Louisiana Department of Transportation and Development

Public-Private Partnership Request for Information Respondent Summary

October 16, 2017

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Executive Summary

Request for Information Process Overview

With the passage of Act No. 519, the Louisiana Department of Transportation and Development (the Department) was authorized to solicit proposals and enter into contracts for Public-Private Partnership (P3s) in the development of transportation facilities. In connection with the authority provided by Act No. 519, on January 30, 2017, the Department released a Request for Information (RFI) related to potential improvements on the I-10 Capital Corridor. Department responses to potential Respondent questions were provided on February 15, 2017 and March 2, 2017. Responses to the RFI were due on March 31, 2017.

The intent of the RFI was to obtain feedback regarding delivery and financing of a potential P3 solicitation for the I-10 Capital Corridor along with any other potential P3 projects. In addition to questions related to contact information of the firms responding to the RFI (Respondents), the RFI contained twenty-five questions related to P3 delivery that covered a variety of topics.

HNTB is providing this report to summarize the feedback of each Respondent. HNTB grouped the questions into five primary categories as described in Table 1 below.

Table 1 – Question Categories

Categories	Question No.	General Question Content
Legal	1	• Potential legislative issues impacting P3 feasibility
P3 Interest / Experience	2-7	• Relevant P3 experience • Factors that may affect pursuing a P3 • Preferred delivery methods
P3 Structure / Procurement Type	8-12	• Schedule for responding to an RFP • Advantages / disadvantages of Pre-Development Agreements (PDA) • Risks of using a PDA
Qualifications	13-17	• Minimum qualifications for potential Respondents – Design, Construction, Financial, and Management • Schedule for responding to an RFQ
Project Delivery (I-10)	18-25	• Factors and considerations related to design/construction/finance for P3 delivery of I-10 • Information needed to prepare proposals • Financing structures and funding • Outreach / Communication

RFI Respondents

The Department received a total of twenty-five responses comprised of P3 developers, engineering firms, contractors, financial advisory firms and a legal firm. Table 2 provides a summary of the Respondent firms and the type of work typically performed by each Respondent.

Table 2 – Respondents

Respondent Types	Firm Name(s)	
Developer / Concessionaire	Abertis ACS Infrastructure & Dragados USA* Brown & Root Cintra & Ferrovial Agroman* Fluor Kiewit & Boh Brothers*	OHL & TRC Plenary Group Sacyr STAR America Vinci Concessions Walsh / Archer Western*
Contractor	Lane	
Technical	AECOM CSRS HNTB / KPMG Michael Baker	Parsons WSP / Parsons Brinckerhoff Stantec
Financial	Citi LOOP Capital	Macquarie Capital Wells Fargo Securities
Legal	Butler Snow	

** Developer / Concessionaire Respondents teamed with Contractors in response*

Most of the Respondents have U.S. and International experience with procurement and delivery of P3 projects. Additionally, almost all Respondents demonstrated a thorough knowledge of P3 delivery methods and best practices associated with these delivery methods.

Key Themes by Category

Table 3 provides a summary of the key themes expressed by Respondents. Further detail with respect to each question can be found in the Respondent Feedback Summary section of this report.

Table 3 – Key Themes by Category

Categories	Key Themes
Legal	• Respondents conducted due diligence with respect to the legislation, demonstrated an understanding of federal and state law related to P3s, and did not identify any fundamental issues with Louisiana's legislation
P3 Interest / Experience	• The Department received a robust response from highly qualified firms • Respondents indicated a significant interest for participating in Department P3 projects • Respondents indicated a preference for Design-Build-Finance-Operate-Maintain (DBFOM) – Availability Payment for the delivery method • Respondents emphasized the importance of adequate funding availability along with demonstrated public support for the project
P3 Structure / Procurement Type	• Many Respondents indicated that selection of a delivery method is project specific and dependent on the needs of the Department

Categories	Key Themes
	• Respondents recommended further analysis of delivery methods on a project-specific basis should be conducted • Preference for use of Pre-Development Agreements (PDAs) was influenced by past experience with this delivery method • Respondents were mixed in their feedback on the benefits of project delivery through a PDA
Qualifications	• Respondents indicated that the most important element related to qualifications was demonstrated experience with transportation P3 projects of similar size and complexity • Respondents indicated that the qualifications the Department should evaluate is dependent on the P3 structure and that the overall selection should consider qualifications related to each aspect contemplated in the delivery structure (e.g. finance, O&M) • Respondents indicated that four to eight weeks was sufficient to respond to an RFQ
Project Delivery (I-10)	• Finance o Development of a committed funding and financing plan is critical o Clear explanation and understanding of the Department's appropriation process is important o Availability of TIFIA and PABs will have significant importance • Technical / General o Advancement of certain activities (R/W, NEPA, major permits, major utility relocations) will reduce risk and improve bid prices o Use of ATCs and performance based specifications will encourage innovation

Respondent Feedback Summary

Responses by Question

The summaries below use qualifiers to address the number of firms that expressed similar viewpoints in their responses as shown in Table 4.

Table 4 – Qualifiers Used in Summaries

Term	Quantification of Qualifier
Multiple	Two to six (8-24%)
Many	Seven to twelve (28-48%)
Majority	Thirteen to eighteen (52-72%)
Most	More than eighteen (76-100%)

Question 1 – Legal: Do you foresee state or federal legislation issues that would hinder the feasibility of the I-10 Capital Corridor Improvements?

Summary of Respondent Feedback

- All Respondents did not identify any state or federal legal issues that would significantly impact the project in a negative manner
- Most Respondents indicated that continued availability of PABs and TIFIA loans would be beneficial
- Many Respondents stressed that certainty of funding was critical and specifically suggested that the funding increases proposed by the Governor's Task Force on Transportation would improve project feasibility
- Multiple Respondents suggested a review of the Department's's tolling authority if projects will be tolled to ensure that effective collection and enforcement processes are in place for an all-electronic toll facility
- One Respondent questioned whether availability payment transactions were authorized by Louisiana's P3 authority

Primary Take-away

- State and federal legal issues are not viewed by Respondents as an impediment for a Department P3

Question 2 – P3 Interest / Experience: Has your firm participated in a public private partnership? What relevant experience with public private partnerships does your firm have which serves the as the background for your responses to this RFI?

Summary of Respondent Feedback

- Most of the Respondents have US and/or international P3 experience
- A majority of Respondents were Developers / Concessionaires who regularly team with contractors that also contributed to the responses
- A majority of Respondents have experience throughout the spectrum of P3 delivery methods (e.g. DBF, DBOM, DBFOM)
- Many Respondents have experience in Louisiana and other Respondents partnered with local firms to respond

Primary Take-aways

- Well-qualified firms with experience delivering large, complex P3 projects would be ready to pursue a P3 project for the Department
- National and international firms that pursue a P3 project are likely to utilize local firms for their knowledge and experience in the local area

Question 3 – P3 Interest / Experience: Are there any particular concerns with any of the information that has been provided in this RFI? Please explain those concerns and provide proposed solutions or mitigations to address those concerns.

Summary of Respondent Feedback

- Most Respondents indicated no concerns within information in the RFI
- Multiple Respondents provided a comment on the below major tasks / deliverables required before major project milestones or advancing to procurement which include the following:
    - Defined funding sources and finance plan;
    - Detailed scope and further project information;
    - Clear path for all major permits and environmental approvals; and
    - Use of long term O&M due to use of performance based DBFOM and delivers the optimal life-cycle benefits.

Primary Take-away

- There is currently a strong appetite from equity investors, debt investors, construction firms, and operations firms to participate in P3 processes

Question 4 – P3 Interest / Experience: What are the factors that would most influence a potential respondent's decision to participate in public private partnership for delivery of the I-10 Capital Corridor Improvements?

Summary of Respondent Feedback

- Most Respondents identified the importance of clear understanding of available funding sources
- The majority of Respondents noted the importance of demonstrated support for the project – public and political
- Many Respondents indicated the importance of the NEPA / environmental permitting schedule being defined with approvals on key documents prior to submittal of bids / proposals
- Many Respondents noted the importance of experienced advisors that can support the Department in P3 procurement and delivery
- A clear allocation of risks / responsibilities for the public and private sector consistent with industry standard -was noted by multiple Respondents
- Multiple Respondents commented on the importance of a clear and transparent procurement process with considerations for stipends, one-on-one meetings and/or ATCs

Primary Take-away

- The factors affecting interest most consistently identified by Respondents include:
    - At the earliest stages, identification of a project champion to build public support for a P3 opportunity demonstrates a commitment to potential partners allowing them to dedicate appropriate resources to the pursuit of a P3 in Louisiana;

    - Prior to initiating a P3 procurement, confirming feasibility of a project with respect to anticipated funding needs and identifying funding sources; and
    - Prior to procurement, establishment of a clear and comprehensive scope and advancement of critical elements (e.g. R/W acquisition, NEPA and permitting) that will impact private sector interest and reduce project risk.

Question 5 – P3 Interest / Experience: Looking ahead over the next several years, are there any particular risks or factors which would give your firm concern about potentially entering into a public private partnership for delivery of the I-10 Capital Corridor Improvements?

Summary of Respondent Feedback

- Multiple Respondents identified the following risks / factors:
    - The Department's project funding and financing plans;
    - Project documents and protocols reflecting a market standard risk allocation;
    - Public and political understanding and support of P3s for the project;
    - Appropriations process and one identified the State of Louisiana's credit rating; and
    - Department use of owner advisors with P3 experience.
- Additional concerns noted by Respondents included NEPA, timely decision making, indexing inflationary increases, transparent procurement process, performance specifications and key performance indicators, contract provisions to protect intent with change in law or new technology, and qualifications of bidding teams and financing nuances (debt reduction, PAB allocation, interest rate risk, political)

Primary Take-away

- Respondents expressed some concerns that could impact interest depending on Department P3 projects

Question 6 – P3 Interest / Experience: Which are the most preferred delivery methods available for delivery of the I-10 Capital Corridor Improvements?

Summary of Respondent Feedback

- A majority of Respondents favored including some component of maintenance within the delivery structure
- Many Respondents (primarily Developer / Concessionaire and Contractors) indicated preference for a DBFOM project with more than half specifically noting preference for an Availability Payment DBFOM due to the ability to expedite delivery, allow life-cycle management and use performance specifications to maximize value
- Multiple Respondents preferred use of DB or DBF approach
- Multiple Respondents were open to the use of tolling as a revenue source, but recommended that risk related to revenue be placed on public sector
- Multiple Respondents recommended use of a Value for Money (VfM) or project delivery analysis to determine the most appropriate delivery structure

Feedback Influenced by Respondent Type

- When considering only the technical Respondents, a majority indicated that the delivery method should be based on the goals, objectives and funding profile of the program and project

- Developers / Concessionaires identified a specific project delivery method with the majority indicating a preference for an availability based DBFOM structure

Unique and Notable Comments

- One Developer / Concessionaire (Kiewit) preferred use of PDA, CMAR or Progressive DB due to the lack of project definition at this time
- HNTB & KPMG noted potential value in identifying and tailoring P3 structures for the Department's program based on established Department goals for technical innovation, schedule acceleration, risk allocation, available funds, and financing
- Wells Fargo suggested consideration of a "Hybrid DBFOM" which repays developers from some combination of both annual availability payments and annual toll revenues
    - Wells Fargo suggested this approach could transfer some level of demand risk while still creating a viable transaction that benefits from the "guarantee" afforded by some amount of minimum availability

Primary Take-aways

- The private sector, specifically Developers / Concessionaires, prefer the risk profile of Availability Payment DBFOM based on the current information presented to them
- Respondents indicated that prior to initiating a procurement, development of a delivery alternatives analysis considering Department goals, objectives, and available funding to establish a preferred procurement approach for a project may be appropriate

Question 7 – P3 Interest / Experience: Other than the answers already provided, what information would assist the respondent in making a business decision to engage in a public private partnership for delivery of the I-10 Capital Corridor Improvements?

Summary of Respondent Feedback

- Many firms had no comment
- Multiple firms mentioned the P3 delivery method, funding plan, risk allocation, environmental approvals, political/public support (including project champion) and quality advisors as key influencing factors
- Additional comments focused on realistic procurement timeline and process and a clear understanding of the selection criteria/procedures
- Multiple comments recommended a long term for the agreement and an inflation index for the O&M period
- Important data identified by Respondents included:
    - Existing plans, inspection reports for structures/drainage/pavements, existing surveys, geotechnical information, utility/ROW information, ITS, environmental assessments, (DEIS/FEIS/others), Interchange Modification Report (IMR), permits, traffic & revenue data; and
    - Detailed project scope, segmenting and/or phasing requirements.

Question 8 – P3 Structure / Procurement Type: Please provide any comments on other creative project scope ideas, procurement options, technical solutions, agreement structure(s) etc. that LADOTD should take into account in solicited of a public private partnership herein.

Summary of Respondent Feedback

- Many Respondents expressed a willingness to provide ideas and / or meet with the Department at a future date while some indicated they could not provide ideas at this time without a better understanding of planned projects
- Multiple Respondents suggested that a confidential ATC process would benefit project delivery
- Multiple Respondents suggested that private activity bonds should be considered for project finance
- Multiple Respondents stressed the importance of a well-supported and staffed procurement team
- Multiple Respondents suggested that performance specifications and life-cycle risk transfer should be considered
- Multiple Respondents suggested that appropriate stipends should be considered in the range of .05% to .06% of a projects capital value

Question 9 – P3 Structure / Procurement Type: What is the minimum amount of time that should be required to allow a potential respondent to prepare and submit a proposal in response to a Request for Proposals for a public private partnership for delivery of the I-10 Capital Corridor Improvements?

Summary of Respondent Feedback

- Most Respondents indicated that the time required to prepare a proposal will depend on many factors including project readiness, availability of information and delivery method
- Most Respondents indicated that 6-8 months would be a reasonable time to respond to a request for proposals

Question 10 – P3 Structure / Procurement Type: If a public private partnership is solicited for managing, designing, building and financing the I-10 Capital Corridor Improvements, would a predevelopment agreement be advantageous and why?

Summary of Respondent Feedback

- Most Respondents identified both advantages and challenges of PDAs and stressed that successful incorporation depends on project development and allocation of risk
- While many Respondents indicated that a PDA would be appropriate for the I-10 corridor projects, there were many Respondents that indicated a PDA should not be used for the I-10 corridor projects
- Preference or objection to a predevelopment agreement did not appear to be impacted the type of Respondent

Feedback Influenced by Respondent Type

- When considering technical Respondents, most provided general information related to PDAs
- When considering developers, the preference or objection to use of a PDA varied and appeared to be influenced by specific positive or negative experience with PDAs

Question 11 – P3 Structure / Procurement Type: If a predevelopment agreement is required, what elements would be necessary and are there any particular concerns that may prevent the respondent from engaging in a predevelopment agreement?

Summary of Respondent Feedback

- Most Respondents indicated that, if used, a PDA should:
  - Clearly define scope of work for the private sector;
  - Include an appropriate allocation of responsibilities between the Department and the private sector;
  - Include appropriate payment structure, terms and conditions;
  - Provide for right of first negotiation for project delivery upon completion of the PDA scope of work; and
  - Provide a process for price negotiations for the delivery of the project.

Question 12 – P3 Structure / Procurement Type: Please identify the risks associated with successful solicitation and negotiation of a predevelopment and comprehensive agreement for a public private partnership for management, design, build, finance, delivery of the I-10 Capital Corridor Improvements.

Summary of Respondent Feedback

- Respondents identified a variety of risks. The most commonly identified risks were:
  - Lack of political support for the project or a demonstrated public opposition;
  - Allocation of uncontrollable risks to private sector;
  - Failure to obtain regulatory approvals, environmental clearances, and ROW acquisition;
  - Inadequate public funding to subsidize project beyond what toll revenue may provide;
  - An excessively aggressive view on future traffic and revenue forecasts;
  - Creditworthiness of funding source for availability payments (Availability Payment based DBFOM only); and
  - Extraordinary and unexpected increases in interest rates.

Primary Take-away

- Respondents were generally consistent in risks they identified which were consistent with risks which are typically of concern for private partners to a P3

Question 13 – Qualifications: Regarding management of the I-10 Capital Corridor Improvements, what are the minimum qualifications that should be required for a potential respondent?

Summary of Respondent Feedback

- Most Respondents indicated that primary expectations for minimum qualifications were based around experience managing transportation projects of similar size and complexity
- Many Respondents noted qualifications related to experience with arranging finance and innovative financing tools (e.g. TIFIA, PABs, etc.) and successfully reaching financial close
- Multiple Respondents noted that experience should be related to projects delivered as P3 within the last ten to fifteen years – both firm and key personnel
- Multiple Respondents noted the benefit of P3 experience in North America
- Multiple Respondents noted value from involvement of local contractors / consultants

- Experience with respect to communications and stakeholder relations was noted by multiple Respondents

Unique and Notable Comments

- Plenary and Parsons captured a key consideration related to qualifications for DBFOM projects and suggested that focus should be distributed among the entire team – design, construction, financing and O&M

Question 14 – Qualifications: What is the minimum amount of time that should be required to allow a potential respondent to prepare and submit a Statement of Qualifications for a public private partnership for delivery of the I-10 Capital Corridor Improvements?

