

# GILCREASE EXPRESSWAY PROJECT

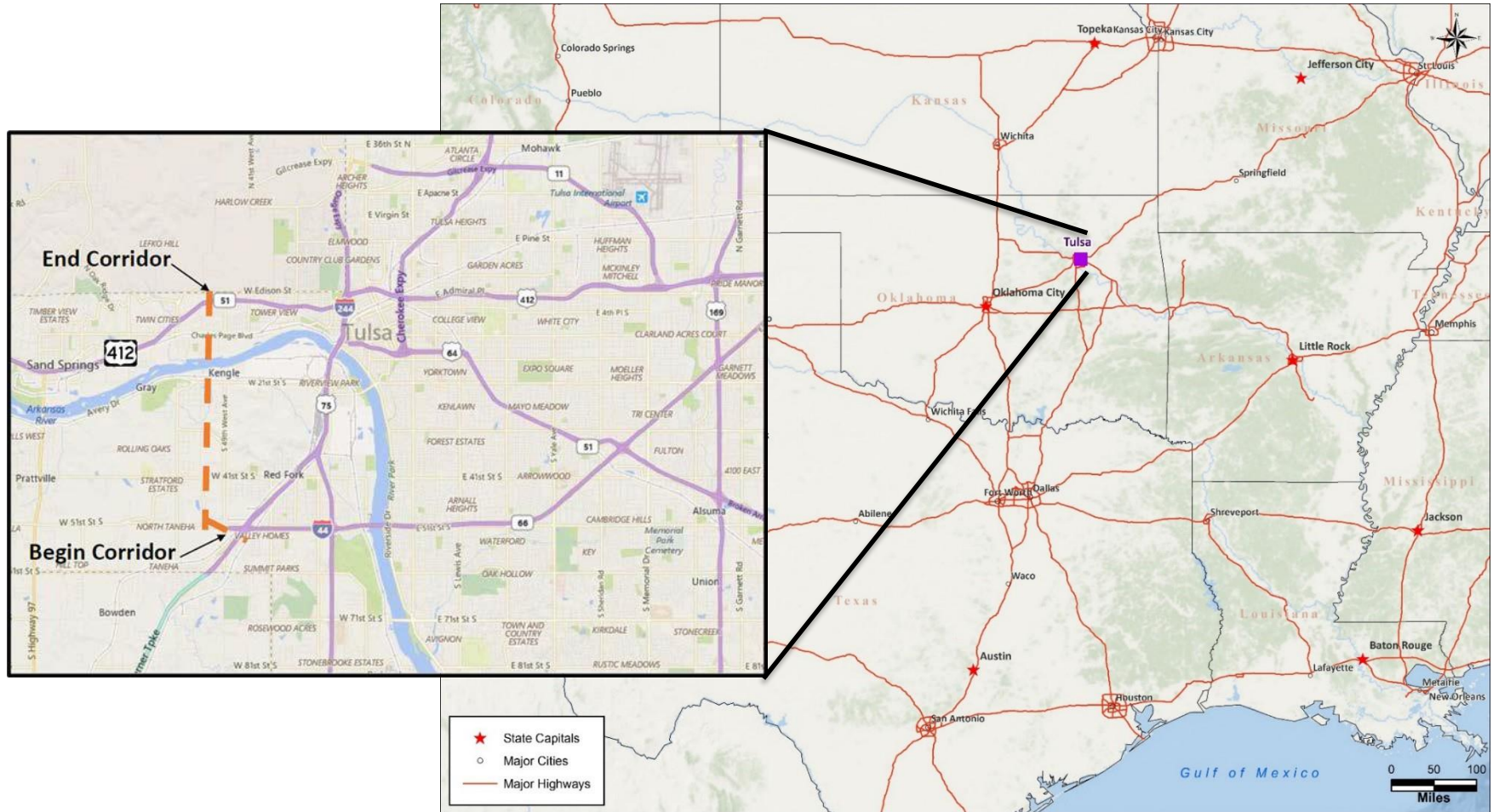


November 15, 2018



# Gilcrease Expressway Project Location

- The Project is a planned extension of the existing expressway and transportation system in the Tulsa region and will complete a segment of the network between I-44 and US-412
- The Project is located in the I-44 corridor, a major east-west freight route and is close to the I-35 corridor connecting Dallas, Houston and the Gulf of Mexico



# Purpose and Benefits of the Gilcrease Expressway

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- Purpose
  - Completes west “beltway”- like north, east, and south transportation systems
  - The current transportation system is inadequate for balanced and efficient movement of goods, people and services in this area
  - Lack of highways and river crossings limit mobility
  - Insufficient multimodal access to employment centers
  
