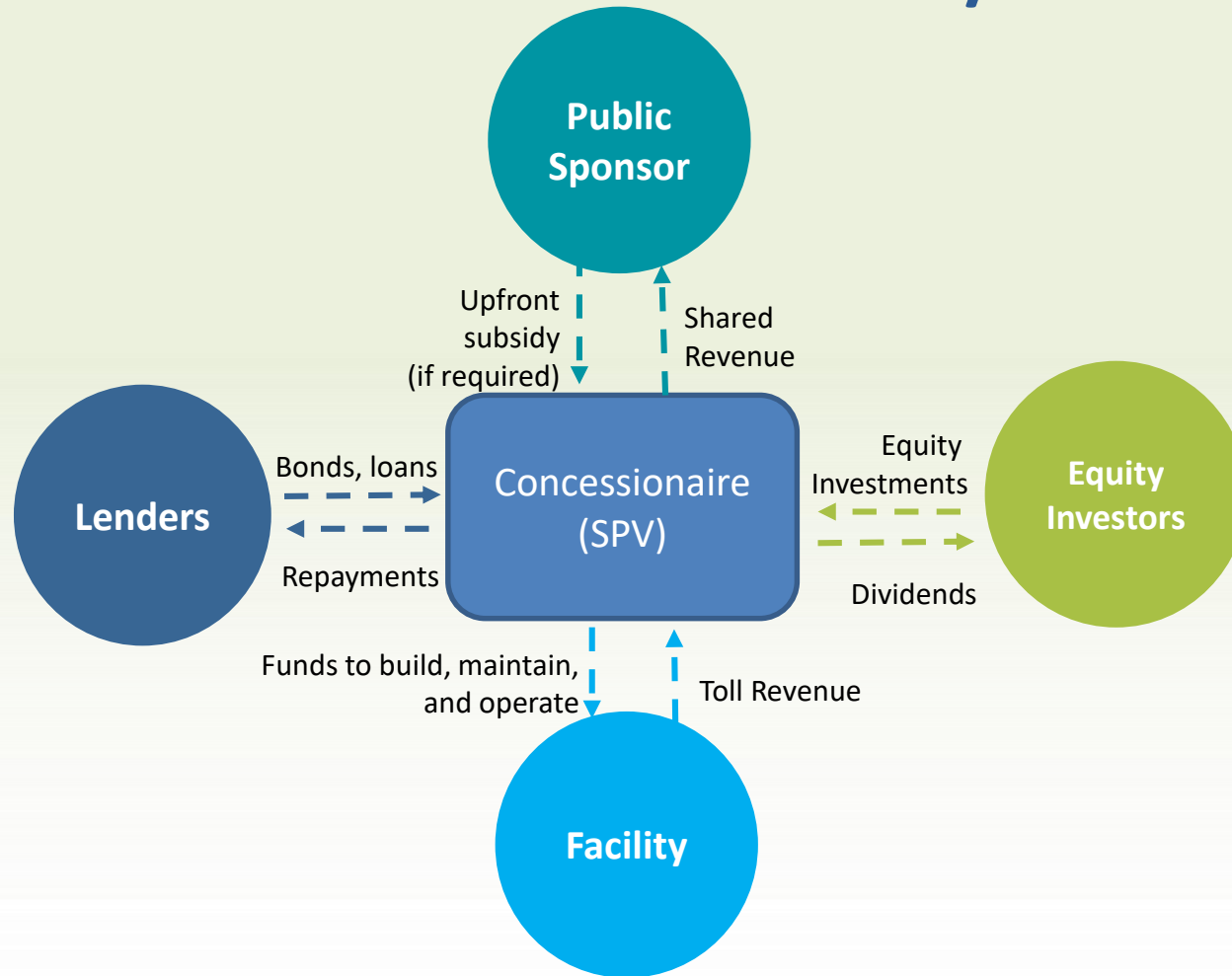


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Financing & Funding



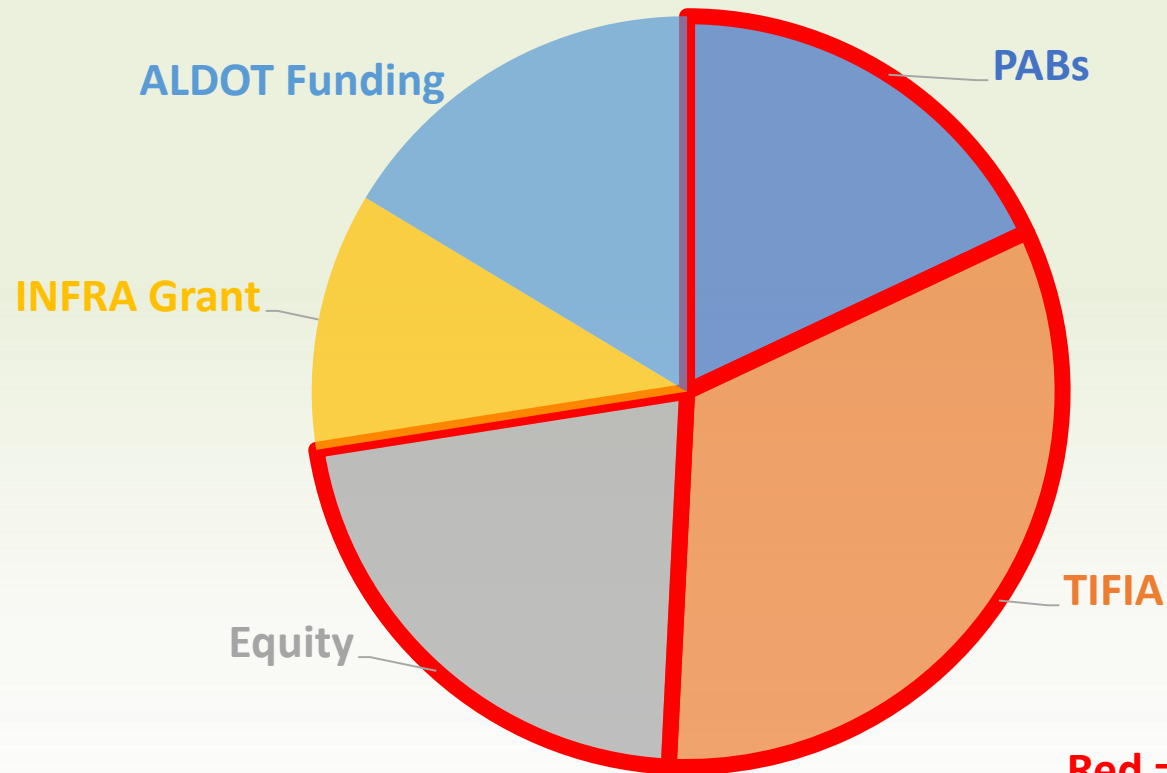
Structure under a Toll Concession / P3



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Project Funding & Financing

Approximately \$2 Billion



Red = to be paid back via toll

P3 -> Innovation [15% - 25%] Savings

T&R Forecast [15% - 25%] Less Conservative Model

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Public Subsidy

Best Value Proposal

- Technical
- Financial
 - Proposals submit Public Subsidy Required
 - Payment Schedule (converted to net present value)

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INFRA Grant

- Discretionary grant program authorized under the FAST Act through 2020 - previously known as FASTLANE
- Approximately \$1.5 billion available for infrastructure grants for FY 17 and FY18.
- \$850 million awarded in 2017
- Third attempt – Requested \$250 million

Selection Criteria:

- Freight corridors
- Support for National or Regional Economic Vitality
- Leveraging of Federal Funding
- Potential for Innovation (Safety, Environmental review and permitting, Project delivery approach)

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Legislative Outline for
Rebuilding Infrastructure
in America

On February 12, 2018, President Trump released his legislative goals to rebuild our Nation's crumbling infrastructure. One of the principles includes:

- \$200 billion in Federal funds to spur at least \$1.5 trillion in infrastructure investments with partners at the State, local, Tribal, and private level.

Of the \$200 billion, \$100 billion will create an **Incentives Program** to spur additional dedicated funds from State, localities, and the private sector.

- Applications for the Incentives Program will be evaluated on objective criteria, with creating additional infrastructure investment being the largest factor.

\$20 billion will be dedicated to the **Transformative Projects Program**.

- This program will provide Federal aid for bold and innovative projects that have the potential to drastically improve America's infrastructure.

\$20 billion will be allocated to expanding infrastructure financing programs. \$14 billion will go to expanding a number of existing credit programs, including TIFIA. \$6 billion will go to expanding Private Activity Bonds.