Summary of Respondent Feedback

- Most Respondents indicated that the time required to prepare a statement of qualification will depend on the complexity of the project and delivery type
- Most Respondents indicated that 4-8 weeks would be a reasonable time to respond to a request for qualifications

Question 15 – Qualifications: Regarding design of the I-10 Capital Corridor Improvements, what are the minimum qualifications that should be required for a potential respondent?

Summary of Respondent Feedback

- Generally, Respondent feedback was consistent with feedback from Question 13 (management qualifications)
- Most Respondents indicated that primary expectations for minimum qualifications were based around experience managing transportation projects of similar size and complexity
- Multiple Respondents noted value from design knowledge both within the U.S. and local to Louisiana
- Multiple Respondents noted value from experience and qualifications related to complex bridge design
- Experience in delivering design solutions through the use of Alternative Technical Concepts was noted by multiple Respondents

Question 16 – Qualifications: Regarding construction of the I-10 Capital Corridor Improvements, what are the minimum qualifications that should be required for a potential respondent?

Summary of Respondent Feedback

- Generally, responses were consistent with feedback from Question 13 (management qualifications) and Question 15 (design qualifications)
- Most Respondents indicated that primary expectations for minimum qualifications were based around experience managing transportation projects of similar size and complexity
- Many Respondents noted value from design knowledge both within the US and local to Louisiana
- Multiple Respondents indicated that qualifications related to financial strength / capacity of the contractor should be include
- Multiple Respondents noted the importance of experience in meeting DBE/SWaM goals and incorporating them in the project in a meaningful way

- Multiple Respondents indicated benefit of experience with implementation of complex maintenance of traffic
- Experience in delivering design solutions through the use of Alternative Technical Concepts was noted by multiple Respondents

Question 17 – Qualifications: Regarding financing of the I-10 Capital Corridor Improvements, what are the minimum qualification that should be required for a potential respondent?

Summary of Respondent Feedback

- Most Respondents stated demonstrating experience on reaching financial close on similar valued P3 transactions should be considered
- Many Respondents stressed knowledge and experience with TIFIA and private activity bonds
- Multiple Respondents discussed letters of credit, parent guarantees, surety letters, strength of financial statements and long-term relationships with banks or financing institutions

Question 18 – Project Delivery (I-10): As a respondent for a solicited public private partnership for delivery of the I-10 Capital Corridor Improvements, what information would you need access to in order to draft proposals?

Summary of Respondent Feedback

- Most Respondents indicated the desire to have significant amounts of technical studies and data related to the Project provided to them by RFP release or very soon after the release to allow adequate time to prepare comprehensive technical and price proposals with requested elements including: schematic / reference design, reference drawings, environmental studies, as-builts, condition ratings, available permits obtained by the Department / permit applications, third-party agreements, geotechnical information, R/W plans, survey information, MOT expectations, utility conflicts, SUE information, T&R studies
- Many Respondents noted the need for clear goals and objectives along with performance-based technical provisions and / or complete draft of the Project Comprehensive Agreement
- Many Respondents noted the need for financial information, including: available public funding, TIFIA status, PABs status
- Multiple Respondents noted the need for clearly defined scoring / evaluation criteria

Unique and Notable Comments

- One Respondent noted the importance of clear articulation of the public authority's annual appropriations process (if any) and how the circumstance of non-appropriation will be dealt with in the P3 agreement which would be applicable to Availability Payment DBFOM projects, DBFM, and DBF (Star America)
- One responded suggested that raw data provided in each respective due diligence report should be reliable for the private sector (AECOM)

Primary Take-aways

- Respondents suggested that prior to initiating a procurement, commencing technical studies (e.g. geotechnical investigations), permitting activities, major utility relocations, right of way acquisition and organizing existing data that can be provided to Proposers may allow them to develop a proposal with greater understanding and certainty

- Respondents suggested the use of performance specifications that do not dictate design and construction methods, but require that certain performance metrics be met or exceeded to allow innovation on a whole-life basis and will not diminish quality
- Respondents suggested that prior to release of the RFP, initiating certain financial actions, such as coordination with TIFIA and request for a Private Activity Bond (PABs) allocation, may expedite delivery

Question 19 – Specifically as it relates to design, what key factors and considerations should be provided by LADOTD for delivery of the I-10 Capital Corridor Improvements?

Summary of Respondent Feedback

- Comments were generally aligned with the response to Question 18
- Many Respondents indicated a focus on performance based specifications was important from the technical perspective
- Many Respondents noted that the Department should provide a conceptual design which conveys the intent of the project improvements and includes key design elements that will set the project footprint for right-of-way and environmental impacts
- Multiple Respondents noted that rules related to a confidential Alternative Technical Concept process shall be provided

Unique and Notable Comments

- One Respondent noted the benefit of using Department standard details to the fullest extent possible (Walsh / Archer Western)
- One Respondent recommended acquiring any design exceptions requiring FHWA approval in order to eliminate uncontrollable risks to the design-builder (Parsons)

Primary Take-away

- Respondents suggested that prior to RFP release, preparation of a schematic design prepared for the basis of advancing permits and establishing right-of-way limits would be helpful for potential proposers

Question 20 – Specifically as it relates to construction, what key factors and considerations should be provided by LADOTD for delivery of the I-10 Capital Corridor Improvements?

Summary of Respondent Feedback

- Comments were generally aligned with the response to Question 18 & 19
- Many Respondents noted importance of addressing traffic control restrictions and maintenance during construction
- Multiple Respondents referenced the need to understand DBE goals / requirements
- Multiple Respondents noted the need for a clear schedule to be provided that identifies required construction milestones
- Multiple Respondents noted that definition regarding approach to QC/QA staff and clear assignment of roles and responsibilities should be provided

Question 21 – Project Delivery (I-10): Specifically as it relates to financing, what key factors and consideration should be provided by LADOTD for delivery of the I-10 Capital Corridor Improvements?

Summary of Respondent Feedback

- Most Respondents required an understanding of the source and commitment of public funding contributions, including schedule of funding availability, any guarantees and broader (diversified) funding sources
- Many Respondents identified the project's eligibility for PABs and TIFIA as critical to the project
- Multiple Respondents requested protection against interest rate movements and credit spread widening between bid and financial close
- If tolling is involved, multiple Respondents mentioned sharing of traffic and revenue studies

Question 22 – Project Delivery (I-10): What financing structures are available for LADOTD in delivery of the Capital Region Area Projects?

Summary of Respondent Feedback

- Many Respondents discussed Design-Build-Finance, Availability Payment and Toll Concessions as financing structures
- Many Respondents discussed financing products such as Private Activity Bonds, commercial bank debt, taxable bonds, private placement financing, TIFIA and equity
- Multiple Respondents mentioned public financing options such as GARVEEs, highway revenue bonds, toll bonds, State General Obligation Bonds, State Appropriation Backed Bonds, Transportation Trust Fund, TIFIA loan program
- One firm had a specific DBF, contract payment tax-exempt structure (Citi)
- One firm mentioned selling debt against BP settlement funds (Butler Snow)

Question 23 – Project Delivery (I-10): If public funds are anticipated for financing of the I-10 Capital Corridor Improvements, what would be the sources of those funds?

Summary of Respondent Feedback

- Several state funding sources were identified by Respondents including motor fuel taxes, vehicle registration fees, sales taxes, tax increment districts, tolling, commercial trucking permit fees, marketing/sponsorship on the corridor, license renewal fees and surcharges, unclaimed property and Capital Outlay Program
- Several federal funding sources were identified by Respondents including FASTLANE, CMAQ, transportation enhancement funds

Question 24 – Project Delivery (I-10): What threshold financial arrangements would be necessary to successfully complete the I-10 Capital Corridor Improvements?

Summary of Respondent Feedback

- Many of the Respondents identified a committed funding plan as the most important item
- Multiple firms referenced the credit ratings of the owner and the availability payment appropriation process (prioritization, back-up funding)
- Multiple firms wanted TIFIA and PABs availability

- One firm requested the arrangement of construction and operations guarantees and the bid bond arrangement
- One firm encouraged the use of milestone payments to lower the cost of capital and the availability payments

Question 25 – Project Delivery (I-10): What challenges related to communication with local officials, communities and businesses does a respondent foresee and what strategies are suggested to maintain open and transparent relationships?

Summary of Respondent Feedback

- Most Respondents stressed that clear communication is critical for project success including both internally within the Department and externally with local officials and the public
- Many Respondents suggested that the Department, as the public sponsor, should lead the communications effort with support from the private partner
- Multiple Respondents suggested that a centralized P3 office within the Department or a single point of contact for communications would allow for more effective transfer of information about the project

Appendices

Appendix A - RFI

LOUISIANA DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT

Request for Information for

PUBLIC PRIVATE PARTNERSHIP

INNOVATIVE PROJECT DELIVERY

I-10 CAPITAL CORRIDOR IMPROVEMENTS

Release Date: January 30, 2017

Responses Due By: March 31, 2017

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Executive Summary

The I-10 Capital Corridor is in need of significant enhancements to improve mobility and provide congestion relief that can be achieved through the delivery of several projects currently in varying stages of development. Because financing is a key constraint on the Louisiana Department of Transportation and Development's (LADOTD) ability to deliver these projects, innovative financing opportunities that minimize initial capital requirements and optimize annual cash flow expenditures are of serious interest.

The LADOTD is seeking to improve mobility, accessibility and system linkage between major residential and commercial areas along the I-10 Capital Corridor. The goal is to improve and enhance mobility, safety and quality of infrastructure within an aggressive timeline while optimizing innovative financing.

To better understand and prepare for a potential P3 solicitation, LADOTD issues this Request for Information (RFI) to solicit input and elicit responses to the questions presented in the attached questionnaire matrix. The specific purpose of the RFI is to generate responsive information to assist LADOTD in the deliberative process regarding innovative means of project(s) delivery and innovative means of financing. This RFI is intended solely to obtain information and input from stakeholders to assist LADOTD on an administrative level.

Overview

Act 519 of the 2016 Session authorized LADOTD to solicit proposals for and enter into public-private partnership agreements for a transportation facility. LADOTD now seeks comments regarding this type of cooperative arrangement and its utility in addressing infrastructure needs.

The area under consideration herein is the I-10 Interstate through the Capital Region including West Baton Rouge, East Baton Rouge and Ascension Parishes. The project(s) and work targeted to upgrade the corridor, as well as the status of the project(s) may include the following:

- LA 415 Interchange Improvement (Feasibility complete, Environmental Assessment underway);
- I-10 Widening, LA 415 – LA 1 (Feasibility complete, Environmental Assessment underway);
- I-10 Widening, Bridge & Approaches, Eastbound & Westbound, West Baton Rouge Parish (Feasibility complete, Environmental Assessment underway);
- I-10 Widening, Bridge & Approaches, Eastbound & Westbound, East Baton Rouge Parish (Feasibility complete and Environmental Assessment underway);
- I-10 Widening from I-110 to I-12 including Interchange modifications/improvements at Washington St./Dalrymple Dr., Perkins Rd./Acadian Thruway and College Dr. (Feasibility complete and Environmental Assessment underway);
- Pecue Interchange (Environmental complete and plans near completion);
- Widening I-10, LA 73 to LA 22 (Environmental complete and plans underway);
- Interchange construction, LA 74;

- Interchange construction, LA 429, including connector roads (Feasibility just began);
- Improvements LA 30 Interchange (Feasibility study underway);
- Improvements to LA 22 Interchange.

Hereinafter referenced as "I-10 Capital Corridor Improvements."

RFI Requirement Process

Through this RFI, LADOTD seeks to solicit views and suggestions from any legal entity with the ability to partially or fully manage, design, build and/or finance potentially all the I-10 Capital Corridor Improvements.

This RFI does not constitute a Request for Qualifications (RFQ), a Request for Proposals (RFP), or other solicitation, nor does it constitute the commencement of any other type of procurement process. Moreover, it does not represent a commitment to issue a RFQ or RFP in the future. Those choosing to respond will not be considered a proposer and no respondent will have any preference, special designation, advantage or disadvantage in any subsequent procurement process.

This RFI is only a request for information about the potential of a public-private partnership. No contractual obligation on behalf of LADOTD or a respondent whatsoever shall arise from the RFI process. Furthermore, the RFI does not ascribe liability to LADOTD for the payment of any cost incurred in preparation or submission of any response to the RFI.

All responses to the RFI will become property of LADOTD and will not be returned.

All respondents interested in participating in this RFI must send one electronic copy of their responses on or before March 31, 2017 to email address I10CCIP3@la.gov.

Any questions related to this RFI should be directed on or before March 17, 2017 in writing (email) to I10CCIP3@la.gov.

Responses Format

While respondents are encouraged to adopt those format conventions they feel will best serve their presentation of the information requested by LADOTD, the following format matrix serves as a general guideline of helpful information sought by LADOTD.

Please note that it is not necessary to answer every question. Respondents are strongly encouraged to respond to those questions that are within their experience.

Question	Response
Name and title of person responsible for the information contained in the response to this RFI and firm that you are representing.	
Telephone number: Address: E-mail address:	
Has your firm participated in a public private partnership? What relevant experience with public private partnerships does your firm have which serves the as the background for your responses to this RFI?	
What are the factors that would most influence a potential respondent's decision to participate in public private partnership for delivery of the I-10 Capital Corridor Improvements?	
Do you foresee state or federal legislation issues that would hinder the feasibility of the I-10 Capital Corridor Improvements?	
Which are the most preferred delivery methods available for delivery of the I-10 Capital Corridor Improvements?	
Specifically as it relates to design, what key factors and considerations should be provided by LADOTD for delivery of the I-10 Capital Corridor Improvements?	
Specifically as it relates to construction, what key factors and considerations should be provided by LADOTD for delivery of the I-10 Capital Corridor Improvements?	
Specifically as it relates to financing, what key factors and consideration should be provided by LADOTD for delivery of the I-10 Capital Corridor Improvements?	
If a public private partnership is solicited for managing, designing, building and financing the I-10 Capital Corridor Improvements, would a predevelopment agreement be advantageous and why?	
If a predevelopment agreement is required, what elements would be necessary and are there any particular concerns that may prevent the respondent from engaging in a predevelopment agreement?	
What financing structures are available for LADOTD in delivery of the Capital Region Area Projects?	

Question	Response
If public funds are anticipated for financing of the I-10 Capital Corridor Improvements, what would be the sources of those funds?	
What threshold financial arrangements would be necessary to successfully complete the I-10 Capital Corridor Improvements?	
What is the minimum amount of time that should be required to allow a potential respondent to prepare and submit a Statement of Qualifications for a public private partnership for delivery of the I-10 Capital Corridor Improvements?	
Regarding management of the I-10 Capital Corridor Improvements, what are the minimum qualifications that should be required for a potential respondent?	
Regarding design of the I-10 Capital Corridor Improvements, what are the minimum qualifications that should be required for a potential respondent?	
Regarding construction of the I-10 Capital Corridor Improvements, what are the minimum qualifications that should be required for a potential respondent?	
Regarding financing of the I-10 Capital Corridor Improvements, what are the minimum qualification that should be required for a potential respondent?	
What is the minimum amount of time that should be required to allow a potential respondent to prepare and submit a proposal in response to a Request for Proposals for a public private partnership for delivery of the I-10 Capital Corridor Improvements?	
As a respondent for a solicited public private partnership for delivery of the I-10 Capital Corridor Improvements, what information would you need access to in order to draft proposals?	
Please identify the risks associated with successful solicitation and negotiation of a predevelopment and comprehensive agreement for a public private partnership for management, design, build, finance, delivery of the I-10 Capital Corridor Improvements.	
What challenges related to communication with local officials, communities and businesses does a respondent foresee and what strategies are suggested to maintain open and transparent relationships?	

Question	Response
Please provide any comments on other creative project scope ideas, procurement options, technical solutions, agreement structure(s) etc. that LADOTD should take into account in solicited of a public private partnership herein.	
Other than the answers already provided, what information would assist the respondent in making a business decision to engage in a public private partnership for delivery of the I-10 Capital Corridor Improvements?	
Looking ahead over the next several years, are there any particular risks or factors which would give your firm concern about potentially entering into a public private partnership for delivery of the I-10 Capital Corridor Improvements?	
Are there any particular concerns with any of the information that has been provided in this RFI? Please explain those concerns and provide proposed solutions or mitigations to address those concerns.	

Appendix B – Responses from Department regarding RFI

Louisiana Department of Transportation and Development

I-10 CAPITAL CORRIDOR IMPROVEMENTS
INNOVATIVE PROJECT DELIVERY
PUBLIC PRIVATE PARTNERSHIP

REQUEST FOR INFORMATION
RESPONSES TO QUESTIONS

Question	Department Response
When DODT mentions a Public Private Partnership solicitation, does this include Design-Build-Finance-Operate-Maintain based on a long term project agreement, and thereby including transfer of lifecycle risk?	Through the current RFI process, LADOTD seeks to solicit views for project(s) management, design, build and/or finance. Operation and maintenance after construction acceptance has not been considered nor eliminated. However, responders are encouraged to provide information that may strengthen or expand the possibilities for Louisiana, including, but not limited to operation and maintenance.
Does DODT have the legislative powers to enter into such long term (typically at least 25 years) contracts with the private sector?	Yes, LADOTD has authority to enter into long term comprehensive agreements.