- Benefits
  - Better access to developments in the immediate vicinity
  - Better access to regional destinations
  - Improves public safety access for the region
  - Provides transportation choices for improved access
  - Promotes economic opportunity
  - Reduces load on inner dispersal loop
  - Utilizes resources efficiently (direct routes, “beltway”)



# Project Description

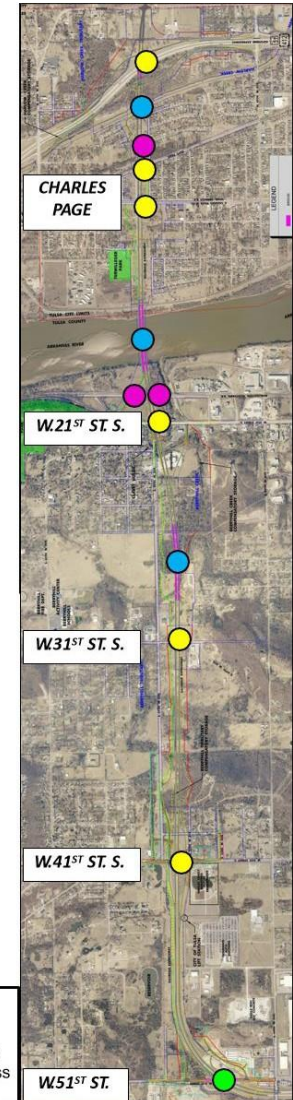
- The Project is an approximately 5 mile, fully functional four lane divided tolled highway connecting I-44 to US-412
- Design features include:
  - 22 bridges
  - Four interchanges on the tolled highway located at W 51<sup>st</sup> St S, W 41<sup>st</sup> St S, W 21<sup>st</sup> St S, and US-412 along with an at grade connection to W. Edison St.

## Four interchanges



- 12 – Street Overpass
- 1 – Street Underpass
- 5 – Railroad Overpass
- 6 – Waterway Overpass

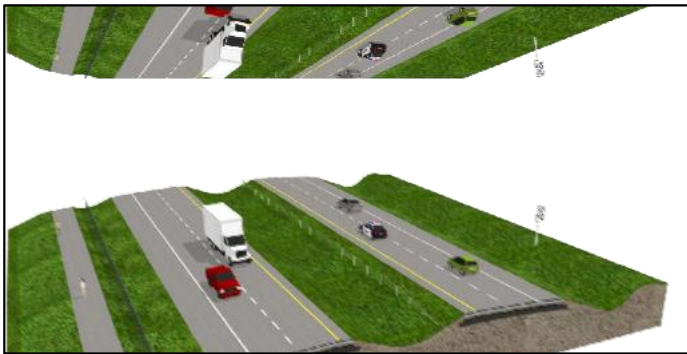
## 22 Bridges



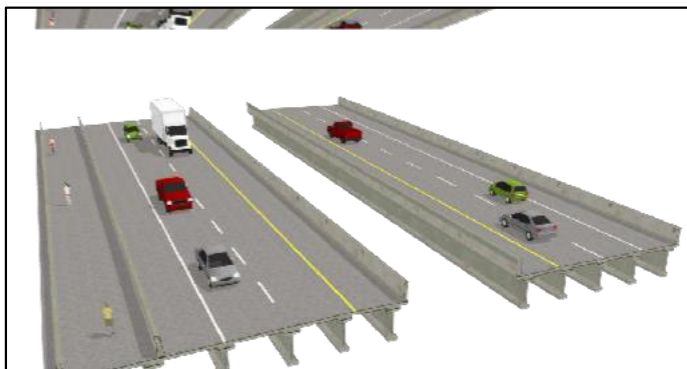
# Design Features

- 22 bridges including two bridges (one in each direction) over the Arkansas River
- Four lane divided toll road, design speed 70 mph
- Parallel 10ft wide multi-use trail

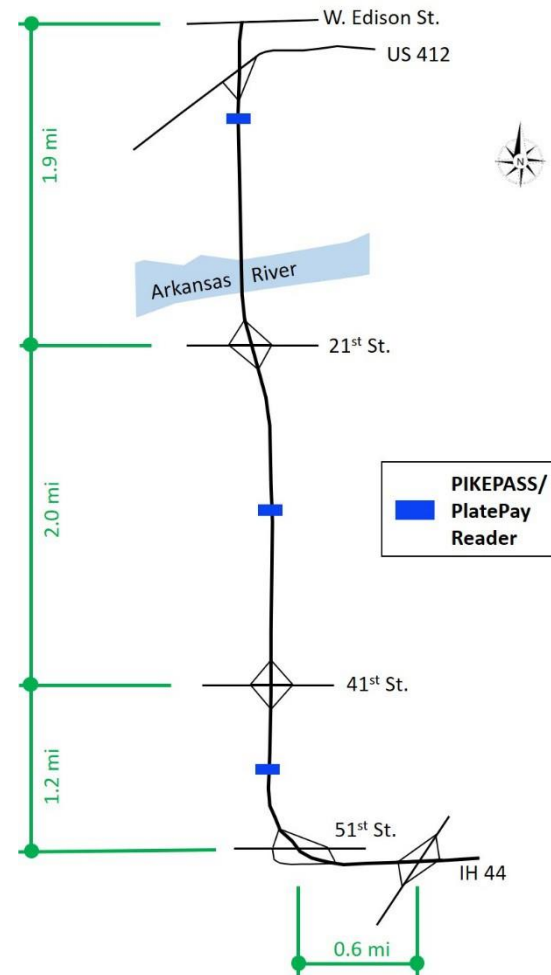
Typical Section, Gilcrease Expressway West