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TIFIA Loan (Transportation Infrastructure Finance and Innovation Act)

Program Objectives:

- Leverage limited Federal resources and stimulate Capital Market investment
- Facilitate projects with significant public benefits
- Encourage new revenue streams and private participation

Requirements:

- Minimum anticipated project costs > \$50M
- 33% of reasonably anticipated eligible project costs unless the sponsor provides a compelling justification for up to 49%
- The project must be included in the relevant State's transportation planning and programming cycle
- The project must have a dedicated revenue source, such as tolls or other user fees, that are pledged to secure debt service payments for both the TIFIA and senior debt financing
- Currently working through project specific credit worthiness

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TIFIA Loan

- Payment starts after 5 years
- Lowest Interest Available
- 40-year return
- In procurement process, ALDOT sets the base rate.
- After proposer is selected, they start the process of the TIFIA Loan over again with their Traffic & Revenue forecast.
- State shares in risk of rates, but also in project savings of a lower interest rate.

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Private Activity Bonds (PABs)

- Tax-exempt bonds issued by or on behalf of local or state government for the purpose of providing special financing benefits for qualified projects.
- These bonds are used to attract private investment for projects that have some public benefit. (There are strict rules as to which projects qualify.) This type of a bond results in reduced financing costs because of the exception of federal tax.
- Survived Tax Reform

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Federal Funding

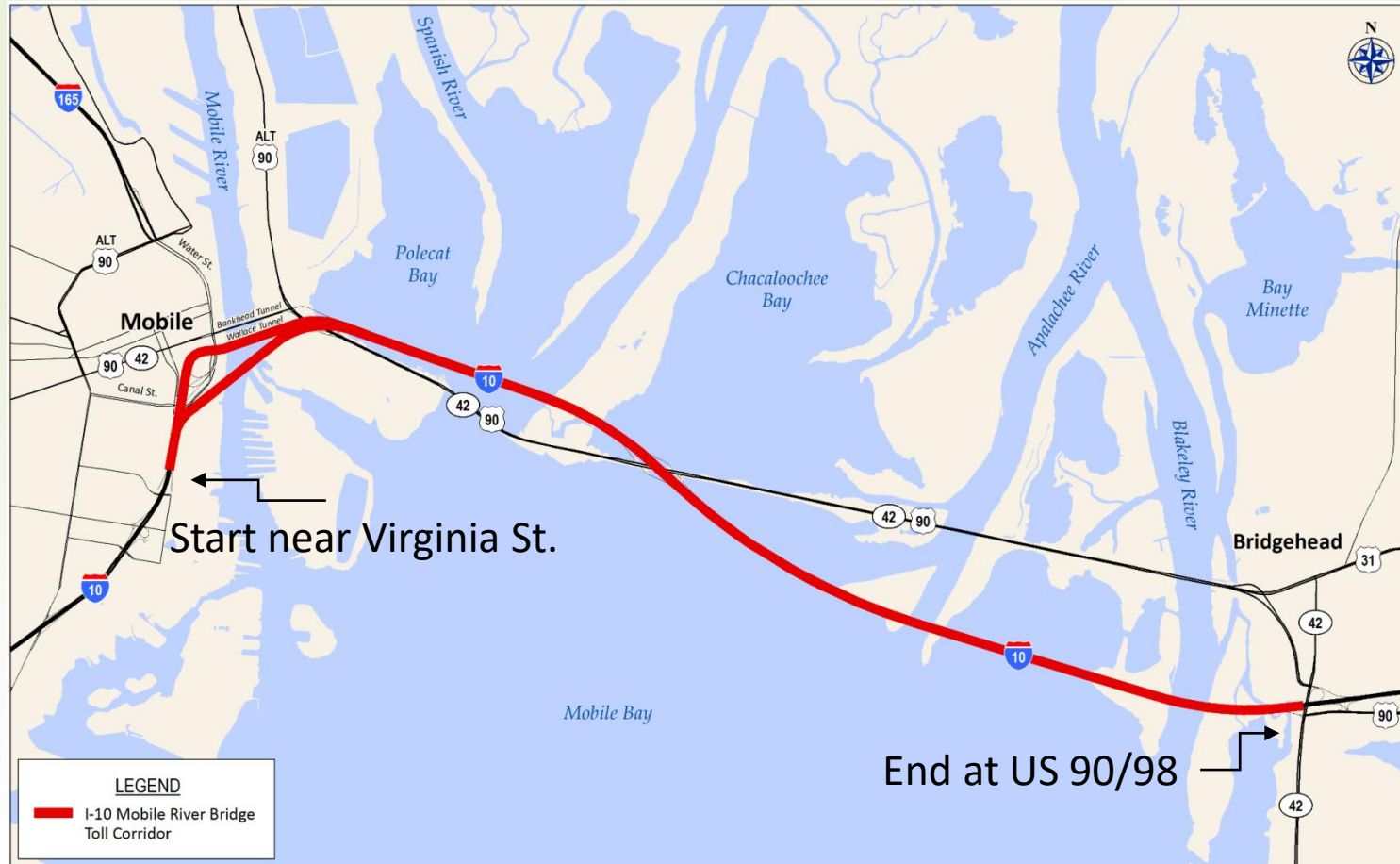
- Build America Bureau – US DOT
 - INFRA Grant; Requested \$250 M, third attempt
 - TIFIA Loan; 40 years, payback starts after 5 years
 - ALDOT negotiates base rates
 - Procedure starts over with selected proposer
 - PABs Allocation
 - Private Placement Bonds (possible alternatives)