Louisiana Department of Transportation and Development

I-10 CAPITAL CORRIDOR IMPROVEMENTS
INNOVATIVE PROJECT DELIVERY
PUBLIC PRIVATE PARTNERSHIP

REQUEST FOR INFORMATION
RESPONSES TO QUESTIONS

Question	Department Response
Most of the targeted projects that complete the Capital Improvement have at least the feasibility study completed, so we want to ask for the estimated construction cost of the entire project?	For the purposes of responding to the RFI, the estimated cost of the I-10 Capital Corridor Improvement is a range of 600 to 800 million.

Appendix C – Detailed RFI Respondent Summary

Legal	
Question 1	**Do you foresee state or federal legislation issues that would hinder the feasibility of the I-10 Capital Corridor Improvements?**

Firm	Role	Response
Abertis	D	N/A
ACS Infrastructure & Dragados USA	D	No significant issues identified
Brown & Root	D	No issues identified. Believes that the political climate is favorable for the project.
Cintra & Ferrovial Agroman	D	Federal – Continued availability of PABs and TIFIA State – No issues identified upon review of P3 contracting authority
Fluor	D	We do not foresee any material legislation that could hinder the feasibility of the I-10 Capital Corridor Improvements, but understand that this is a dynamic environment.
Kiewit	D	While we do not foresee any issues with respect to Act 519 of the 2016 Session, the structure for the Project's plan of finance will need to consider an appropriate market acceptable credit structure that works within the confines of any statutory constraints.
Lane	D	It is our understanding that Louisiana's current P3 legislation does not allow availability payment DBFOMs. While some states disallow availability payments (e.g. Texas and Virginia), we believe that it is a helpful tool that can be used in instances where a demand risk project is not feasible due to a mismatch between the level of financing that can be reasonably supported by toll revenue, and the capital cost of the project. In the case of a demand risk DBFOM, based on the forecasted toll revenue and the amount of financing that can be reasonably supported by it, there may be a need for some level of public subsidy. Any legislative action that may be needed for obtaining such public subsidy should be in place prior to project launch, so that there are no unforeseen obstacles after project procurement commences.
OHL & TRC	D	Given DOTD's status in the state, we will leave any speculation on state legislative issues to the DOTD.
Plenary Group	D	While our background information is limited on this specific Project, we would look for certainty that LADOTD has the legal authority to utilize a P3 procurement model on an existing state highway. We recognize that there are capital improvements contemplated as part of this Project. Our comment relates to LADOTD's desired model – revenue risk/toll model or availability payment model (or a hybrid of the two). If this is intended to be a toll facility, does the authority exist, given it is an existing highway? Note also our earlier comment about the feasibility of a tolling facility.
Sacyr	D	(discussed general aspects of law and then stated) we do not foresee additional constraints related to state or federal legislation issues for this project. It is noteworthy that in the last few years, the State of Louisiana has successfully developed a serious and ambitious infrastructure plan, integrating the participation of the most significant companies and the local community.
STAR America	D	Based on our review of existing state and federal law, at this time based on the scope of the project as described in the RFI do not see any issues regarding the authority of LADOTD to deliver the project as a P3. There are however state and federal requirements associated with procuring any infrastructure project utilizing in particular federal funding and would like to see those requirements met or a plan in place to address them that is shared with bidders early in the procurement process.
Vinci Concessions	D	None identified based on review of P3 authority
Walsh/Archer Western	D	None identified except funding
AECOM	T	State State statutes do not present foreseeable hindrances for a proponent's interest Federal Lack of dedicated federal funding Securing PABs and TIFIA opportunities Compliance with NEPA Compliance with 23 U.S.C 129
CSRS	T	n/a
HNTB & KPMG	T	Current state and federal legislation allows for an efficient and effective P3 project. Any schedule delays from increased state legislative oversight or timely NEPA approvals would negatively impact feasibility. If tolling is contemplated for the corridor, LADOTD will need to:

		Incorporate tolling into the environmental process Update state authorization for tolling including collection, enforcement and reciprocity Develop a Tolling Concepts of Operations Plan Apply for a spot in the Interstate System Reconstruction and Rehabilitation Pilot Program to allow for tolls on the highway segments of the interstate corridor (bridge reconstruction is currently allowed).
Michael Baker	T	Federal - Changes in federal law to permit tolling of the existing I-10 corridor would improve feasibility State- Increased funding proposed by the Governor's Task Force on Transportation would improve project feasibility
Parsons	T	Critical to the implementation of the I-10 Capital Corridor Improvements is the identification of a sustainable funding source at the state and/or federal level. • State – LA RS 48:2084.5 A states, "No tolls or user fees may be imposed by the private entity on any existing free road or system of roads, bridge, tunnel, or overpass unless such road or system of roads, bridge, tunnel, or overpass is improved or expanded." The scope of works to be undertaken on the Capital Corridor seem to fall within the requirements which would allow tolling under state law. However, approval by the Louisiana Transportation Authority would likely be needed. • Federal – Since Capital Corridor is part of the federal interstate highway system, it is subject to current federal law which prohibits tolling of interstate highway system. A federal pilot program managed by FHWA which provides the opportunity for tolling three corridors awarded slots to Missouri, Virginia, and North Carolina. None of these three pilot projects have been implemented and are subject to USDOT/FHWA reallocation to other states. Likewise, tolling – especially on any existing roadways, even when improved as the I-10 Capital Corridor Improvements intend – meets significant resistance from citizens and highway users. With tolling unlikely as a viable funding source, State legislation is needed to increase the funding for transportation projects. Current funding for the Department limits its ability to deliver the I-10 Capital Corridor Improvements without diverting amounts needed for other highway priority programs. Additional funding – specifically dedicated to transportation – is needed. We understand a robust discussion on transportation funding is taking place between the Department, elected officials and stakeholders. Lastly, LA RS 48:250.4 requires that 25% of P3s undertaken by the Department shall be located outside the boundaries of metropolitan planning agencies. As drafted, the provision is not specific to timing of when the respective partnerships are formed. However, this restriction could limit the ability to go forward with the I-10 Capital Corridor Improvements without an off setting P3 opportunity outside of a metropolitan planning area.
Parsons Brinckerhoff	T	The State of Louisiana, through its prior legislative actions, appears to have the appropriate legislation in place to support alternative delivery, although it is not clear that there is an identified funding source for this project at this time. P3s are about financing. The project needs a source of revenue to support the improvements for an availability payment type P3 or a Design/Build/Finance, if O&M is not included. From a federal standpoint, measures in the FAST Act support states' use of P3 options. These are expected to continue under the new administration. However, there is a federal prohibition for general interstate tolling, and as a result, many highway P3s involve managed lanes on interstates. At a state level, the ability and/or desire to implement variable rate express lanes as part of the project can result in an additional source of revenue to support the project.
Stantec	T	n/a
Citi	F	Ability to secure additional transportation funding at the State and Federal level.
LOOP Capital	F	The State of Louisiana has taken a number of critical steps in positioning the LADOTD to leverage private sector resources in delivering major enhancements to the I-10 Capital Corridor, including the amending of state laws (Act 519) during the 2016 legislative session, allowing LADOTD to solicit P3s. Additionally, Governor Edwards' Task Force on Transportation Infrastructure Investment (the "Task Force") indicated state infrastructure policy objectives, support of P3s, and potential funding sources that could capitalize large scale infrastructure projects such as the planned improvements to the I-10 Capital Corridor. JLC and Loop Capital view these actions by the State and the Edwards administration as favorable, signaling government support of a LADOTD P3 to potential investors. Our team will note that, in terms of potential state funding, it is still unclear whether these funding sources—specifically (i) the Louisiana Transportation Infrastructure Bank, (ii) motor fuel taxes receipts from a rate increase, and (ii) registration fees from commercial trucking vehicle—will be authorized to support LADOTD's Capital Region Area projects. Identifying dedicated state funding sources for the projects will be integral to developing a comprehensive, fiscally responsible funding strategy. The following policy developments should be monitored closely so that each funding source is positioned to benefit the I-10 Capital Corridor project in time for transaction launch: Louisiana Transportation Infrastructure Bank: the State legislature has recently passed enabling legislation to operate a state infrastructure banks (SIB). While the Louisiana Transportation Infrastructure Bank is currently authorized, the Edwards administration has yet to propose a dedicated funding source to capitalize the State SIBs. Motor Fuel Taxes: Legislation for a potential increase to State motor and sales tax has been proposed for the 2017 legislative session with receipt of support from the Edwards Administration. Having not seen a rate increase since 1990, feasibility and political support for the proposal appears favorable in light of recent events and state infrastructure needs. However, there is no indication of a dedicated appropriation allocation or fund for the motor and sales tax revenue hike that would benefit the LADOTD or its projects. Commercial Trucking Vehicle Registration Fee Policy: The Task Force identified that restructuring of commercial trucking vehicle registration fees would be a means of increasing revenue for transportation infrastructure in Louisiana. Under the existing fee structures, vehicle registration for the commercial trucking industry generates approximately $60 million annually for the LADOTD. It is unclear to investors of the status of such fee restructuring or the potential of the registration fees to be dedicated specifically to LADOTD's infrastructure projects. Federal – Impacts of Trump actions on sanctuary cities – See submittal (not sure if this is really relevant)
Macquarie Capital	F	In our review of the Louisiana Revised Statute 48:2084 to 48:2084.15, Macquarie does not believe there is anything that would hinder the feasibility of the Project.

		There are federal programs and legislation that would support the state in the development of the Project, including the Build America Bureau, TIFIA and PABs. Current federal law enables tolling on new capacity added to existing Interstate corridors.
Wells Fargo Securities	F	The State's P3 legislation, as modified in 2016, generally provides a helpful framework for developing and implementing a P3 program. That said, there are certain limitations, including the inability to receive unsolicited proposals and the requirement that "25% of P3 projects shall be located outside the boundaries of a metropolitan planning area and these projects shall be subject to the approval of the House and Senate committee on agriculture, forestry, aquaculture and rural development in addition to the approval of the House and Senate committees on transportation, highways and public works". In our experience, developers are hesitant to pursue projects that have not received upfront buy-in and approval, as a handful of US P3 projects have experienced late-stage cancellations as a result of unexpected resistance from politicians. In addition, it is not entirely clear at what point in the program the 25% limitation must be achieved (for instance, if the first P3 project undertaken is not outside the metropolitan planning area, it is unclear whether this would fail to meet the requirements of the law). As LADOTD is well aware, Title 23 of the United States Code includes a general prohibition on the imposition of tolls on Federal-aid highways, including interstates. Although there are certain carve-outs to this prohibition (as summarized below), there may nonetheless be certain limitations on the ability to toll portions of the I-10 Corridor Capital Improvements Project2. Although we do not believe that tolling is necessary to successfully execute this Project, LADOTD will need a viable repayment source if the Project is to be successfully delivered, and limitations on tolling interstates could limit the funding sources available to LADOTD (for both this and other projects). While we recognize that toll revenues are not projected to be sufficient to fully cover project costs for any tolled project in the State, they can nonetheless be a valuable revenue source, even if they are used to help offset the payments required from other state sources. As infrastructure is debated at the federal level, the ability to implement tolls (and/or receive waivers from FHWA to toll portions of the I-10 Corridor) may be an important consideration in how certain I-10 projects are ultimately delivered and financed.
Butler Snow	L	Demonstrating compliance with the requirements of LA law related to P3 projects.

P3 Interest / Experience

Question 2	Has your firm participated in a public private partnership? What relevant experience with public private partnerships does your firm have which serves the as the background for your responses to this RFI?

Firm	Role	Response
Abertis	D	• Developer / Concessionaire • Global participation in P3 • Present in 13 countries in Europe, the Americas and Asia • Largest toll road concession owner and operator in the world – 8,200 km of toll road assets under management • Operates 40 year concessions for operation and maintenance of two Puerto Rican highways – PR-22 and PR-5 (total of 55 miles)

ACS Infrastructure & Dragados USA	D	• Developer / Concessionaire (ACS), Construction (Dragados)
		• ACS Infrastructure Development and Dragados USA partner on all P3 pursuits in North America
		  ○ ACS invests equity and leads developer team from bid through O&M of the project
		  ○ Dragados participates as a member of the Design-Build Joint Venture managing design and construction activities
		• International experience and experience developing large and complex projects in North America
		  ○ Since 2006, awarded 14 complex transportation P3 projects in the US and Canada with value over $16B
		  ○ Reached financial close on over 90 P3 projects worldwide
		  ○ SH288 in Texas ($1.06B), I-595 Corridor Improvements in Florida ($1.7B)

Brown & Root	D	• Served in multiple joint venture – LLC arrangements related to P3 relationships / opportunities • Member of team that developed and constructed the Dulles Greenway Project in Northern Virginia • Participants in four DBFO joint ventures implementing road P3s in the UK and another in Ireland

Cintra & Ferrovial Agroman	D	• Developer / Concessionaire (Cintra), Construction (Ferrovial Agroman)
		• Cintra and Ferrovial Agroman are sister companies under the parent company Ferrovial.
		• Ferrovial (parent)
		  ○ More than 40 years of experience developing, managing, operating and maintaining infrastructure projects
		• Cintra-Ferrovial
		  ○ Recognized by Public Works Financing Bulletin/Magazine in 2012 and 2013 as the top transportation developer by invested capital internationally, with over $72 billion in PPP contracts
		  ○ North American Projects (DBFOM, unless noted):
		    ▪ 407 ETR, Toronto, NTE (Segments 1 & 2W), Fort Worth, LBJ/IH-635, Dallas, 407 Extension, Toronto, NTE (Segments 3A & 3B), Fort Worth, 407 Phase 2 Extension, Toronto, I-77, Charlotte, I-66, Northern VA, I-285/SR400 (DBF), Atlanta, California High Speed Rail (CP4) (DB), California Central Valley
		• Ferrovial Agroman
		  ○ Manages design and construction of projects (no equity investment)
		  ○ More than 80 years of construction experience in design-bid-build, design-build, and public-private partnership projects
		  ○ Active in the North American transportation industry since 1999
		  ○ Currently has seven major design-build contracts totaling more than $9B

Fluor	D	• Developer, equity investor, contractor and operator
		• North American Projects (all DBFOM)
		  ○ Purple Line – transit project (equity, design-build, operations and maintenance)
		  ○ I95 Express Lanes – VA toll road (equity, design-build)
		  ○ Eagle P3 Commuter Rail – CO transit
		  ○ I495 Express Lanes – VA toll road (equity, design-build)

Kiewit / Boh Brothers	D	• Response from Kiewit Infrastructure South Co. (DB Lead / Highway, Heavy Civil Construction) and Boh Brothers (Construction Joint Venture Partner / Highway, Heavy Civil Construction) ○ Both are subsidiaries of Kiewit Corporation

		• In the last five years, Kiewit has been involved in 25 large P3 project pursuits and, with its consortia partners, has raised private project debt of approximately $18 billion and committed more than $350 million of equity to P3 projects.
		• Kiewit
		  ○ Deliver approximately 75% of our work to clients through alternative delivery methods
		  ○ Experience in North America, including the US, in DBFOM, CMGC, Pre-development Agreements, DB and DBB
		• Boh
		  ○ Conventional and DB methodology

Lane	D	• Contractor
		• Involved in DB for 20 years
		• Anticipated role on I-10 would be lead contractor or joint venture partner and as a minority member of the Developer / Concessionaire entity
		• P3 Project Experience
		  ○ I-4 Ultimate, Florida, DBFOM – Member of lead contractor joint venture
		  ○ South Norfolk Jordan Bridge P3, Virginia, Private Bridge – Member of majority partner in joint venture and minority member of Developer
		  ○ Purple Line, Maryland, DBFOM – 30% partner in DB construction team
		  ○ 495 Express Lanes, Virginia, DBFOM – 35% partner in construction joint venture
		  ○ 95 Express Lanes, Virginia, DBFOM – 35% partner in construction joint venture
		  ○ SH360 South Toll Road, DBFM, Texas – Lead partner of construction joint venture

OHL & TRC	D	• TRC: Technical
		• OHL: Concession / Developer, Equity Investor and Construction
		• TRC
		  ○ Design-bid-build, design-build and Public-Private Partnership experience
		  ○ DOTD experience – under contract for Strategic Advisory Services for P3
		  ○ US and Canada experience
		  ○ Services included owner's representation, lender's technical advisory services, development of long-term operations and maintenance programs, facility asset evaluations, design-build services, geotechnical engineering and subsurface explorations, quality assurance and acceptance, construction management and oversight, and security consultation
		• OHL Infrastructure, Inc
		  ○ Owned by OHL Concesiones, S.A.
		  ○ Investment vehicle for concessions in North America
		  ○ OHL Concesiones, S.A. currently manages 20 transportation infrastructure concessions (15 road), including rail, highways, ports and airports
		  ○ Established in US since 2006

Plenary Group	D	• Developer / Concessionaire
		• Accountable entity for the duration of the DBFOM for the client
		• Portfolio of projects valued at more than $24 billion worldwide
		• 28 projects in the construction or operations and maintenance ("O&M") phase across North America (42 including Asia/Pacific)
		• US DBFOM Projects
		  ○ Rapid Bridge Replacement, PA, DBFOM
		  ○ US36 Managed Lanes, CO, DBFOM
		  ○ State Street Redevelopment, IN, DBFOM

Sacyr	D	• Developer / Concessionaire
		  ○ Sacyr Infrastructure is US company for Sacyr Concesiones
		  ○ 60 completed project over last 18 years in nine countries (no US or North America)
		  ○ Currently manages a global concession portfolio of 36 assets with a 28-year average remaining life