Typical Section, Arkansas River Bridge



- All electronic tolling with 3 gantries accommodating PIKEPASS and PlatePay technology



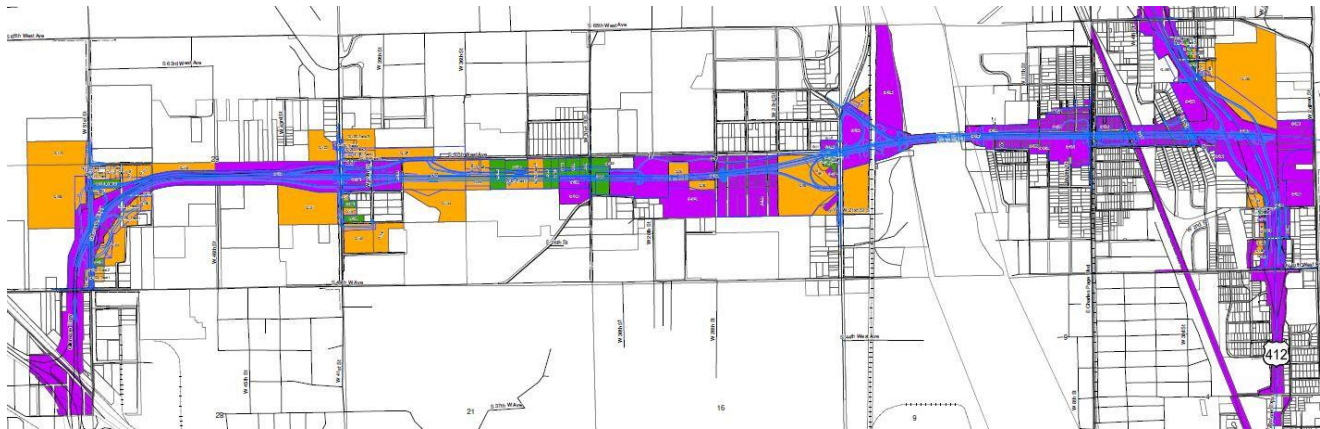
# Environmental Status

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- An Environmental Assessment (EA) was prepared and approved by FHWA in 2000
- Reevaluations of the EA were completed in 2005 and 2014 to update information and request right-of-way authorization
- The Authority has completed an additional reevaluation of the EA to authorize construction that is in final review at ODOT
  - Updated environmental studies
  - Additional public involvement
- Updated cultural resource studies and other environmental studies have been completed
  - ABB survey complete with no mitigation required
- OTA has submitted the Section 404 permit application to the US Army Corps of Engineers for review
  - Stream and wetland mitigation is expected to come from existing mitigation banks and in-lieu fee programs

# Status of Right-of-Way and Utilities

- Right-of-Way Acquisition:
  - In 2000, FHWA authorized the City of Tulsa to begin acquisition of ROW
    - The City of Tulsa acquired significant amount of ROW, which has been conveyed to the Authority and the Authority is completing the acquisition of the remaining parcels
    - 58 parcels need to be acquired (shown in orange) representing approximately 14% of the total ROW required for the Project
  - Right of way acquisition expected to be completed by early 2019



- Utilities:
  - The Authority will undertake necessary utility relocation activities which are expected to be complete by the end of 2019
  - Project Company will be responsible for relocation of certain City of Tulsa water and sewer utilities

## Key Milestones to Date

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04/19/10	Gilcrease Expressway added to authorized Authority turnpikes by State Legislature
3/28/17	Authority adopts a resolution to complete the Project and accept right-of-way from City of Tulsa
4/10/17	Oklahoma Transportation Commission approves Project design route alignment
8/14/17	Authority/ODOT/FHWA MOU: Project meets federal toll eligibility requirements
1/31/18	22 responses to Request for Information received from interested parties
5/22/18	Authority accepts Public Sector Comparator and authorizes Project to be procured as Build-Finance
5/30/18	ODOT GARVEEs issued
6/1/18	Authority submitted TIFIA Letter of Interest
6/22/18	Request for Qualifications issued
6/28/18	Pre-SOQ Submittal Meeting (over 40 attendees representing construction, engineering and finance firms)
7/19/18	Council of Bond Oversight approval of potential TIFIA Loan
7/24/18	Authority Board approves TIFIA Bond parameters resolution
9/25/18	Authority Board shortlists 3 Teams to receive Request for Proposals
10/25/18	Draft Request for Proposals provided to shortlisted Proposers
11/14/18	Supreme Court of Oklahoma issues validation ruling for the financing of Project