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Tolling



Tolling Corridor



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All-Electronic Tolling Facilities



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Tolling Summary



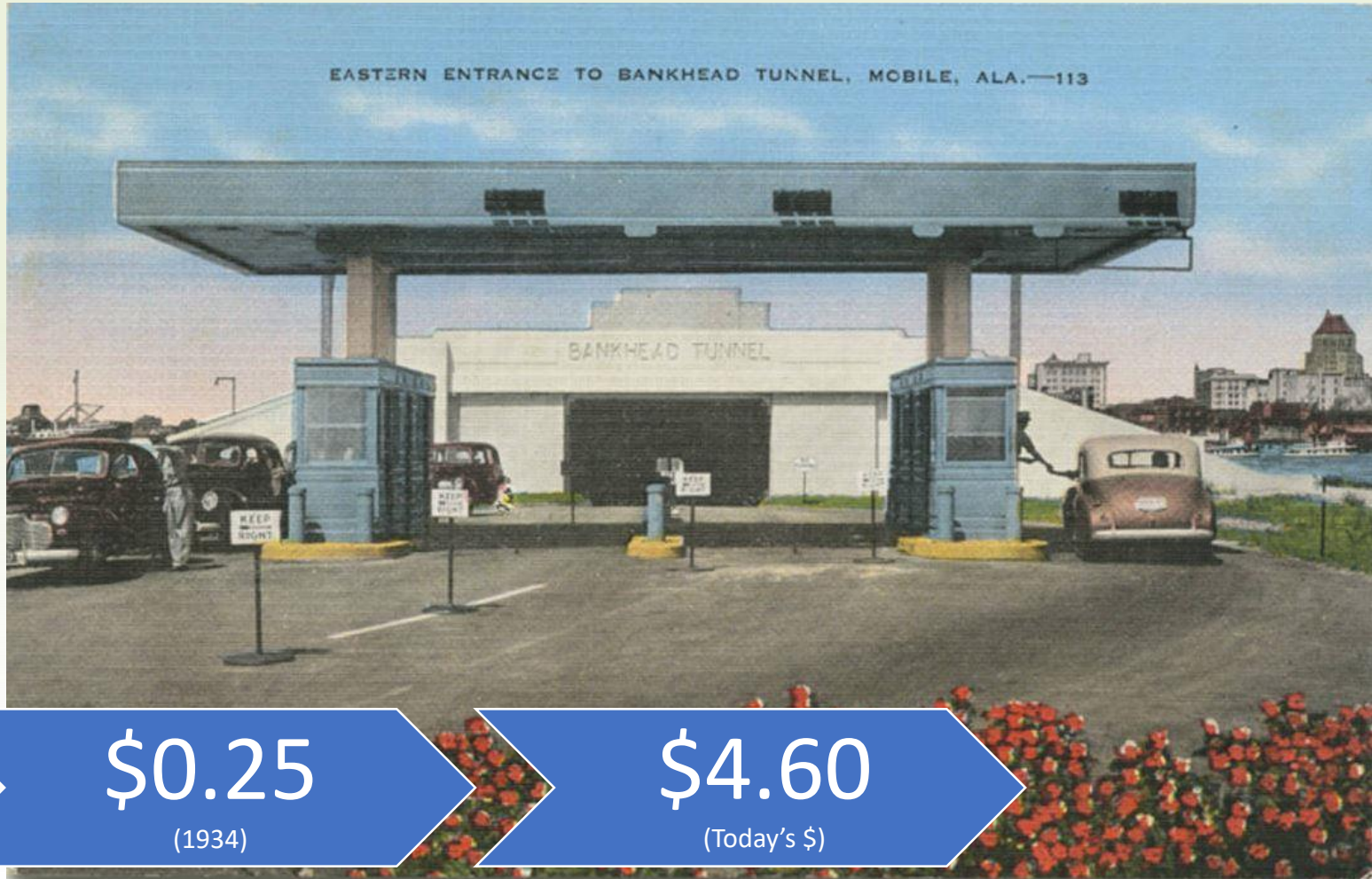
- Tolling plan submitted by the Concessionaire
- Rates still to be determined (max rates set by ALDOT)
- All-electronic tolling
- Interoperability agreements
- Payment options
 - Transponders – Read by the toll gantry and bill you automatically
 - “Pay-by-Plate” – Cameras capture a picture of your plate and send bill to the address associated
- Walk-in centers
- Call center – in Alabama
- Back office
- Starting fresh, no predetermined policy for tolling