STAR America	D	• Developer / Concessionaire and Equity Investor • Founded in 2011 – Six P3 investments with combined value of $4.5B • The team members have more than 150 years of combined infrastructure industry experience and have worked on more than 25 public private partnership transactions in North America during the past seven years. In addition, the team members have invested in or managed 21 infrastructure projects valued at over $20 billion

		• First Star America investment, South Fraser Perimeter Road, reached successful substantial completion six months ahead of schedule
		• Reached financial close on four P3 project in the last two years
		• Project Experience (DBFOM)
		  ○ Southern Ohio Veterans Memorial Highway, Ohio, Availability Payment
		  ○ SH 288, Texas, Demand based toll revenue

Vinci Concessions	D	• Developer / Concessionaire
		• Operates and maintains 3,300 miles of highway globally
		• Project Examples (North America)
		  ○ Ohio River Bridges East End, Indiana/Kentucky, Availability Payment DBFOM
		  ○ SR 91 Express Lanes, California, Toll Concession
		  ○ Confederation Bridge, New Brunswick – Prince Edward Island Canada, DBFOM
		  ○ Fredericton-Moncton Highway, New Brunswick, Canada, DBOM
		  ○ Regina Bypass, Saskatchewan, Canada, DBFOM

Walsh/Archer Western	D	• Walsh Group, Ltd.: Developer / Concessionaire, Contractor, Equity Investor
		• Respondent is identified as Walsh Archer Western Construction – Walsh Group, Ltd is comprised of Archer Western Construction, Walsh Construction, and Walsh Investors)
		• Walsh's P3 portfolio includes bridge, highway, interchange, and healthcare assets ranging from $100M to $1.2B in value
		• US P3 Transportation Experience
		  ○ Lewis and Clark Bridge (Ohio River Bridge – East End Crossing), Indiana, DBFOM Availability Payment
		  ○ Rapid Bridge Replacement Program, Indiana, DBFOM Availability Payment
		  ○ La Guardia Terminal Redevelopment, NY/NJ, DBFOM Availability Payment
		  ○ Northwest Corridor Interchange, GA, DBF

AECOM	T	• Technical
		• Full-service firm, possessing the full suite of capabilities and experience to deliver public-private partnership (P3) projects of the size and scope of the I-10 Capital Corridor Improvements
		• US P3 Highway Experience
		  ○ North Tarrant Express, TX, DBFO
		  ○ I595 Tolled Managed Lanes, FL, DBFO
		  ○ Port of Miami Tunnel, FL, DBFM
		  ○ Multiple DB
		  ○ Owner advisor on Chicago Skyway, Puerto Rico (PR22 & PR5) Concession

CSRS	T	• Technical / Professional Services • No responses provided to any of the questions provided in the RFI – only submitted project experience and cover letter. • Focused on procurement advisory to owner agencies • No P3 transportation experience • Other experience – LSU Foundation (DBFOM for campus housing), Channault Int'l Airport (airport development) • Experience in program management of transportation related programs – East Baton Rouge City-Parish, Pecue Lane / I-10 Interchange

HNTB & KPMG	T	• Technical (HNTB & KPMG) and financial advisory services (KPMG)
		• Performed owner's representative advisory services on most of the country's successful P3 projects
		  ○ Developed P3 programs for the following states: Texas, Virginia, Ohio, Indiana, and Georgia
		• HNTB & KPMG has been Engineer of Record on successful P3 teams with Developers and also have performed construction inspection / contract management on behalf of the owner
		• Louisiana specific alternative delivery experience
		  ○ P3 experience through analysis of the State's first unsolicited P3 – the Baton Rouge BUMP
		  ○ Developed CMAR guidelines
		• KPMG is P3 advisor for Port of New Orleans and New Orleans Public Belt

Michael Baker	T	• Technical • US P3 experience (DBFOM unless noted) ○ PennDOT Rapid Bridge Replacement - General engineering, construction quality control and design support for P3 developer

		○ Ohio River Bridges (Indiana and Kentucky) – Owner's representative providing support for P3 procurement ○ Service Plaza Reconstruction (Penn Turnpike) – GEC – Design and Construction Quality Assurance ○ US36 Express Lanes (Colorado) – Design Engineer for construction joint-venture • Pursued multiple other P3 projects in Texas, New York, Florida and Ohio • Significant Design-Build experience in the US with many examples listed.
Parsons	T	• Technical, Contractor, Developer / Concessionaire and Equity • North America P3 Experience ○ Regina Bypass, SK, Canada – Developer/Concessionaire, Equity ○ Northwest Anthony Henday Dr, Edmonton, AB, Canada – Design-Builder/Contractor ○ SH 183, Dallas TX – Lead Designer ○ Ohio River Bridges, Indiana/Kentucky – Owner's Engineer / Technical Advisor / Program Manager
Parsons Brinckerhoff	T	• Technical – Design, Advisors and Program Managers • US P3 Design Experience ○ La Guardia Airport P3, New York, DBFOM ○ Michigan Highway Lighting P3, Michigan, DBFOM ○ Elizabeth River Tunnels P3, Virginia, DBFOM ○ Eagle Commuter Rail P3, Colorado, DBFOM • Advisory / Program Management P3 Experience ○ Los Angeles World Airport, Automated People Mover P3, Los Angeles, California ○ Purple Line Light Rail Transit P3, Montgomery County, Maryland ○ Presidio Parkway P3 – San Francisco, California ○ Miami Port Tunnel P3, Miami, Florida
Stantec	T	• Technical • US and international experience in P3 • DBF Projects (US) ○ US-1, Florida ○ 95 Express Phase I, Florida ○ SR 826/836, Florida ○ I75 over Caloosahatchee River Bridge, Florida ○ US 181 – Harbor Bridge, Texas • DBFOM Projects (US) ○ I595, Florida ○ Ohio River Bridges – Downtown and East End Crossing, Indiana / Kentucky ○ SH 288 Toll Lanes, Texas • Served as owner's representative in procurement advisory for multiple DB projects
Citi	F	• Finance • Municipal bond underwriters and finance/advisory on P3 • Experience exceeds 100 transactions in the U.S., running the gamut of asset classes, including transportation, conventional and renewable energy, solid waste disposal, water and wastewater collection and treatment, hotels, real estate, student housing, and air and sea ports • P3 Experience (US Transportation) ○ Denver Great Hall Airport (DBFM) ○ Transform 66 Outside the Beltway, Virginia (DBFOM) ○ LaGuardia Delta Terminal, New York (DBFM) ○ SH 288, Texas (DBFOM) ○ LaGuardia Airport Terminal Building, New York ○ I77 Hot Lanes, North Carolina (DBFOM) ○ I69 Section, Indiana (DBFOM)

		○ NTE 3A/3B, Texas (DBFOM) ○ JFK Terminal 4, New York
LOOP Capital	F	• Finance • Private and public sector infrastructure financing and municipal underwriting experience • P3 Experience ○ Chicago Skyway ○ Denver International Airport
Macquarie Capital	F	• Developer / Concessionaire, Finance, equity investor • Macquarie Asset Management, together with its direct and indirect subsidiaries and funds owned or managed by the group, manages assets of approximately $376 billion as of September 30, 2016. • Full range of project development and advisory services • Extensive experience in developing and financing transportation infrastructure projects • US P3 Experience ○ Central 70 Project, Colorado ○ Goethals Bridge, New York ○ Midtown Tunnel, Virginia ○ IH-635 (LBJ) Managed Lanes, Texas ○ North Tarrant Express, Texas ○ Port of Miami Tunnel, Florida ○ I595, Florida
Wells Fargo Securities	F	• Finance • Financier of transportation infrastructure projects, including projects delivered under traditional municipal delivery (i.e., design-build or design-bid-build) as well as projects delivered under a P3 approach • Experienced across all aspects of the infrastructure and P3 market, including capital market financings, private placements, and bank solutions • Served as joint book-running senior manager on over $3.1 billion of P3 financings, including the LaGuardia Airport Central Terminal Building Redevelopment as well as the Pennsylvania Rapid Bridge Replacement Project
Butler Snow	L	• Represented a variety of parties in several public private partnerships ("P3") including governmental agencies across the United States • Participated in P3-type transactions for over 25 years • P3 Project Experience – Transportation ○ Eagle P3, Colorado – Bond Counsel ○ I70, Colorado – Counsel to shortlisted firm ○ I285/400, Georgia – Counsel to Bond trustee ○ MSDOT P3 Toll Road

P3 Interest / Experience	
Question 3 (27)	**Are there any particular concerns with any of the information that has been provided in this RFI? Please explain those concerns and provide proposed solutions or mitigations to address those concerns.**

Firm	Role	Response
Abertis	D	• "Abertis would be happy to sit down with you to talk about the project and potential ways to develop it so as to meet the objectives provided under the RFI"
ACS Infrastructure & Dragados USA	D	• Before advancing the Project and determining Project's delivery method, it is necessary to have a clear path for all major permits and environmental approvals as well as clearly defined options for funding sources and payment structures. From there it is possible to evaluate the costs and benefits of various delivery approaches.
Brown & Root	D	• No
Cintra & Ferrovial Agroman	D	• None indicated
Fluor	D	• None at this time
Kiewit	D	• [No response provided]
Lane	D	• Detailed scope and further project information is required to determine any pursuit/project concerns.
OHL & TRC	D	• We have no concerns with any of the information provided for this RFI. We look forward to exploring in the one-on-one sessions many of the ideas that we have communicated within our response.
Plenary Group	D	• We do not have any particular concerns related to any of the information that has been provided in this RFI that has not already been addressed.
Sacyr	D	• Along the document Sacyr has addressed our concerns and recommendations.
STAR America	D	• No
Vinci Concessions	D	• At this time, VINCI understands that it is early in the process for a final determination on the delivery structure for the I-10 Capital Corridor Improvements, and as such, we have no particular concerns regarding this project at this early stage.
Walsh/Archer Western	D	• "N/A"
AECOM	T	• No particular concerns at this time
CSRS	T	• [No response provided]
HNTB & KPMG	T	• No concerns. • When reviewing the responses, LADOTD may want to consider the role of the responder and its preferences/strengths to help identify comments that serve private interests above LADOTD's.
Michael Baker	T	• "No response"
Parsons	T	• None
Parsons Brinckerhoff	T	• It is not clear if including O&M is a real option for LADOTD to include in project delivery. Long term O&M is integral to a performance based DBFOM and long term financing. Otherwise a shorter term DBF seems to be the option best suited for alternative delivery for this project. However, a DBF is a form of gap financing, does not include long term O&M, and has a much shorter term. In addition, a DBF will not likely deliver the optimal life-cycle benefits of an approach integrating O&M with financing as in a DBFOM.
Stantec	T	• No additional concerns at this time. However, we are open to discussing the project further and assisting LADOTD with the development of this project.
Citi	F	• Citi does not have any particular concerns with any of the information that has been provided in this RFI
LOOP Capital	F	• [no response provided]
Macquarie Capital	F	• Macquarie does not have any concerns that would prevent our firm form participating in a consortium that is entering into a DBFM, DBFOM or PDA contract. • There is currently a strong appetite from equity investors, debt investors, construction firms, and operations firms to participate in PPP processes. • We would emphasize the importance of the Authority securing funding, finalizing necessary permitting issues, and setting affordability thresholds for the project prior to formally starting the procurement process.

Wells Fargo Securities	F	• At this stage, other than the considerations discussed throughout our response, we do not believe there are any particular concerns with information provided in this RFI. As noted throughout our response, the biggest hurdle to pursuing this Project will be finding a viable funding source for the Project. Once such a source is identified, we believe that LADOTD will enjoy significant interest in a potential P3 pursuit
Butler Snow	L	• N/A. Thank you for your time.

P3 Interest / Experience	
Question 4	**What are the factors that would most influence a potential respondent's decision to participate in public private partnership for delivery of the I-10 Capital Corridor Improvements?**

Firm	Role	Response

Abertis	D	• Demonstration by agency that they are committed to delivery the project
		  ○ Public support of project
		  ○ Realistic timetable for procurement with required approvals in place prior to initiating process
		• Role of the private sector
		  ○ O&M of highway following construction included
		• Funding Sources and Financial Feasibility
		  ○ Need to understand if funding is based on user fees, availability payments, subsidies, or other sources
		• Contractual Framework
		  ○ Allocation of responsibilities must be clearly conveyed
		  ○ Risk sharing framework must be balanced between public and private sector

ACS Infrastructure & Dragados USA	D	• Realistic funding / payment approach
		  ○ Short-term and long-term funding / payment approach with respect to performance based revenue streams need to be analyzed to assess ability to finance
		  ○ Backstop of payment obligations (e.g. compensation on termination) and strength / risk of counter party (public sector) will be considered
		• Feasibility and sufficiency of LADOTD funding commitment (if toll risk is transferred to private sector)
		  ○ If toll revenue risk to be transferred to private sector, LADOTD would be expected to perform an investment grade study and feasibility analysis which bidders would be able to rely upon before initiating procurement (Note to DOTD that this is not typical practice, but raw traffic data should be provided. Developer would be expected to obtain their own investment grade T&R)
		  ○ Private sector would use sketch level analysis to confirm and would need time to complete an investment grade study prior to submitting a bid
		• Certainty of execution
		  ○ Demonstrated political support for the Project
		  ○ Environmental status
		  ○ Clear path forward with R/W, permits, governmental approvals, third-party agreements and utility relocations
		  ○ All of the above influence ability to enter into a contract and reach financial close
		• Reasonable procurement approach
		  ○ Status of environmental process (complete or on track to be complete before proposals are due)
		  ○ Industry standard risk allocation and commercial terms are expected
		  ○ Experienced advisors are engaged to support public sector in P3 or other delivery method, as needed

Brown & Root	D	• Better understanding and appreciation of DOTD commitment to engage the P3 process
		• Industry must understand the level of political commitment to the process
		• Additional considerations:
		  ○ Review of the marketplace
		  ○ Prospective competition
		  ○ Ability to create a P3 team that can deliver a quality solution to DOTD

Cintra & Ferrovial Agroman	D	• Project support
		  ○ Clear project champion and palpable public support
		• Project funding
		  ○ Upon entering into the procurement, the sources of funding should be established
		• Delivery method

<table>
<tr><td></td><td></td><td>Cintra: Concession regime that entails private financing (equity & debt) coupled with operations and maintenance and a construction element that requires advanced design and construction expertise, for a fixed price and schedule. Specifically, interested in an availability payment concession.
Ferrovial Agroman would participate with any delivery method.
Size and complexity
$150 million or greater with opportunities to add value through life cycle cost efficiencies, major technically-complex projects, innovative ideas for design, construction, project finance and O&M, efficient risk allocation
Availability counterparty
Cintra would want to understand the creditworthiness of the public entity that would have the obligation to fund the availability payments.
Risk allocation
Proper risk allocation
Schedule
Realistic procurement and construction schedule expectations
Advisors
Public sector partners who retain strong national P3 advisors, with expertise in technical, financial and legal disciplines, increase the likelihood of a successful procurement
Term
A term of 30 to 40 years is a typical optimal term for an availability payment concession.
Objective procurement process
Structured in a manner that: 1) will attract qualified and capable bidders; 2) is feasible from a schedule standpoint; and 3) will entice proposers by offering proper cost reimbursements and step-out clauses in the event that the procurement is cancelled at the discretion of the procurement authority
RFQ: selection process should be heavily-weighted towards the quality and track record of the potential teams with experience relevant to the contracting structure four teams prequalified
RFP: selection process and the selection variable should be objective (i.e. proposer who requests the lowest NPV of public funds wins, proposer who offers the highest upfront payment wins, etc.)
Environmental permitting
LADOTD should complete the necessary environmental document in accordance with the National Environmental Policy Act (NEPA), prior to RFP phase</td></tr>
<tr><td>Fluor</td><td>D</td><td>Design and Construction Key Considerations
Clearly defined scope of work and technical provisions by which the project would be constructed
Maximum construction schedule
Detailed heads of terms outlining main allocation of risk between the Developer and LADOTD
Financial Key Considerations
Design-Build-Finance Structure - clearly defined and credit-worthy payment stream, dedicated funding.
Availability Payment Structure – clearly defined and credit-worthy payment stream, dedicated funding and market standard contractual structure.
Toll Revenue Concession – rigorous toll revenue analysis, contractual protections for competing facilities and fare setting methodology.</td></tr>
<tr><td>Kiewit</td><td>D</td><td>A clear project feasibility case
An alignment of risk allocation and compensation structure
A clear and transparent procurement process that provides a level playing field for the evaluation and selection of a preferred proponent, including the number of shortlisted firms, level of stipend and opportunity to incorporate innovations
A procurement process which allows innovation, i.e. alternative technical and financial process (ATC / AFC)
Level of stakeholder commitment to the Project
Commitment of an identified Project champion</td></tr>
<tr><td>Lane</td><td>D</td><td>Political and End-User Support for the Project
Strong political backing for the project that is channeled towards public outreach and inclusivity
Concerted effort to educate the public about what a P3 is and what it can accomplish is critical
Funding Clarity
Level of public funding should adequately support the private financing based on industry standards and existing capital market conditions
Risk Transfer Protocol Consistent with Industry Standards
Develop a judicious risk allocation protocol based on established industry standards
Right-of-Way (ROW) acquisition plan</td></tr>
</table>

		○ Key factor in the assessment project feasibility and readiness
		• Environmental Clearances
		    ○ NEPA process must be completed prior to draft RFP release
		• Regulatory Approvals and Permitting
		    ○ Key approvals must be in place prior to procurement launch, or latest by the proposal due date
		• Utility Relocation Plans
		• Clear and Transparent Bid Process

OHL & TRC	D	• Strong commitment from the procuring authority in moving forward with the project, with an experienced management team in place to assist in moving the project through the process; • Strong and clearly expressed political and stakeholder support for the proposed Project, including defined sourcing of public funds (if applicable) and inclusion in the budget appropriation process; • Early selection of the preferred Project Delivery Method – i.e., Design-Build, Design-Build-Finance, Design-Build-Finance-Operate-Maintain, etc.; • Clear definition of the scope – but without being overly prescriptive, thus allowing the developer to introduce innovation into the Project while increasing the value-add to the client. • Early application for federal grants (such as FTA New Starts), federal loan programs (such as TIFIA), and tax exempt funding (such as PABs) by the client. • Market-based approach to risk allocation whereby each risk is allocated to the party – private or public – which is best situated to manage that particular risk; • Availability of due diligence / reference reports, including but not limited to environmental, geotechnical, utilities, and applicable inspection reports; and • Engagement of a strong team of advisors who bring experience to successfully running P3 solicitations in the U.S. and globally, and who understand the key factors and considerations needed to attract successful P3 bidders.