# Procurement Process

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- The Board has approved delivering the Project using a Build-Finance approach
  - The Authority has completed 100% design for the Project
  - Private contractor will provide interim financing equal to 50% of the construction price
  - The maturity date of the interim financing is the Final Payment date, approximately 210 days after the Project opens to tolled traffic
- The Authority Board has delegated authority to the Executive Director to negotiate and conduct the competitive procurement process
- Three highly qualified teams have been shortlisted and have been invited to submit a proposal to Build-Finance the Project
  - AECOM Energy and Construction / Duit Construction / Wells Fargo Securities
  - Manhattan Road and Bridge / Sherwood Construction / RBC Capital Markets
  - Lane Construction Corporation / Allen Contracting / KeyBanc Capital Markets
- Proposers may submit Alternative Technical Concepts (ATCs)
  - If accepted by the Authority, ATCs may be included in a Proposal
- Draft RFP process with individual meetings to elicit feedback on terms and conditions contained in the draft Project Agreement
- Proposals will be evaluated on a Best Value basis

## Project Budget and Funding

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- The Project is anticipated to be funded from a combination of the following:
  - Interim construction financing (50% of construction costs) to be provided by the Project Company
  - Public Funds
    - Proceeds of GARVEEs issued by ODOT on May 30, 2018
    - Authority funds
    - TIFIA loan proceeds
    - Cash contributions already committed or received from other public stakeholders
- Subject to the requirements set forth in the RFP and the Project Agreement, the Project Company will receive progress payments from the public funds noted above
- The RFP gives Proposers the flexibility to develop a financing structure that is the most beneficial to and cost-effective for the Authority
- The Project Company will not have any rights against, or be considered a 3<sup>rd</sup> party beneficiary of, the TIFIA loan or any of the other public funds described above

# Financial Commitments to the Project

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- City of Tulsa
  - Purchased \$17.2 million in ROW which has been conveyed to the Authority
  - \$4.9 million in preliminary engineering costs (costs already incurred)
- Oklahoma Department of Transportation
  - Issued GARVEE bonds with approximately \$71 million of proceeds available for Project costs
  - ODOT and the Authority have entered into an MOU which provides a process by which GARVEE proceeds are advanced to the Authority for Project costs
- Indian Nations Council of Governments
  - Committed to transfer \$6 million annually to pay the debt service on GARVEEs issued by ODOT through their 15 years maturity
- The Authority
  - The Authority's contributions to the Project are limited to Public Funds and legally available moneys on deposit in the System General Fund
  - Approximately \$8 million contributed through June 1, 2018 for preliminary project costs such as ROW acquisition, environmental and design
  - Up to an additional \$130 million contribution during construction to fully fund Project development and construction costs
  - Additional limited contributions in the future from legally available funds in the System General Fund as needed to pay debt service, operating and maintenance costs and remedy any deficiencies in reserves

## Sources and Uses of Funds\*

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### Sources of Funds

Authority Contribution	\$126,917,083
ODOT GARVEE Proceeds**	71,362,468
Private Sector Interim Financing***	<u>103,527,947</u>
Total Sources	\$306,853,851

### Uses of Funds

Design	\$4,590,050
Environmental/Permitting	4,992,800
Right-of-Way	18,260,394
Utilities	17,874,700
Construction	230,737,000
Construction Oversight	15,000,000
Tolling Equipment	5,700,000
Program Management	3,675,557
Accrued Interest on Interim Financing	4,823,350
Costs of Issuance	<u>1,200,000</u>
Total Uses	\$306,853,851

\* Preliminary, subject to change

\*\* Includes estimated interest earnings of \$240,000 on bond proceeds at 1% interest rate

\*\*\* Anticipated to be repaid from the proceeds of the TIFIA Loan and other Authority funds if needed



## Projected Schedule (Updated 1/19)

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Date	Activity
October 2018	Issued draft RFP with Initial Draft Project Agreement to Short-listed Respondents
December 2018	Individual Meetings with Proposers and Consideration of Alternative Technical Concepts
January 2019	Issue revised draft RFP with revised Draft Project Agreement
February 2019	Second Individual Meetings with Proposers
March 2019	Issue Final RFP with final Draft Project Agreement
May 10, 2019	Proposals Due
June 25, 2019	Approval of Preferred Proposer by Board
October 2019	Construction Start
October 2022	Estimated date of Substantial Completion