The Alabama Toll Road, Bridge and Tunnel Authority (the “Authority”) is authorized by Section 23-2-144 of the Alabama Code to undertake the Project as a public-private partnership under the terms of this Agreement, and delegated the responsibility and authority to undertake the Project and enter into this Agreement to ALDOT.

Mobile River Bridge and Bayway

The bottom of the slide features a background image of the Mobile River Bridge and Bayway. The image is a wide-angle shot of the bridge, showing its two large white pylons and the network of stay cables. The bridge spans a body of water, and the sky is visible in the background. The text 'Mobile River Bridge and Bayway' is overlaid on the image in a large, white, serif font.

A History of Tolling



Mobile River Bridge and Bayway

Cochrane Bridge and Causeway



Vertical Lift Bridge



\$1.00

(1923)

\$14.33

(Today's \$)

Passenger Automobiles (and driver)	\$1.00
Automobile buses (and driver) of eight passengers capacity, or more	1.50
Trucks (and driver) 1 ton capacity and under	1.00
Trucks (and driver) over 1 ton and under 2 tons capacity	1.25
Trucks (and driver) over two tons and not over 3 tons capacity	1.50
Trucks (and driver) over 3 tons and not over 5 tons capacity	1.75
Trucks (and driver) over 5 tons capacity	2.00
Foot passengers	.10
Occupants of vehicles other than driver, each	.10
Motorcycles (and driver) single or side car	.25
Horse and rider	.25
Bicycle and rider	.15
Horse vehicle (and driver)	.50
Double team and vehicle (and driver)	.75
Driven live stock per head	.25
Loaded lumber wagon (and driver) 30 ft. or more in overall length	1.00

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Submitting Teams



Gulf Coast Connectors

EQUITY MEMBERS			
			
	Germany		UK
LEAD CONTRACTOR FIRM			
			
LEAD CONTRACTOR DEDICATED SUBCONTRACTORS			
			
Toll Systems Integrator			
ENGINEERING FIRMS			
			

LEAD ENGINEERING FIRM | TY LIN INTERNATIONAL

NEW CHAMPLAIN BRIDGE

MONTREAL, QC, CANADA | \$2,200,000,000




PROJECT CRITERIA MET
✓ Large, complex structural transportation project
✓ Complex environmental conditions
✓ Cable-stayed structure
✓ Marine and coastal environment
✓ Toll collection system
✓ P3 delivery method
✓ ATC process

LEAD O&M FIRM | MACQUARIE

ELIZABETH RIVER CROSSING

NORFOLK, VIRGINIA | \$1,510,000,000




PROJECT CRITERIA MET
✓ P3 with O&M
✓ O&M on bridges with similar size and complexity
✓ Toll tunnel operations
✓ Large, complex structural transportation project
✓ Complex environmental conditions
✓ Marine and coastal environment
✓ Toll revenue risk
✓ Tolling during construction
✓ Tolling an existing corridor with competing routes