Plenary Group	D	• Factors relating to how the Project is structured and how risks are allocated will be the most influential when a potential respondent analyzes their decision to respond. Most influential are:
		    ○ Political Champion – Does the Project have a respected political champion who is leading the charge? Does the procurement straddle an election cycle in a hotly contested jurisdiction?
		    ○ Payment Mechanism – Availability payments that are made to the developer upon completion of all or a portion of the asset(s) to repay capital and operating costs.
		        ▪ While Plenary has participated in managed lane projects and revenue risk projects, its clear preference is for an availability payment model. Should this be procured as a managed lane or other revenue risk approach, traffic data quality will impact the decision to proceed.
		    ○ Procurement Model – DBFOM concession with a full turnkey response, including committed financing (vs. a predevelopment agreement).
		    ○ Consideration of Department's P3 authority
		    ○ Experienced advisory team
		    ○ Environmental permitting progressed to the point where a Record of Decision is achieved or imminent
		    ○ Allocation of operations, maintenance and rehabilitation to the private sector
		    ○ Structure consistent with bankable, previously financed projects in the sector
		    ○ Stipend availability

Sacyr	D	• Question is not directly answered
		    ○ DBFOM availability payment structure is preferred or revenue risk concession with "mitigated revenue risk"
		    ○ Benefits of P3 are presented within the remainder of the response.

STAR America	D	• Question Response
		    ○ Project Readiness – Governmental approvals, NEPA, ,R/W, legislative authority
		    ○ Clearly defined and transparent procurement process – clear timeline, based on industry precedence
		    ○ Use of two-step procurement process – short-listing creates competitive environment and is efficient (no more than four short-listed)
		• Additional from Executive Summary
		    ○ Strong political support and agency leadership
		    ○ Commitment to carry through on transaction
		    ○ Experienced advisors acting for the public authority
		    ○ Well defined risk mitigation and transfer

Vinci Concessions	D	• Procurement Structure - DBF, DBFOM, etc.? • Risk allocation – proper allocation to partner that is best able to manage • Payment mechanism – Availability Payment or revenue risk. Recommends that LADOTD conduct a VfM and T&R study • Scope of Work – amount of construction and geographic continuity of O&M (avoid segmented O&M) • Term of Agreement – long-term • Clarity on Commercial terms, performance specifications and KPI • Political support • Stakeholder risk – engage stakeholders / public
Walsh/Archer Western	D	• With respect to equity investment, key considerations are: ○ payment mechanism and associated payment risk for the Project • Walsh does not look to absorb demand risk / revenue risk – Prefer Availability Payment structure • Availability payment mechanism offers improved debt terms and fits the scope of Walsh Investors' investment profile
AECOM	T	• Funding – I10 project depends on LADOTD securing funding. Lenders require evidence of full-funding commitments to secure private financing • Appropriations Risk – clear evidence that when payment is required in an Availability Payment P3 structure, or a Concession Subsidization P3, the funds are appropriated and back-stopped/guaranteed by an element of Government that possesses full authority in this matter • Procurement Approval Process - Situations where an extra approval step is required by a Board or authority, after bid submissions, have been seen to greatly influence responses • Legislation - Proponents desire to have a process that is not encumbered by complicated or restrictive legislation that complicates, hampers or potentially cancels a transaction • Political Support - strong political support and/or a political champion, this factor, like Legislative approvals, builds strong confidence in Proponents initially going forth with an opportunity, forming strong teams and investing the high investment costs associated with pursuits of P3 projects • Schedule - realistic and well-articulated schedule for the procurement and the completion of the project are very important • Demand/Revenue Risk - "Concession" P3s (which require the private sector to take on all of the revenue or demand risks) have been found to possess risks that devalue the opportunity and have also led to default of those transactions in recent years • Experienced Advisory Team - Strong advisory team that has a history of creating procurement documents that achieved successful Commercial and Financial Close bring comfort, creditability and confidence that the P3 transaction will follow precedent successes, stay on schedule and focus on driving overall value
CSRS	T	• No responses provided to any of the questions provided in the RFI – only submitted project experience and cover letter.
HNTB & KPMG	T	• Clearly articulate desired risk allocation • Offer substantial construction opportunity (minimum $150-$200 million in construction size) and a strong pipeline of future possible construction work • Identify funding and financing sources to pay for preferred payment mechanisms (construction payments, availability payments, etc.) • Secure critical environmental approvals and USACOE permits • Provide comprehensive reference documents such as schematics and basic levels of engineering and design
Michael Baker	T	• Environmental clearance for the complete project, or a definitive schedule for clearance. • Clearly defined objectives for the project or projects anticipated by LADOTD with corresponding specific evaluation factors and selection criteria, including weighting and scoring criteria that reflect the Department's priorities. • A two-step procurement process to shortlist Proposers based on qualifications prior to the technical proposal phase. • Public funding sources and capacity available to assure that the project or projects are financially viable and the State has the financial where with all to support the project throughout the life of the project. • Reasonable procurement schedule and adequate confidential meeting opportunities to vet concepts and clarify Owner's expectations and proposer's questions. • Reasonable stipends to the unselected shortlisted Proposers communicate the Owner's earnest intent to engage the industry.

Parsons	T	• Well-defined project with demonstrated need
		• Proceeded through any needed governmental review process(es)
		• Adequate, sustainable, and legally available revenue source
		  ○ Critical is the legal authority to enter a P3 agreement with a private partner and provide tolling authority or a pledge of revenues for availability payments
		• Fair and transparent procurement process with an achievable schedule
		  ○ Incentivize cost-efficient solutions that provide the best whole-life solution for the best value
		  ○ Department should ensure they can keep their schedule once the procurement starts

		• Demonstrated political support for the project and a P3 delivery method
		  ○ A preliminary value for money study should be undertaken to confirm P3 is the right delivery model.
		  ○ Obtain buy-in for the project and delivery model from key stakeholders

Parsons Brinckerhoff	T	• Consider factors that indicate a project's feasibility and risk profile with respect to readiness, financial feasibility / risk profile, and private sector readiness.
		• Institutional Readiness:
		  ○ Is there a champion within the Owner's organization?
		  ○ Is the project well supported by the public, business community and other stakeholders, or is the project highly controversial?
		  ○ Is state legislation in place to support a P3?
		  ○ What priority does this project have with the Owner from a regional and statewide perspective?
		  ○ Does the Owner have the appropriate advisors in place to support the procurement process?
		• Financial Feasibility/Risk Profile
		  ○ What is the form of alternative delivery being considered, and does it match the project characteristics?
		  ○ Is the project financially viable?
		  ○ What are the funding mechanisms anticipated by the Owner to support the P3, and what funding is currently programmed or available?
		  ○ What is the status of project development and environmental clearance?
		  ○ What risks are being transferred to the Developer, and what risks remain with the Owner?
		• Private Sector Readiness
		  ○ Do I have a team that is complete and can develop the necessary strategy to win and be competitive?
		  ○ Do I have the local understanding to prepare a winning proposal?
		  ○ Do I understand the Owner's goals and objectives?
		  ○ Can I meet local participation, DBE/MBE, and/or labor requirements?

Stantec	T	• The make-up and magnitude of the solicited project. • Project finance: public funding commitment and the makeup of those funding sources. Is any funding based on leveraged debt? What is the risk associated with these dollars? • Other funding sources such as tolling, local participation and/or other private sources. • Project development stage: has the project progressed through the environmental phase and is it ready for or already in design? If not, what level of Risk will LADOTD maintain in their risk profile versus the project developers risk profile. • Has a Risk Analysis been performed and how is responsibility assigned for political, procurement, design, construction, financing, and operations? • If tolling revenue is part of the financial plan, has appropriate Traffic and Revenue analysis been performed? What is the risk assignment?
Citi	F	• High level of support for the Project from political leaders and transportation stakeholders within the State • Given the size and scope of the Project, this support will likely include providing new transportation revenues to pay for construction and secure financing vehicles should it be determined that the Project cannot be fully funded from currently available revenues.
LOOP Capital	F	• Type of P3 model • Structure of procurement process including Pre-SOQ conference and overall procurement schedule of 12-18 months • Commercial Contract Terms – reasonableness is needed • Selection of the proper financial advisors will be critical in ensuring LADOTD's transaction reaches financial closure • Environmental Review - potential respondents will want to understand how much progress the procurement agency has made on the environmental process • Political & Regulatory Approval - Potential respondents will want to understand the political and regulatory approval process that the project will be subjected to • Payment Sources - LADOTD should consider explicitly describing these source(s) in the procurement documents. • Procurement Advisors - Potential respondents will evaluate the public agency's procurement advisory team to initially assess how the procurement process may progress
Macquarie Capital	F	• Political and Public Support • Committed or Identified Sources of Funds - Well understood source(s) of funding, such as committed appropriations, tax revenue, and toll collections. • Clear Risk Identification and Allocation – the Authority should ensure that the project agreement clearly identifies all major risks in the Project and assumes a reasonable starting position with relation to risk transfer and retention. • Clearly Defined Payment Mechanism – Payment mechanism should be carefully designed to incentivize the private sector partner to achieve the objectives and outcomes desired by LADOTD.

Wells Fargo Securities	F	• For DOTD financed projects, Wells Fargo would have a strong interest in serving in the capacity of underwriter or such other role that may be identified by LADOTD
		• For P3 projects, Wells Fargo traditionally fills one of three primary roles in financing P3 projects, including (1) underwriter, (2) lender, or (3) placement agent.
		• Bidding concessionaires will pick their underwriters, placement agents and/or lenders to participate on their respective teams
		• Important considerations for P3
		  ○ Clear and Identifiable Funding Source – need specific repayment source
		  ○ Stakeholder Support- ensure legislative authorization and full stakeholder support
		  ○ Clear Goals of the Procurement – suggest VfM
		  ○ Selecting a Delivery Approach That is Viable - believe that a pure availability payment-based DBFOM approach is likely to generate the greatest interest among both developers and financiers
		  ○ Receipt of Approvals - pursuing permitting, right-of way, and environmental approvals prior to proponents submitting bids will help ensure that proponents do not include significant contingencies to the construction schedule and price

Butler Snow	L	• Decisions will be based on the economics – it depends on the revenue projections • Lenders will also look to the revenue projections and the overall credit behind a project. • Risk allocation

P3 Interest / Experience

Question 5 (26)	Looking ahead over the next several years, are there any particular risks or factors which would give your firm concern about potentially entering into a public private partnership for delivery of the I-10 Capital Corridor Improvements?

Firm	Role	Response
Abertis	D	• None
ACS Infrastructure & Dragados USA	D	• NEPA progress and potential environmental challenges, as well as potential changes in the political climate that could affect support for the Project • A clear and robust financing plan be developed and adopted as early in the process as possible, and in any case prior to launching a procurement • Project documents reflect a market standard risk allocation and LADOTD remains open to input from the proposer teams during the procurement process to refine such allocation. Finally, to avoid schedule delays and other related procurement risks • We recommend that major decisions throughout the procurement, including negotiation of the RFP, can be made on a timely basis and that relevant authority and governing bodies have a clear approval process for the various project milestones through execution
Brown & Root	D	• Compared to states like GA and TX, LA is a novice P3 marketplace, could potentially move too slowly and potentially miss out on a very significant opportunity to improve its transportation infrastructure now
Cintra & Ferrovial Agroman	D	• Our concerns have previously been addressed in our response to the RFI.
Fluor	D	• There are multiple political, economic and social factors that can influence a project of this magnitude, complexity and economic impact. A key consideration for the project and its financial viability is that resources and the cost for completing these types of project have escalated in the last 5-10 years, and are likely to continue in this trend with further infrastructure investment in the near to midterm.
Kiewit	D	• [No response provided]
Lane	D	• LADOTD Funding Plans and State of Louisiana Credit Rating – We would need to have clarity on LADOTD's funding plans and its appropriation process in the state legislature. Given the recent downgrade of the State of Louisiana's credit ratings (and potential for further downgrades), this will be critical from the standpoint of our ability to raise financing for the project. • Public Understanding and Support for a P3 Procurement – It is important for states pursuing a P3 for the first time to educate the public on the P3 procurement model, and to obtain their support at the front end. A clear understanding of the complexities, benefits, and risks of P3s before the project is launched is critical, as it will help avoid potential discontent, protests, and litigation. There are recent precedents in the U.S. where poor public outreach and education efforts, combined with a misinformed public, have resulted in major problems for the Owner and had a severe impact on successful execution. • Risk Transfer Protocol
OHL & TRC	D	• We do not see any risks or factors over time that would give either of us concern.
Plenary Group	D	• Looking ahead over the next several years, there are no particular risks or factors which give Plenary concern related to entering into a P3 for the Project.
Sacyr	D	• A public private partnership will provide the best development for this project, The three main points below summarize the important benefits directly related to the delivery method selected: • The use of a PPP delivery method will achieve LADOTD goals in delivering the infrastructure on time and will add cost certainty. • The synergies derived from combining design, construction, operation and maintenance within the PPP scope will yield innovation, minimizing life-cycle costs and accelerating the schedule. • Under a PPP scheme, operation and maintenance could be implemented by a private partner from day one of construction, therefore eliminating the potential interfacing issues that may arise assuming different contractors build and maintain the commuter railroad during the construction phase. This approach has been used in other PPP projects in the United States successfully.
STAR America	D	• The long term transfer of risk and the necessary contracting regime required to ensure appropriate incentives and strict performance guarantees make P3 agreements much more complicated than more traditional public procurement contracts. • It is recommended that the public agency utilize and leverage existing market precedent contracts and documents and retain financial, legal and technical advisors with experience working on P3 transactions in other jurisdictions to ensure the most efficient procurement process and allows for efficient pricing based on rationale risk sharing between the parties. • So long as there is reasonable risk sharing in the project agreement throughout the term of the contract, there is nothing based on the information provided, that would cause us concern about potentially entering into a long term agreement.

Vinci Concessions	D	• Entering into a P3 agreement is our business, but having an agreement, not only for VINCI, but also for LADOTD and the community is important. Issues such as Change in Law or new technology entering the market that would be beneficial for both parties would protect the intent of the long-term partnership that is important in our business model. VINCI will be LADOTD's partner for the long term and this relationship starts by having a sustainable agreement. • Any particular risks or factors related to P3 transactions by VINCI typically include contract structure (Design/Build versus Design/Build/Finance versus a full DBFOM), payment mechanism, contractual risk allocation, funding and financing considerations, performance specifications and key performance indicators, among other items. At this stage, however, VINCI foresees no major short or long-term concerns, as this type of project is perfectly suited to our range of services in the event it is procured as a DBFOM
Walsh/Archer Western	D	• "N/A"
AECOM	T	• For Availability Payment model, the "appropriations risk" is in securing, budgeting and guaranteeing the repayment of funds is available. • For Concession type of transaction, indexing inflationary increases to elements like Consumer Price Index (CPI) and Gross Domestic Products (GDP) are critical for the private industry to keep the asset preserved and maintained as the need and usage increase. Several deals have suffered when these elements were not fully employed.
CSRS	T	• [No response submitted]
HNTB & KPMG	T	• None • Developers will be looking for sufficient funding and a well-structured and transparent procurement process.
Michael Baker	T	• "No response"
Parsons	T	• At this time, Parsons is not aware of any particular risks or factors which would raise concerns about entering into a P3 for the I-10 Capital Corridor Improvements.
Parsons Brinckerhoff	T	• Please see our response to the previous question.
Stantec	T	• 1. Feasibility of intended program which can be mitigated and controlled through establishment of reasonable expectations and selecting a development team and owners representative team that not only has a solid experience history on similar project, but has strong strategic relationships aligned with LADOTD's vision. • 2. Completion of the intended program. These can be mitigated for through clear definition of RFP requirements and the selection of a concession team which has adequately funded, strong proven track record of delivery, negotiation of a firm fixed price / date certain concession agreement and proper incentive / disincentives attached to the payments in the agreement. • 3. Financial Close. Need to ensure that development team has a reasonable financial package that is flexible in how public, federal and private financing is utilized. • 4. Maintenance and Operations. There are many risks that can develop through the operation and maintenance period. Selecting a concession team that has a track record of successful operations through the entire concession period is important. These types of developers spend additional efforts in developing and implementing solutions that truly balance construction costs and long-term sustainability and maintainability of the various infrastructure elements. Partnering with the right team that has both their and LADOTD's long-term interests in mind is key to a successful project.

Citi	F	• Additional Risks - Financing. The risks highlighted below will impact the overall cost of the project and impact the DOTD's capital structure.
		  o Debt Reduction. Using a P3 structure as a vehicle for financing improvements may reduce the amount of debt that the public sponsor would otherwise incur in carrying out the project, maintaining capacity for other debt issuances.
		  o Tax-Exempt vs. Taxable Financing. Depending on the scope of the project, the concessionaire may not be able to access the tax exempt market to finance the project. If a private developer cannot access the tax-exempt market based on IRS restrictions, a not for profit entity may be formed to serve as the project owner to access the tax-exempt market.
		  o Private Activity Bond Allocation. Private use projects that are eligible for tax exempt debt must secure volume cap for private activity bonds ("PABs") from the DOTD or US Department of Transportation, depending on project scope, which presents additional administrative responsibilities to the public sponsor.
		• Additional Risks – Macro Economic. The risks highlighted below will impact the overall cost of the project and impact the DOTD's capital structure.
		  o Interest Rate Risk. The Federal Reserve referenced continued positive economic data in its decision to increase the Federal Funds Target Rate of 0.50-0.75%. Overall, monetary policy remains accommodative due to low Federal Funds Rates and maintenance of sizable holdings of long-term securities, which in the Fed's view will further support a strengthening labor market and a return to 2% inflation. The FOMC expects that conditions will evolve in a manner that will warrant gradual increases in the Federal Funds Rate
		  o Political Environment. The Republican sweep of the Presidency, House and Senate could lead to new policies on taxes, healthcare reform, trade and perhaps even an infrastructure-driven stimulus. The potential tax reform centers around lowering tax rates while widening the tax base, by simplifying the tax code through limiting exemptions and closing loopholes. It may include the limitation or elimination of Muni Exemption and the Alternative Minimum Tax are likely to be considered. With regard to public infrastructure, Trump pledged to spend $1 trillion on infrastructure over ten years. The infrastructure plan may include the introduction of Infrastructure Tax Credit to subsidize certain projects.

LOOP Capital	F	• [no response provided]
Macquarie Capital	F	• [no response provided]

Wells Fargo Securities	F	• Other than the risks and considerations described earlier in our response, we do not see any significant concerns about financing the I-10 Capital Corridor. • Most projects in the US have been financed under a DBFOM or DBFM availability payment structure, and we expect that a similar structure is best suited to the I-10 Capital Corridor. Alternative approaches to a long-term, P3 financing may be more difficult to finance, and would require greater scrutiny around the proposed repayment sources. • To the extent an availability payment approach is pursued, the LADOTD will need to identify a dedicated repayment source, which may also involve broader discussions around long-term funding for the LADOTD and its more traditional delivery of projects.
Butler Snow	L	• As a law firm, we would serve at the pleasure of our client. Our role is to provide LADOTD with expert legal counsel and navigate implementing a P3 for the I-10 Capital Corridor Improvements

P3 Interest / Experience

Question 6	Which are the most preferred delivery methods available for delivery of the I-10 Capital Corridor Improvements?

Firm	Role	Response
Abertis	D	• Preferred delivery method is DBFOM due to significant value that private sector can offer in O&M, in addition to design and construction • Developers / Concessionaires are incentivized to maintain high quality assets resulting in safer roads and improved quality of service • Future cost of maintaining what is built is considered with DBFOM

ACS Infrastructure & Dragados USA	D	• DBFOM or DBFM approach is preferred, subject to strong counterparty and clear funding plan
		• DBFOM benefits include:
		  ○ Transfer of key performance risks
		  ○ Opportunities to increase efficiency and cost reduction on whole-life basis
		  ○ Allocation of O&M responsibility to private sector incentivizes cost-effective approach to design, construction and long-term O&M considerations through optimization of technical solutions over the life of the project
		  ○ Expedited delivery from a funding perspective
		  ○ Ensures most efficient allocation of risks and responsibilities to parties best positioned to mitigate risks
		• DBFM sees same benefits of lifecycle considerations and secured financing as DBFOM with the owner retain operations responsibilities
		• ACS / Dragados team can maximize innovation, efficiency and value through DBFOM and DBFM due to risk transfer and long-term obligations of the Developer / Concessionaire team

Brown & Root	D	• Preferred approach is some type of DBOF (availability payment structure) similar to GDOT program (Note to DOTD that GDOT has only used a DBF model at this time. Information appears to be inaccurate) • Tolling opportunities should be considered and left open for discussion during pre-development stage

Cintra & Ferrovial Agroman	D	• Cintra believe that the design-build-finance-operate-maintain availability based public private partnership may result in the best value for money to LADOTD for the following reasons:
		  ○ Optimal Risk Transfer to the private sector
		  ○ Increased innovation
		  ○ On budget and on time
		  ○ Project acceleration
		  ○ Superior customer service and guaranteed O&M

Fluor	D	• Preferred approaches would include Design-Build, Design-Build-Finance, and DBFOM (availability payment) • Would pursue a toll revenue risk concession
Kiewit	D	• Recommended approaches include pre-development agreement, Construction Manager At-Risk and Progressive DB • Above represent delivery methods that work well when projects are not completely defined or when procuring agencies are seeking creativity, more input into the design and a fresh look at alternatives
Lane	D	• Recommend that LADOTD should adopt the DBFOM model as it provides the maximum benefits of private sector involvement ○ Optimize the relationship between front end capital costs and ongoing O&M, lifecycle, and end of term rehabilitation costs
OHL & TRC	D	• No preference given – Response describes benefits and challenges of various P3 delivery methods.
Plenary Group	D	• Availability payment DBFOM model is preferred • Benefits of risk transfer, innovation, whole-life costing, cost of financing, control, standard of service
Sacyr	D	• DBFOM availability payment structure is preferred or revenue risk concession with “mitigated revenue risk” (as noted in Question #4) • Benefits of efficiency and fast track implementation noted.

STAR America	D	• Availability Payment DBFOM model is preferred
		• Dependent on complexity of the project, the associated risks and the value that can be achieved by transferring certain risks from the public agency to a private partner
		• Benefits
		    o Accelerated project delivery
		    o Guaranteed on-time and on-budget
		    o Incorporation of lifecycle considerations
		    o Value to the public – generated by:
		        ▪ Maintaining competitive tension during bidding
		        ▪ Proper allocation of risk
		        ▪ Incentives for delivery of quality services
		        ▪ Encouraging innovation through output based specifications

Vinci Concessions	D	• DBFOM is preferred • Use of performance based specifications with well-balanced risk profile • Use of ATCs

Walsh/Archer Western	D	• Walsh believes two options are preferable:
		    o Design-Build
		        ▪ Single DB team would be responsible to deliver the entire Project at a specific budget and specific schedule
		    o DBFOM Availability Payment
		        ▪ provide all the benefits of DB, but would also enable (1) risk transfer for routine maintenance/lifecycle rehabilitation of the full Project and (2) accelerated delivery by having the private sector source financing for the Project

AECOM	T	• Selection of the preferred or most appropriate model for the project will depend on LADOTD's objectives, goals, financing plans, funding plan, available resources, desired schedule and the project economics (costs and revenue generating potential). • Recommend the preparation of a detailed Value for Money analysis (VfM) – the process of comparing costs using two delivery models to determine which provides the better value proposition. • Recommend consideration of a P3 approach that seeks to either have an Owner-absorbed revenue risk profile or a balanced approach via a Concession Subsidization or other Hybrid Model
CSRS	T	• No responses provided to any of the questions provided in the RFI – only submitted project experience and cover letter.
HNTB & KPMG	T	• Specific delivery option should be selected by LADOTD on a project-by-project basis and meet the goals, objectives and funding profile of the program and project • Must understand how finance component of a project impacts Net State Tax Supported Debt Limit • LADOTD can tailor a P3 structure that meets its goals for technical innovation, schedule acceleration, risk allocation, available funds, and financing.
Michael Baker	T	• Preferred delivery method will vary based on timing and finance (available funds). • Risk profile that LADOTD is willing to accept will also influence the preferred method

Parsons	T	• The nature of the project (multiple components along an existing roadway) make it unlikely that transferring road operations to a private operator will generate any savings
		• Recommended delivery options
		    o Design-Build
		    o Design-Build-Finance: payment for some portion of the works will be delayed – in some cases three to five years after substantial completion. A portion of the works (usually at least 50%) needs to be funded as work is completed and full payment needs to be made in 7 to 10 years from contract execution. Department will need to provide assurance that future year funding for the project is confident.
		    o Design-Build-Finance-Maintain: opportunity to take a whole-life of the asset approach to the I-10 Capital Corridor Improvements (30 year term)

Parsons Brinckerhoff	T	• The preferred delivery method is dependent on a number of factors and is project specific. • Many factors influence the selection of a delivery method including project funding, ability to include O&M, and ability to transfer risk to the party best able to handle it. • A Value for Money study is undertaken to determine the best delivery method for the Department

Stantec	T	• Significant additional information and analysis is necessary to make this determination. DBF may be most preferred based on initial considerations.
		• Initial considerations:
		    o While these projects are all on the I-10 corridor in Baton Rouge, most of these projects are disconnected and each could operate independently.
		    o Tolling any or all these projects appears to be challenging. For this reason, Design Build Finance would appear to be most applicable, with the state responsible for operation and maintenance.
		    o If tolling is deemed feasible for one or more projects and is a significant contributor to the financing plan, then operations and maintenance would likely shift to the private entity.

Citi	F	• Not one preferred • Provided list of experience
LOOP Capital	F	• Question / response was not included

Macquarie Capital	F	• Preferred DBFM or DBFOM with advantages that include:
		  ○ Risk Transfer to the Private Sector
		  ○ Accelerated Project Delivery
		  ○ Construction & OMR Cost Savings - PPP projects are currently delivering in excess of 21% cost savings in infrastructure projects globally, when compared to the cost of procurement through more traditional procurement methods
		  ○ Fixed Price – Turnkey Solution for the Authority
		  ○ Budget Certainty
		  ○ Best Participants
		  ○ Innovation
		  ○ Discipline of Private Finance - higher level of due diligence, technical review and commercial structuring is undertaken on all aspects of the project when private finance is involved
		  ○ Whole-Life Approach - private sector will naturally optimize the combination of initial capital costs, routine maintenance costs, and larger capital expenditures to deliver the optimal whole-life outcome

Wells Fargo Securities	F	• There may be certain value to moving further along the P3 spectrum as a means of allocating risk, accelerating project delivery, leveraging private sector expertise, and achieving life-cycle cost savings
		• The ultimate delivery approach selected should be determined through a comprehensive value for money ("VfM") study
		• Consider these methods
		  ○ DBFOM Availability Payment: this approach can confer a number of benefits, including accelerated project delivery, lifecycle cost savings (as a result of allocating operations and maintenance responsibilities to the private sector), private sector innovation, and strong alignment of incentives. Moreover, we have seen an availability-payment based model used to deliver a group of "bundled" projects, which may make this approach particularly attractive for the grouping of inter-related I-10 Projects.
		  ○ DBF
		  ○ Hybrid DBFOM: While we understand that tolling alone is projected to be insufficient to fully cover project costs for most projects in the State, one alternative the Department could consider is a "hybrid" structure which repays developers from some combination of both (i) annual availability payments and (ii) annual toll revenues.
		    ▪ transfer some level of demand risk while still creating a viable transaction that benefits from the "guarantee" afforded by some amount of minimum availability payments

Butler Snow	L	• Depends on the priorities and needs of LADOTD and the private parties who respond any RFP or RFQ • LADOTD will need to decide the level of responsibility and control that it wishes to exert over the project.

P3 Interest / Experience

Question 7 (25)	**Other than the answers already provided, what information would assist the respondent in making a business decision to engage in a public private partnership for delivery of the I-10 Capital Corridor Improvements?**

Firm	**Role**	**Response**
Abertis	D	• None
ACS Infrastructure & Dragados USA	D	• As the Project continues to be advanced and further refined, additional factors - for example, the delivery method and risk transfer - will play a more specific role in our analysis. An essential element to achieving value through a P3 approach is allocating risks to the party best able to manage them. • Appropriate risks to be borne by the private sector are design and construction execution risk, long term operations, maintenance and rehabilitation of project elements (as it relates to delays, cost overruns and price escalation, for example). • Risks that are best managed by the public include risks related to governmental approvals, and appropriation of funding for payments during construction and availability payments, availability of ROW, and unforeseen geological conditions, to identify just a few. In summary, the most effective commitment from the public sector would first, set a market standard allocation of project risks between the developer and public owner, and second, establish a strong counterparty that has the necessary funds (or ability to obtain funds) to secure its obligations under the concession agreement. • Additional information that will help our team to make an informed decision to engage in a P3 for the Project include: ○ Traffic data, Existing plans, ROW drawings Inspection reports of existing structures/drainage/pavements, Existing survey, Geotechnical information, Utility information, Existing ITS, Environmental Assessments (DEIS/FEIS/others), Interchange Modification Report (IMR), Permits
Brown & Root	D	• No • [But, timing could dictate that we continue to evaluate our business decision if the state does not pursue this project diligently. (opportunities forgone while waiting for decision on this project)]
Cintra & Ferrovial Agroman	D	• None indicated
Fluor	D	• It would be important to understand the consultants, legal counsel and financial advisors that LADOTD intend to use on the development of the project.
Kiewit	D	• [No response provided]

Lane	D	• Lane will make a business decision to engage in a P3 for the I-10 project after receipt and review of the following:
		  ○ Detailed project scope
		  ○ Size (cost) of the project
		  ○ How the project will be segmented and/or phasing requirements
		  ○ Early receipt of information to allow time to establish the most appropriate teaming arrangements
		  ○ Clarity on LADOTD's funding plans and budgetary appropriation process
		  ○ Historic traffic data - long term traffic and revenue forecasts prepared by a reputable consultant

OHL & TRC	D	• We will reserve comment on this question until we have had more time to study the scope of work of the nominated project.

Plenary Group	D	• We recommend that in both the Statement of Qualifications as well as the Request for Proposals, LADOTD includes multiple confidential and one-on-one in person question and answer periods during which these concerns, and commercial, financial, and technical issues can be addressed.
		• As we discussed in question 3, Plenary's most influential factors to participate are as follows:
		  ○ Political Champion – Does the Project have a respected political champion who is leading the charge? Does the procurement straddle an election cycle in a hotly contested jurisdiction?
		  ○ Payment Mechanism – Availability payments that are made to the developer upon completion of all or a portion of the asset(s) to repay capital and operating costs.
		    ▪ While Plenary has participated in managed lane projects and revenue risk projects, its clear preference is for an availability payment model. Should this be procured as a managed lane or other revenue risk approach, traffic data quality will impact the decision to proceed.
		    ▪ Assuming the anticipated proceeds from a revenue risk approach are insufficient to meet the capital and operations, maintenance, and lifecycle requirements, does LADOTD have sufficient additional funds to support the Project?
		    ▪ Based on the Project Overview in the RFI document, we would contend that a revenue risk model might not work well, given the number of separate pieces that could make up the procurement. Setting up tolling systems to accommodate this disparate set of assets could be prohibitive.
		  ○ Procurement Model – DBFOM concession with a full turnkey response, including committed financing (vs. a predevelopment agreement such as in question 8).