LEAD CONTRACTOR | FLATIRON

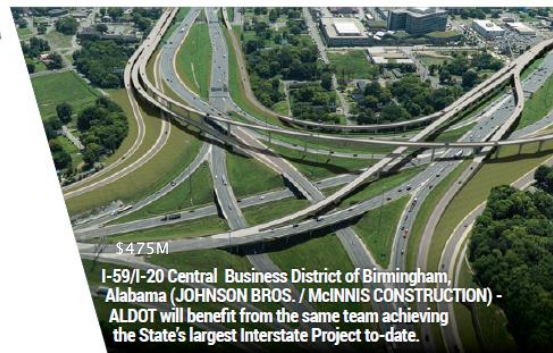
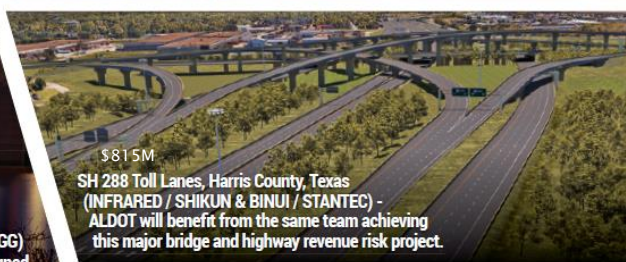
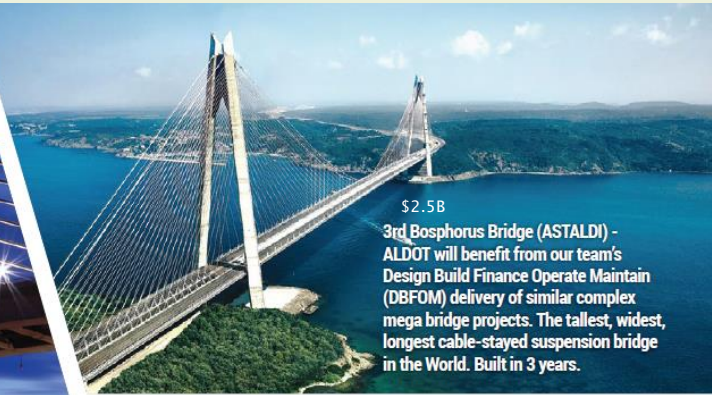
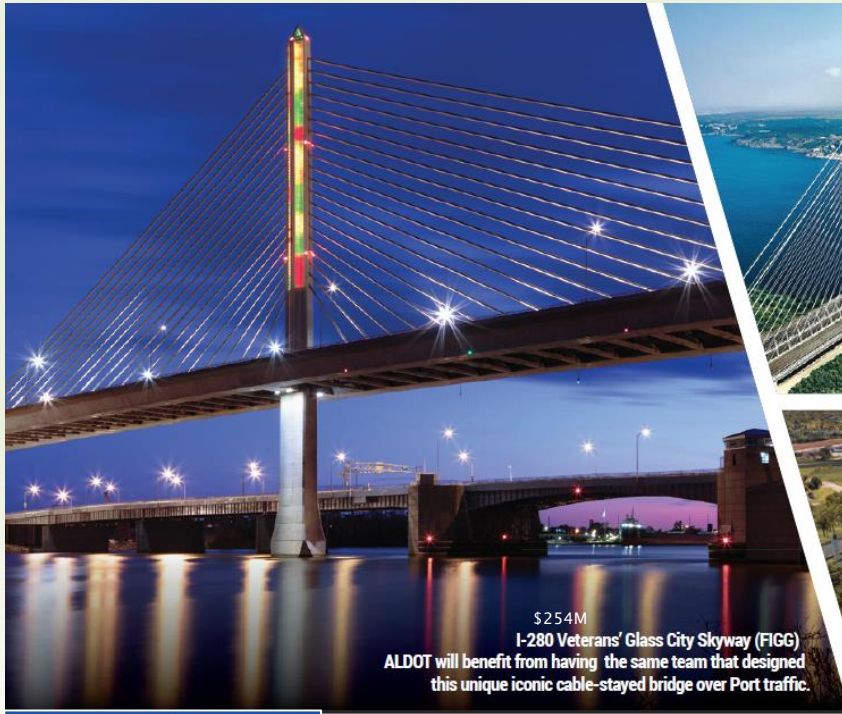
JOHN JAMES AUDUBON BRIDGE

ST. FRANCISVILLE, LOUISIANA | \$409,000,000



PROJECT CRITERIA MET
✓ Large, complex structural transportation project
✓ Complex environmental conditions
✓ Cable-stay structure
✓ Marine and coastal environment
✓ Design-Build
✓ Traffic Management/MOT
✓ Interface with maritime transportation
✓ ATC process

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EQUITY:



England, UK



Israel



Italy



Texas

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I-10 Mobility Partners

Equity Members:



(Spain)



(France)

Lead Engineering:



Lead Contractor:



Lead O&M:



J.J. Audubon Bridge St. Francisville, LA

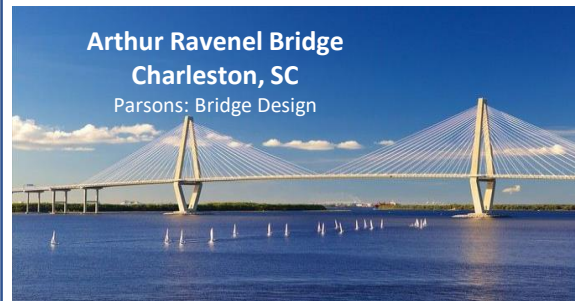
Parsons: Lead Engineering



- Project Cost: \$358.7M
- Longest cable-stayed bridge in the western hemisphere when completed
- Total Length: 3,186'
- Navigational Clearance: 65'
- Tower Height: 459'

Arthur Ravenel Bridge Charleston, SC

Parsons: Bridge Design



- Project Cost: \$541M
- Total Length: 13,200'
- Navigational Clearance: 187'
- Construction started in 2005, opened to traffic 2005

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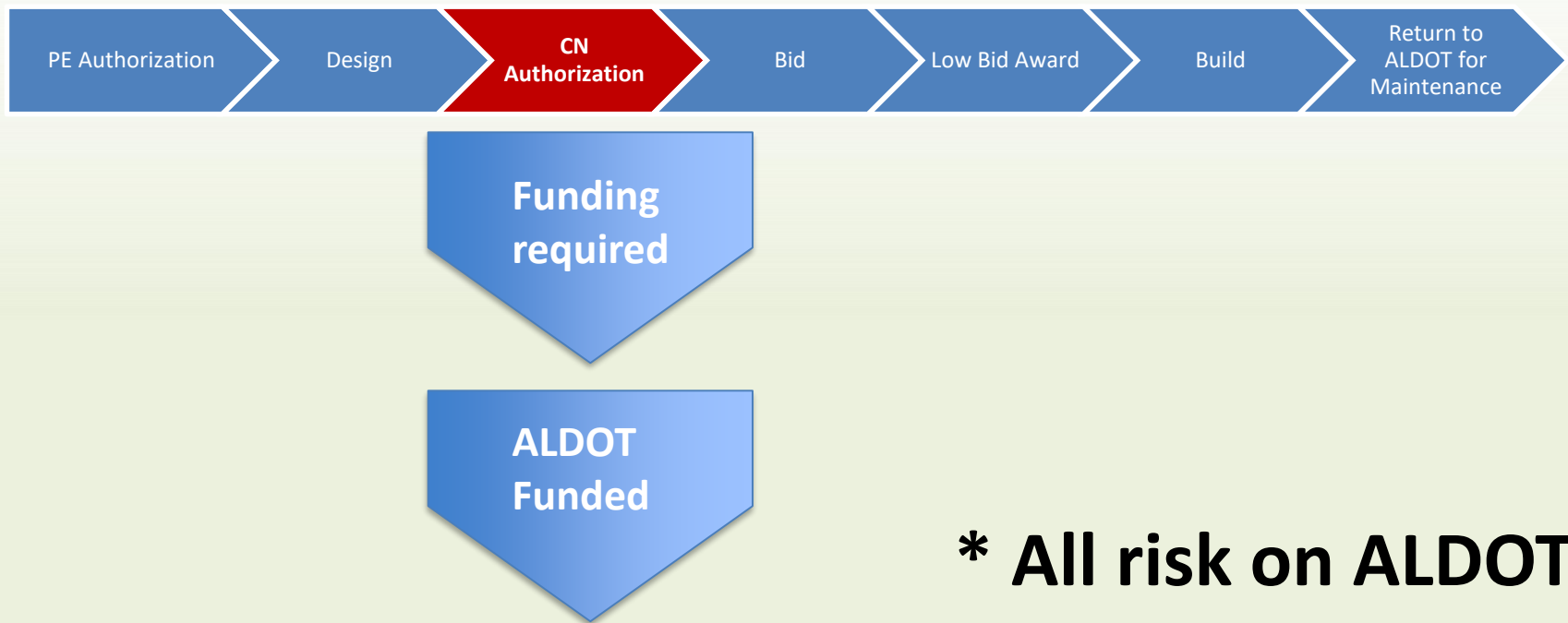
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Schedule