		○ What authority does the Department have and has this authority been appropriately vetted for the Project? Given this is an Interstate Highway, albeit a "bridge" for a significant portion, will LADOTD have the requisite legal basis to move forward? ○ Advisory Team – What experience does LADOTD have with P3 projects and has it availed itself of an advisory team that has demonstrated experience in closing deals in the procurement model being undertaken? ○ Environmental – Has environmental permitting progressed to the point where a Record of Decision is achieved or imminent? ○ Operations, Maintenance, and Rehabilitation Responsibility – Developer is fully responsible for all OM&R work and associated costs throughout the operating period of the contract. As part of the bid, the developer submits a fixed cost schedule for O&M costs. This allows the development team to work creatively, bringing innovation to LADOTD, which will result in a value add approach that would be viewed positively by stakeholders. Further, in future years, the development team remains accountable for performance, as opposed to split responsibilities and resultant finger pointing which provides a negative situation for the public. ○ Risk Transfer – Model documents and structure consistent with bankable, previously financed projects in the sector. ○ Milestone Payments – Milestone payments could be used to reduce the private sector financing requirement, especially if the Project is intended to be a tolling facility that cannot self-fund. Further, LADOTD could reduce the Project cost of capital by financing such milestone payments with tax-exempt debt (thus requiring the developer to confirm it is using milestone payments for eligible costs). ○ Stipend/Break Fee – Does the procurement include a stipend or break fee? While the quantum of these fees are not expected to cover the competing teams' costs, the willingness to pay these fees demonstrates a commitment by LADOTD to successfully consummate a deal as opposed to "testing the water". Bidders expend scarce resources pursing these P3 projects and want to ensure the opportunity is real.
Sacyr	D	• One of the problems in the past has been the fact that concessions have been tendered as a myriad of single contracts requiring multi-disciplined contractors and concessionaires, which leaves the disparate parties taking responsibility for risks with which they may be unfamiliar. An additional disadvantage related to the traditional model is the fact that bidding consortia tend to be dominated by contractor and suppliers whose main interest is short-term (i.e. construction only) and the influence of the operation on the concession may be very limited. As outlined before, we highly recommend a holistic approach. Due to our experience, public private partnership presents a number of advantages, as Sponsors can manage the project by means of one-single contract, with the subsequent simplification of the process, taking advantage of all the synergies from all the phases.
STAR America	D	• Under an availability payment structure the term should be sufficiently long to ensure the affordability of the ongoing payments by the public agency and also not extend beyond the useful life of the asset. • We would suggest due to the long term nature of P3 projects that an inflation clause be incorporated into the contract, but treat construction and operations and maintenance ("O&M") differently. Specifically, for the construction costs, we would not want to have construction costs indexed to inflation. One of the advantages of a typical P3 is to have a fixed price, date certain delivery. • For the O&M costs we would prefer to have an inflation clause due to the length of the O&M period, which typically exceeds 20 years in a P3 project. The mechanism should ensure that the payments indexation reflects the concessionaire's costs base. Lower inflation results in lower availability payments (i.e. credit to the owner), while higher inflation triggers higher availability payments.
Vinci Concessions	D	• Other than those items stated in our responses to questions #2, #19, #20 and throughout our response to this RFI, we have no additional items at this time.
Walsh/Archer Western	D	• Interested in Availability Payment and Design Build • Funding – clear appropriations process with availability payment managed by DOTD along with compensation at termination • EIS – greater clarity on the progression of the EIS (projects and corridor); DOTD needs to have all approvals completed before procurement • ROW – must be acquired by DOTD; could begin after procurement starts but an a outline and clear set of expectations and approach is required (and relief in the ultimate agreement)
AECOM	T	• The biggest risk on this type of project is found the earliest – which is whether there is political (local and State level) support, community support and a long-term revenue stream available to support the project funding. Finding the "champions" is critical, but not to be overlooked will be gaining as much consensus as possible from all parties early. • Requires a competent and experienced Owner-side advisory group, to help guide the Owner. Experience in closing P3s is the most important factors or criteria in the selection of advisors. • From an investment standpoint, our preference would be more strongly aligned with an Availability Payment Model P3 than a toll revenue risk Concession Model. • Regarding the acceptance of performance risk under an Availability Payment structure, we understand these risks and their importance in ensuring public and private interests are aligned. As such, we are willing to accept these risks at all levels (as an investor, contractor or service provider) subject to LADOTD's incorporation of an adequate commercial, contractual and technical negotiation process as part of the procurement.
CSRS	T	• [No response provided]
HNTB & KPMG	T	• Before a developer will commit significant time and resources into a procurement, LADOTD should demonstrate the following: ○ Political alignment and acceptance of a P3 program (legislature and governor) ○ Experienced P3 advisors helping to instill confidence in a transparent and timely procurement process ○ Committed funding of any public subsidy required for the project ○ P3 project selection process properly evaluated the merits of P3 delivery

		• As LADOTD's current P3 and Alternative Delivery advisor, we are uniquely familiar with your program and projects and look forward to continue working as LADOTD's owners representative on P3 projects. Our goal is to help LADOTD promote its P3 program and structure procurements to maximize interest, competition and value for LADOTD. • In the interest of furthering our assistance to the department, please refer to pages 11 – 14 of this document for a suggested phased approach to address critical activities and considerations in developing a P3 program for delivering the I-10 Capital Improvements Project.
Michael Baker	T	• A clear understanding of the evaluation criteria, scoring categories with relative rankings/weightings, and the selection procedures that will be used to evaluate and score the submitted proposals wi ll be vitally important[in] pursuing the P3 Procurement. Also critical to understanding the evaluation process to finalize the GO/NO GO decision is knowing the individuals who will be charged with evaluating th e submitted proposals and determining the intermediate component scores, the composite overall scores, and the overall rankings and selection.
Parsons	T	• Prior responses sufficiently cover information we will need to decide to engage in a P3 for the I-10 Capital Corridor Improvements.
Parsons Brinckerhoff	T	• Commitments from all levels of government and a project champion on the Owner's side is critical to the project's success. An Owner's commitment is also demonstrated by having technical, financial and legal advisors in place at the start of the procurement process. • The sustainability and stability of the state funding that support the Capital Corridor improvements is critical. Louisiana's prior and current budget problems have been well publicized. Going forward, it needs to be evident that Louisiana's financial house is in order, relatively stable, and the funding mechanisms which would support the P3 are not at risk. Additionally, the history of extreme construction cost escalation following a major disaster, such as what occurred following Hurricanes Katrina and Rita in 2005, needs to be addressed so that the Developer is not totally at risk with respect to significant cost increases due to such events.
Stantec	T	• No additional information at this time. However, we are open to discussing the project further and assisting LADOTD with the development of this project.
Citi	F	• A public private partnership offers the benefits of increased innovation, long-term risk transfer, and potentially enhanced value for money as compared to more traditional procurements.
LOOP Capital	F	• [no response provided]
Macquarie Capital	F	• Demonstrated support for the Project from key decision makers and stakeholders • A realistic procurement timeline and process • Availability of sufficient funding to make Authority required payments • A reasonable stipend to defray bidding costs • DBFOM agreement terms, mainly: Risk allocation, Technical requirements, Payment mechanism, Guarantees to be provided by bidder • Procurement process timing and internal capacity, ○ The two processes are run almost in parallel and in order to bid for both projects, the availability of two bidding teams is required • Ability to form a consortium with strong partners
Wells Fargo Securities	F	• The most important information LADOTD can provide to potential developers relates to (i) exact project scope and objectives (ii) expected repayment source and preferred delivery alternative, (iii) local buy-in and acceptance of a P3 approach, and (iv) desired project timeline. The decision to negotiate a PDA may also impact the level of interest from certain developers. • Generally speaking, there is significant pent up demand for infrastructure assets, and as such, we would expect that LADOTD will enjoy significant interest in a potential P3 procurement. Equity funds, construction companies, and other P3 developers have significant money to invest in projects, and on a number of recent projects, this has helped create competitive tension that has allowed public sponsors to achieve significant value through a P3 procurement. Based on our recent experience, we expect that LADOTD will enjoy a robust response to a potential P3 procurement.
Butler Snow	L	• N/A

P3 Structure / Procurement Type

Question 8	**Please provide any comments on other creative project scope ideas, procurement options, technical solutions, agreement structure(s) etc. that LADOTD should take into account in solicited of a public private partnership herein.**

Firm	Role	Response
Abertis	D	n/a
ACS Infrastructure & Dragados USA	D	ATC process that allows for confidential submission of innovative, cost saving solutions including changes to basic configuration
Brown & Root	D	Group and prioritize projects based on level of service improvements. Consider express lane to generate revenue.
Cintra & Ferrovial Agroman	D	• **ATCs & Performance Specifications**: LADOTD should focus on performance specifications versus detailed design requirements. The less prescriptive LADOTD is during the RFP process, the greater likelihood that proponents will be incentivized to develop innovative cost saving ideas. LADOTD should develop a well thought out and comprehensive ATC and Industry Review Improvement Process. For the ATC process to be effective, ATCs need to be confidential and if approved, the Concession Agreement only for that consortium should be allowed to be modified to incorporate the approved ATC(s). ATC meetings should not be considered Public Meetings. ATC Proposals submitted by the Design-Build Firm shall be exempt from disclosure pursuant to a Public Records Request until such time as the Department has posted the intended Award notification. • **Objective Procurement Process:** The procurement should be structured in a manner that: 1) will attract qualified and capable bidders; 2) is feasible from a schedule standpoint; and 3) will entice proposers by offering proper cost reimbursements and step-out clauses in the event that the procurement is cancelled at the discretion of the procurement authority. ○ <u>Team Selection at the RFQ Stage</u>: The selection process should be heavily-weighted towards the quality and track record of the potential teams. Focusing on only qualifying the leading developers will reduce the costs of the project and enhance its feasibility as the shortlisted developer will be required to participate in a competitive selection process. There should be four teams prequalified – the market has accepted the selection of four teams as a good industry practice, while it provides clear benefits for the public partners as (i) it ensures the receipt of a number of proposals in case a proposer is not able to submit a detailed proposal and (ii) drives ample competition. ○ <u>Team Selection at the RFP Stage:</u> As in the case with publicly procured projects, the selection process and the selection variable should be objective (i.e. proposer who requests the lowest NPV of public funds wins, proposer who offers the highest upfront payment wins, etc.)
Fluor	D	Without detailed understanding of the project scope and delivery structure it would be too early to determine potential innovation that could be applied.
Kiewit	D	In addition to using market proven comprehensive agreements discussed above, the best way to reduce any unnecessary expense associated with administering solicitations is to utilize the following best practices: • Appropriately timed procurement • Well supported and staffed procurement team with external subject-matter expertise • Limited shortlist to three teams • Confidential Alternative Technical Concept (ATC) process • Best Value Selection • Adequate level of stipend
Lane	D	Lane can provide creative project ideas, procurement options, technical solutions, and agreement structures upon receipt of a detailed project scope and specific project goals.
OHL & TRC	D	One procurement option that DOTD may want to consider strongly is the transfer of life cycle risks from the public-sector to the private-sector. In a DBFOM delivery, the contractor, designer, and long-term operator are engaged from the planning phase through the construction phase, ensuring that life cycle considerations are addressed at every stage. With life cycle reviews being performed by the actual long term O&M personnel, the resulting bid price will reflect the true capital cost for the long-term and guarantee that the future maintenance of the asset is not sacrificed for the "cheapest" up-front construction price. Life cycle analysis is a critical element brought by private partners that are looking to be long-term operators, versus those entities that will leave a project once the construction is completed and transferred to a third-party maintenance company or client.

Plenary Group	D	At the current early stage of the Project, Plenary does not have any additional comments that have not already been addressed in the response. Once more information is known about the specifics of the Project, we will be in a better position to provide more closely tailored, project specific ideas, options, and structures.
Sacyr	D	Connected vehicles, electric roadways, autonomous vehicles, pavement recycling.
STAR America	D	There is the opportunity to achieve significant savings delivering the project scope as a single P3 procurement versus procuring them as separate, individual capital projects. • Economies of Scale –bulk purchasing of supplies and materials • Construction Efficiencies – more cost effective mobilization and workforce utilization • Accelerated Delivery – financing allows the project to be built utilizing current construction prices, avoiding project cost escalation and inflation that otherwise would increase project costs under a pay-go approach. It also will more quickly improve mobility and opportunities for economic development.
Vinci Concessions	D	As previously stated, VINCI would strongly recommend the following: a. Explore DBFOM or DBFM as alternatives through a rigorous Value for Money Analysis. The VfM should be a comparison between the traditional LADOTD's way of delivering similar projects against P3s. In such comparison, LADOTD should also include the long-term costs of operations and maintenance, associated risk premiums and financing costs for all delivery methods analyzed. If feasible, VINCI believes that a DBFOM could bring savings in terms of cost and/or schedule to the I-10 Capital Corridor Improvements, along with reducing short and long term risks to LADOTD through the transfer of operations and maintenance activities. b. Implementation of performance-based technical specifications. Performance specifications allow the private sector to bring innovations and savings during the procurement process as well as bringing technology that provides for a longer-lasting asset with a lower cost of preventative maintenance as well as heavy maintenance. c. Implementation of alternative technical concepts (ATCs). ATCs are deviations from the contractual technical requirements submitted by proposers through a formal process. These ATC submittals should remain confidential, as many of them may include proprietary information or trade secrets, and proposers should be required to submit a formal ATC proposal detailing the deviations from the performance technical specifications, and cost and/or schedule savings. This proposal would then be evaluated by LADOTD and if approved, it would become a contractual requirement after financial close. The ATC submittal and review process should be clearly explained in the RFP document and Instructions to Proposers. d. It is important to create a level playing field in P3 procurements. Having a process that first reviews the technical proposals for compliance is essential in P3 delivery as the design and cost are based on the contractor's innovations and are not descriptive. The technical solutions provided should only be accepted if the technical variations have been approved through the ATC process. It is also important to review and accept the technical proposal for being compliant and in advance of the financial proposal submittal. In the event the technical proposal is non-compliant, the bidder should not advance and their financial proposals not reviewed. e. Lastly, and as stated in our response to question #2, a well-balanced approach to technical, financial and legal risks. While the private sector is often able and willing to absorb a higher amount of risk than the public sector, risks should be allocated to the party that is best able to absorb them. Indiscriminate assignment of risks to the private sector increases uncertainty and hence, bid prices.
Walsh/Archer Western	D	n/a
AECOM	T	Additional information would be needed to provide a meaningful response
CSRS	T	n/a
HNTB & KPMG	T	Creative project scope ideas for a concession should include the use of technology/innovation in the corridor to provide information to the traveling public. Proposers should be given freedom to adopt and adapt to new vehicle and communication technologies, including incentives to improve communication, implement TSM and TDM strategies and improve journey times and reliability. To the extent possible, tailor the ongoing environmental process to avoid prescribing a single solution where multiple solutions could achieve the same result. Provide Proposers clear information on the types of ATC that will be accommodated and what will not be permitted. Proposers could be permitted to bid on variable scope P3s which could involve bundling of various projects within a fixed DOT budget. Incentives should be provided.
Michael Baker	T	n/a
Parsons	T	Parsons would be pleased to have an opportunity to share with the Department our ideas on creative approaches and innovations for the project scope, procurement options, technical solutions, and agreement solutions in a private meeting, given the proprietary and confidential nature of this information.
Parsons Brinckerhoff	T	As with other major improvement projects LADOTD has undertaken, having a dedicated program communications team in place, whether provided by the Developer or by the LADOTD, will be critical. As noted previously, performance based specifications should be considered to allow for innovation. If the state is successful in realizing a significant increase in transportation revenues, consideration should be given to allowing the scope to be broader to allow the teams to possibly consider including other major projects in the Capital Region such as the New Mississippi River Bridge crossing south of the I-10 MRB and/or portions of the Loop to be included within the P3. These projects could provide potential toll revenues more easily, as well as other potential alternatives for maintenance of traffic, which could allow for addressing more of the deficiencies within the I-10 Capital Corridor, especially in the area of the I-110/I-10 junction.

Stantec	T	We would recommend that as the project is developed that a series of Industry Forums be planned to allow an exchange of information with potential development teams. This would include more detailed information and One on One follow-up meetings to exchange confidential information and ideas on development of the project. These types of interactions have worked very well on numerous procurements across North America. However, we are open to discussing the project further and assisting LADOTD with the development of this project.
Citi	F	Marketing information provided
LOOP Capital	F	n/a
Macquarie Capital	F	As set out above, the Authority should pursue a Private Activity Bonds (PABs) allocation for the transaction. The tax exempt nature of PABs debt means that PABs price inside of where taxable bonds would price for the same credit, and so reduce the Authority's overall cost for the Project. The Authority could explore certain transaction structures that transfer some of the revenue risk and reward to the concessionaire. For instance, a transaction could be structured as a revenue risk deal with a minimum revenue guarantee by the Authority which is sufficient to cover operating costs and debt service, with additional revenues above this base shared between the Authority and the concessionaire.
Wells Fargo Securities	F	
Butler Snow	L	Offered visit to explain more

P3 Structure / Procurement Type

Question 9	What is the minimum amount of time that should be required to allow a potential respondent to prepare and submit a proposal in response to a Request for Proposals for a public private partnership for delivery of the I-10 Capital Corridor Improvements?

Firm	Role	Response
Abertis	D	Depends on availability of information and required submittals 6-8 months
ACS Infrastructure & Dragados USA	D	4-5 months from issuance of draft RFP to final RFP 2-3 months from issuance of final RFP to proposal submission Recommends that proposal schedule reasonable contemplate NEPA process NEPA delays can delay procurement and increase costs for developers
Brown & Root	D	30 days
Cintra & Ferrovial Agroman	D	3 moths – To review and comment on draft RFP 3-6 Months – To develop proposal after final RFP Timeline should allow for at least 3 one on one meetings and LADOTD review of ATCs 4-6 weeks – Financial close
Fluor	D	6-7 months from draft RFP for technical proposals. An additional 2 months for price proposals.
Kiewit	D	9-12 months Under a traditional procurement (not PDA), we anticipate that the environmental process is complete soon after the issuance of the draft RFP.
Lane	D	9-12 months with a minimum of 8 months to develop technical proposals
OHL & TRC	D	10-14 months. Depends on complexity and procurement type
Plenary Group	D	6-8 months
Sacyr	D	8-10 months
STAR America	D	3-4 months – stressed clarity, one on one meetings,
Vinci Concessions	D	Appx 9 months
Walsh/Archer Western	D	6 months
AECOM	T	High dollar contract, project complexity and LADOTD experience with P3 contract will increase time required to submit a responsive proposal 9-12 months.
CSRS	T	n/a
HNTB & KPMG	T	6 months Depending on overall project readiness, environmental approval status and the ability to obtain permits in appropriate amount of time, the length of time between draft and final RFP is suggested to be approximately 6 months.
Michael Baker	T	6 months
Parsons	T	6-10 months. One on one meetings encouraged
Parsons Brinckerhoff	T	9-12 months
Stantec	T	See response to SOQ
Citi	F	6 months or longer depending on the complexity of the information requested
LOOP Capital	F	8-9 months. Depends on complexity. Loop has seen extended to 12-13 months.