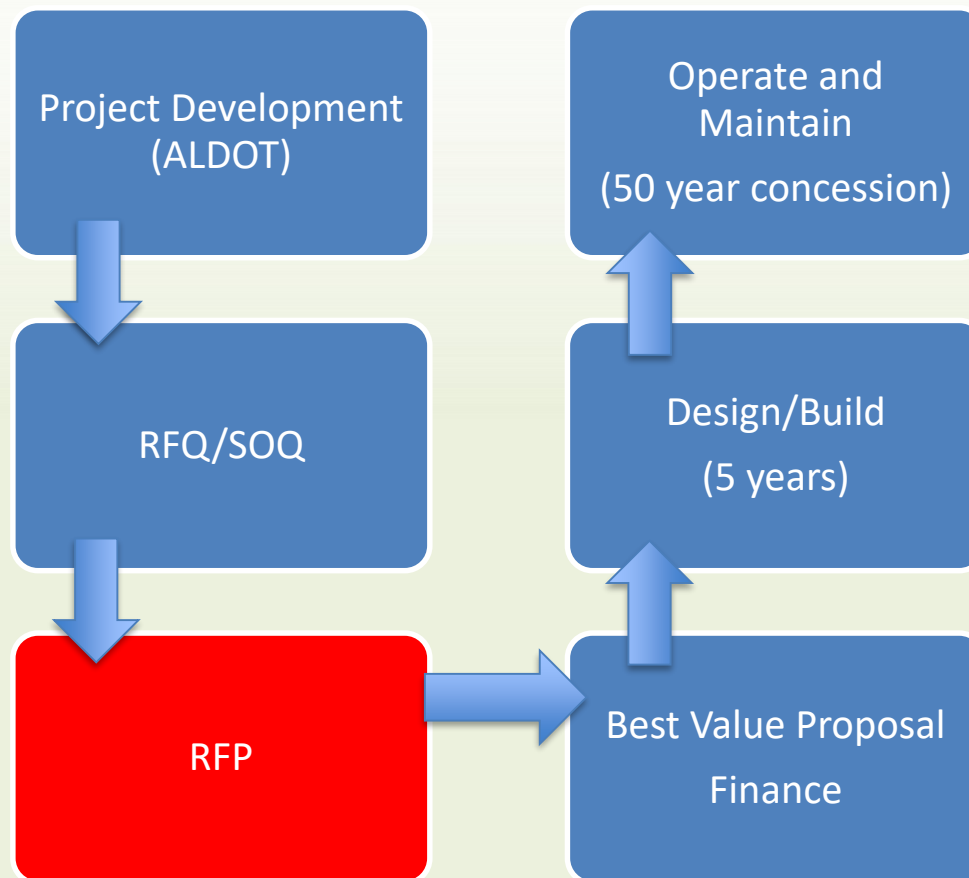
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Normal Process: Design, Bid, Build



Mobile River Bridge and Bayway

Design, Build, Finance, Operate, Maintain (DBFOM)



Procurement Schedule

- 2019:
 - Award Project
 - Commercial Close
 - Financial Close

Anticipated Milestone	Anticipated Date or Time Frame
Issue Industry Forum Notification	July 2017
Industry Forum	August 2017
One-on One Meetings (2 day)	August 2017
Issue RFQ	September 2017
SOQ Due Date	November 17 2017
Issue RFQ Shortlist	January 2018
Industry Review Period	1Q 2018 – 4Q 2018
Anticipated ROD Approval	3Q 2018
Proposals Due	1Q 2019
Anticipated Conditional Award	1Q 2019
Submit TIFIA Application	1Q 2019
Commercial Close	2Q 2019



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Track Our Progress

www.MobileRiverBridge.com



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