Macquarie Capital	F	6-8 months In our experience, issuance of the RFP and commencement of the process should proceed at an advanced stage of readiness. Some items that generally need to be worked through prior to issuance of an RFP include: ROW acquisition, environmental permitting, a well-defined schedule and process for ATC proposals and reviews, among others.
Wells Fargo Securities	F	6-8 months. Depends on complexity of project and level of info provided by LADOTD
Butler Snow	L	2-4 months

P3 Structure / Procurement Type

Question 10	If a public private partnership is solicited for managing, designing, building and financing the I-10 Capital Corridor Improvements, would a predevelopment agreement be advantageous and why?

Firm	Role	Response
Abertis	D	n/a
ACS Infrastructure & Dragados USA	D	PDA can allow for optimization of the project with input from the developer
Brown & Root	D	In our view a pre-development agreement can be very advantageous to establishing the overall project expectations, general priorities and expected outcomes of the parties.
Cintra & Ferrovial Agroman	D	We do not believe that a predevelopment agreement (PDA) would be particularly advantageous for the Project. Given that the I-10 Project is quite defined and the environmental process has already commenced on some of the project components, our feeling is that a PDA may be of limited value to LADOTD.
Fluor	D	We see that there could be two distinct paths to follow: 1. Predevelopment Agreement with a sole sourced concessionaire to develop the project with a view to the Concessionaire competitively sourcing the design, construction and potential maintenance of the project; or, 2. Predevelopment Agreement between LADOTD and a developer to act as a consultant to advance the project with LADOTD in preparation for a full PPP procurement with investment grade traffic and revenue studies. Either of these has their advantages dependent on the ultimate goals of LADOTD, but would obviously slow the process of project delivery with an additional step to procurement and construction.
Kiewit	D	Yes. Based on our experience, predevelopment agreements (PDAs) are advantageous when: • The environmental process is underway but not yet complete • There is a low-level of completed engineering design • There is a need to explore more economical technical and financial solutions • There is a need to solicit public input and involve agency staff in the final solution • Project feasibility needs to be validated prior to entering into a comprehensive agreement • There is a need to concurrently advance procurement and project development • Need to access to private sector resources and innovation (capital and specialized knowledge/capability)
Lane	D	Lane does not recommend using a predevelopment agreement. In this arrangement, a Developer would be selected based mainly on financial criteria. Though the LADOTD would have the opportunity to re-select a Developer if the submitted proposal and design does not meet LADOTD's needs, the procurement schedule would be significantly delayed. Advertising the project as a P3, without a predevelopment agreement, will allow for better competition as a to benefit LADOTD. Any potential benefit of a PDA could also be derived via the retention of a high quality advisory team (engineering, legal, financial) that has hands-on experience with P3 procurements acting on behalf of public agencies.
OHL & TRC	D	Predevelopment Agreements (PDAs) can be a very useful tool for clients to begin or accelerate their projects. The market has seen PDAs which vary greatly in their scope of work. On the one hand, a PDA can be a very effective tool in situations that are complex and may require some innovative thinking to create a feasible project. In other situations, the PDA is more like an interim agreement, a preliminary step before getting to the Concession Agreement. The choice and ultimate effectiveness of the PDAs is a function of a couple of things - where the client is in its vision for the project and what is the skill set of the private-sector that will enter into the PDA with the client. One of the challenges of the I-10 Capital Corridor Improvements Project is the fact that there are other significant projects in and around the capital area that will have a direct impact on the I-10 corridor and the benefits of the proposed I-10 Capital Corridor Improvements Project. Clients around the country are confronting similar situations. The advantage of the PDA is the opportunity to engage an experienced development partner early in the process to assist in the overall evaluation of the impact that each project has on the other – allowing the client to make the best decision on what is feasible for the given circumstances. Aside from the opportunity to "partner" with a private-sector firm early in the development process, the other significant benefit to the client of utilizing a PDA is the transfer of nearly all of the development cost risk to the private sector.
Plenary Group	D	In the case of the proposed Project, a predevelopment agreement would not be advantageous and may be a negative factor for many potential respondents. We typically see predevelopment agreements for technically challenging projects and those that are in very early stages of definition. As such we do not recommend a predevelopment agreement. The nature of the Project without a predevelopment agreement should result in more transparency, greater price competition, and a better overall value to LADOTD. As a preferred alternative approach, we suggest LADOTD engage experienced advisors who well understand what it takes to ensure a Project is technically feasible and bankable.

Sacyr	D	A predevelopment agreement (—PDA‖) could be advantageous to LADOTD and the project because the procurement process is less expensive but there will have to be some coverage from the client for a portion of the cost during the development of the project to the Private Partner. Also, given that the Private Partner will be the one developing the base design, all the key innovations, ATC's and cost saving solutions can be applied from day one and all these solutions will be embedded into the final design. Sacyr will be definitely interested on the I-10 project if is finally procured as a PDA.
STAR America	D	A project development agreement is most advantageous when there are significant technical complexities that need to be considered during the development phase of the project, in particular before and during the NEPA approval process and right away acquisition. It helps to guard against decisions made during the environmental process preventing or making it extremely difficult to incorporate innovative alternative approaches, alignments, etc. without significantly delaying the procurement and project due to the need for a reevaluation or complete redo of the NEPA process.
Vinci Concessions	D	A predevelopment agreement (PDA) could be beneficial as it may reduce LADOTD's overall costs and also may accelerate the delivery of the project. Depending on how a PDA is implemented, it may also have a negative impact to LADOTD in that it may reduce the benefits of a highly competitive procurement. At this time, VINCI would need more information about the project, the procurement process, PDA terms, and preclusion terms to provide a more informed opinion on this issue.
Walsh/Archer Western	D	General statements on PDA, reference to higher education projects
AECOM	T	Predevelopment agreements have spotty track record in the U.S. AECOM has found that most successful employment of PDAs occur when all parties establish a clear and measurable set of milestones so that informed tracking and decisions are reached collaboratively. PDAs are most effective when they are beneficial to the Owner as well as the Proponent. The PDA can put the P3 in place with a lower risk profile for both sides. It can provide an opportunity to test the relationship without a final upfront agreement, which is a clear benefit. Further, a PDA may offer the LADOTD and the Proponent a number of advantages that aren't available in more traditional one- or two-step procurements. Some of additional advantages are described in more detail as follows: **Early Project Feasibility Review and Pricing**: It is valuable to get realistic project input on feasibility from the entity that will be taking the risk; **Early Resolution of Project Access**: With the involvement and support of the private partner, the parties can resolve the high risk areas of relocation of utilities and right-of-way access issues that can delay a project, and increase the pricing when unresolved; **Overall Savings from Procurement Process Changes**: This change in process to more of a fast-track approach can reduce third party costs in the development phase and save as much as a year in the time it takes to contract for P3 implementation; **Early Value Planning**: A PDA can provide for a systematic, multidisciplined effort directed toward analyzing the functions, design requirements, alignments and level of service of the project, in order to achieve the highest worth at the lowest cost; **Development Phase Financing**: The P3 partner may be willing to share the cost of development activities and support the Project during the pre-development phase and eliminate much of the consulting and engineering cost typically expended during the phase; **Identifying Alternative Revenue Opportunities**: The P3 partner can conduct financial and legal analysis of the feasibility of pursuing alternative revenue opportunities, such as transferable development rights, transportation improvement districts, use of naming rights, advertising and concession parking facilities; and **Open Book Negotiation of Next Phase Agreements**: The ability to negotiate the follow-on phases of the project of design-build and O&M with "off-ramps" can lower cost and legal impacts for both sides. It also allows time savings and permits either party to change direction, if they can't agree on structuring, pricing or for any other reason.
CSRS	T	n/a
HNTB & KPMG	T	Depending on the goals, objectives and current status of the project, PDAs can be advantageous to LADOTD under the right circumstances. PDAs may have benefits and considerations for LADOTD as a possible P3 solution to solve a suite of early pre-construction project development risks. However, the loss of future competitive tension in the transaction may result in higher construction costs and other risk premiums that may be added from the private sector to project risks that are typically and adequately borne by LADOTD historically.
Michael Baker	T	n/a
Parsons	T	Description of PDA followed by: While successfully used on certain P3s in the United States over the past decade, this approach has also failed. There is no certainty that a contract acceptable to both parties can be negotiated. In addition, the PDA approach has traditionally limited the number of firms/consortium who are willing to compete. In the case of the I-10 Capital Corridor Improvements, the Department is progressing project feasibility studies and environment assessments for each project component. At the same time, while the Department would like to deliver the improvements as soon as possible, there is no set schedule which must be met. The benefits of a PDA do not appear to be applicable to the I-10 Capital Corridor Improvements.
Parsons Brinckerhoff	T	We were part of the Elizabeth River Tunnel P3, in Virginia, which was developed under predevelopment agreements. Advantages can include better defining the project prior to pricing while developing a partnership between the parties. The challenge is defining a process to reach a development agreement that meets the transparency needed to finalize the agreement.
Stantec	T	1. Yes, a predevelopment agreement would be beneficial to LADOTD. 2. Provides LADOTD access to innovation and optimization of the project by leveraging the strengths of the private sector and allows for a reasonable level of risk sharing between the infrastructure developer and LADOTD.

Citi	F	Predevelopment agreements have advantages and disadvantages. If a PDA is employed, it would be highly recommended for the State and DOTD to advance other early stage work during this phase, including feasibility and environmental studies, permitting any legislative approvals required to reduce costs and deliver the project as quickly as possible.
LOOP Capital	F	Recently, the JLC consortium executed a pre-development agreement with the City and County of Denver for the Great Hall P3 redevelopment project, and is currently working through the pre-development phase. We have found a pre-development agreement structure to be advantageous to the procurement agency in the following ways: 1. **Collaborative Process**. The developer and the public agency form a true partnership and work together to create the optimal development plan for the project. The public agency can work closely with the developer as the private sector parties explore innovative design layouts for the project. In turn, this enables knowledge transfer from the developer to the public agency to occur at an early phase of the procurement process. 2. **Key Project Elements**. The pre-development phase allows the developer and public agency to work together to advance key project elements, including: � Carrying out feasibility studies. � Conducting environmental reviews. � Assessing construction methodologies. � Progressing with the permitting process. � Developing the financial plan. 3. **Procurement Flexibility**. The procurement agency still holds the option to terminate the partnership with the preferred proponent in the pre-development phase. The agency therefore retains the competitive procurement tension, as the project could still be awarded to another party should the partnership be terminated. This also provides the preferred proponent with an incentive to work constructively and closely with the procurement agency to develop an optimal development plan. 4. **Early Project Evaluation**. During the pre-development phase, both the procurement agency and the preferred proponent can gain a better understanding of the project's opportunities and risks prior to executing the definitive development agreement. The public agency can evaluate the project costs associated with the preferred proponent's proposed project delivery options, and continue to conduct Public Sector Comparator assessments and determine whether the project will achieve Value for Money. 5. **Political & Oversight Stakeholders**. The procurement agency will be able to touch base and consult with the pertinent political and oversight stakeholders regarding the project's development plans during the pre-development phase. Such dialogue at an early phase also enables the public agency to gauge the stakeholders' receptivity to the project in advance of any required approvals.
Macquarie Capital	F	Macquarie has extensive experience bidding on, and advising state and federal governments on, priority infrastructure projects, and we believe developing the Project through a pre-development agreement ("PDA") is an effective tool. A PDA creates a multi-staged process allowing for the evaluation of multiple business models and an efficient progression from this analysis to financial close with specific milestones, providing the Authority a more complete and committed solution at each stage. This process is common for PPP projects and are particularly useful to cut pursuit schedules and costs, to create a true partnership with efficient knowledge transfer and creates transparency throughout the process.
Wells Fargo Securities	F	n/a see risks (question 9)
Butler Snow	L	A predevelopment agreement can significantly reduce pursuit costs on both the private and public side. Setting the parameters of negotiation and the environment in which a development plan is crafted can also facilitate trust between the parties to share information and develop a final project plan.

P3 Structure / Procurement Type	
Question 11	**If a predevelopment agreement is required, what elements would be necessary and are there any particular concerns that may prevent the respondent from engaging in a predevelopment agreement?**

Firm	Role	Response
Abertis	D	n/a
ACS Infrastructure & Dragados USA	D	Planning studies should be completed before developing PDA PDA should define clear milestones for progression of the project PDA should include development schedule that contemplates NEPA timeline
Brown & Root	D	We favor a PDA for the following reasons: 1. We would expect the overall pursuit schedule could be reduced by up to half (six mos. vs. 1 yr.) 2. The use of a PDA permits more efficient use of private sector resources 3. Typically, a PDA significantly reduces pursuit costs for both parties. 4. The use of a PDA helps establish at true partnership – working together on optimum development plan. 5. The use of a PDA allows for earlier and greater knowledge transfer. 6. An effective PDA can promote sharing the workload. 7. A PDA fosters more effective use of financial resources. 8. A PDA provides a practical view of environmental, rate and other risks. 9. PDA's promote transparency, provide an open book approach at early project stage. 10. A well-structured PDA can accelerate financial close. 11. The PDA retains competitive tension post-selection: the owner retains the option to terminate the partnership at the close of PDA. 12. The PDA tends to reduce risk pricing.
Cintra & Ferrovial Agroman	D	Assuming LADOTD elected to commence with a RFQ/RFP for a PDA developer, we believe the following requirements should be considered to ensure maximum market participation: • Full reimbursement of internal and external PDA incurred expenses. A developer would most likely will be unwilling to enter into a PDA "at risk" for incurred expenses. • One of the major benefits of entering into a PDA from perspective of the private sector, is the right of first negotiation for a P3. This means that if LADOTD elects to proceed with any form of P3 for the Project, that it is required to negotiate (without open procurement) with the PDA developer. There can be public sector safeguards built into this provision, such that pricing can be conducted on an open book basis. If the LADOTD elects to not proceed with the project, cannot agree on P3 terms, or to deliver the project under a non-P3 model, there may be some additional payment owed to the PDA developer. • It is unclear under existing Louisiana P3 legislation, whether the state can enter into a PDA with a first right to negotiate a P3 for the PDA partner. We would recommend that LADOTD receive advice from council.
Fluor	D	The agreement would have to be structured in a way to provide protection for the development partner while providing transparency in terms of price competiveness for LADOTD. Additionally, the development agreement would have to address development cost sharing and compensation mechanics.
Kiewit	D	Key contract provisions unique to PDAs include: • Clearly defined scope of work for the private sector to partner with LADOTD for advancing and defining a feasible project that can be ultimately delivered • An appropriate allocation of responsibilities between LADOTD and the private sector • Appropriate payment structure, terms and conditions • Terms and conditions for right of first negotiation for project delivery upon completion of the predevelopment scope of work • Process for determining price negotiations for the delivery of the Project

Lane	D	Lane does not recommend using a predevelopment agreement. In this arrangement, a Developer would be selected based mainly on financial criteria. Though the LADOTD would have the opportunity to re-select a Developer if the submitted proposal and design does not meet LADOTD's needs, the procurement schedule would be significantly delayed. Advertising the project as a P3, without a predevelopment agreement, will allow for better competition as a to benefit LADOTD. Any potential benefit of a PDA could also be derived via the retention of a high quality advisory team (engineering, legal, financial) that has hands-on experience with P3 procurements acting on behalf of public agencies.
OHL & TRC	D	Both OHL and TRC have experience with PDAs and would not foresee anything that would prevent either of us from entering into a PDA for this transaction. As nearly all the development costs can be shifted from the public-sector to the private-sector under such arrangements, the commercial structure is fairly straightforward. The one area for DOTD to consider would be the reimbursement for the work product should DOTD decide - for whatever reason - to cancel or indefinitely delay the project. Conversely, there would be no reimbursement for work product in the event that the development effort determined that the project was not feasible. Development costs under this scenario would be completely at-risk for the private-sector.
Plenary Group	D	A predevelopment agreement is neither required, nor recommended from our experience.
Sacyr	D	As it has been stated, stimulating the right level of competition between qualified private-sector bidders is a critical component of achieving value for money for the public sector. A competitive ―sweet spot‖ may be achieved when supply and demand risks can be satisfactorily mitigated and the project's approach to risk sharing is focused on allocating the risks to those parties best positioned to manage them. The private-sector can add most value where it is adept at managing certain risks, e.g. at managing design and construction risks and securing the best of whole-life asset management across the operations period. In other words, the availability of private-sector debt and/or equity at competitive, efficient, prices is, in large part, driven by a satisfactory allocation of risk between the public and private partners. Entering into a predevelopment agreement presents a number of advantages for both Sponsors and the participants. Within a predevelopment contract, private partners are considered as a strategic partner from the very first step, creating a greater degree of certainty over the final project also allow the bidders to price the works with a greater level of confidence, reducing the potential for excessive cost contingencies. Thus, a pre-agreed set of standards is key for early private partner involvement and a clear definition of the procurement. This system also facilitates stakeholder relations and potential alliances, strengthening the project definition, and the promotion of technical and financial analyses. As for the drawbacks, it should be considered that an extreme approach may derive in a potential loss of proposals from the private sector, resulting in a reduced level of competitiveness and a limited level of bidder engagement during the process. In this regard, we recommend the Sponsors carefully considering any pre-agreed set of standards and its subsequent impact, offering clear instructions during the permitting process. The main concern will be the portion of the cost covered by the Client regarding the costs for the development of the project. It is understood that if the PDA approach advance, the Client should support between a 60% and 70% of the cost at risk during the design phase. The rest of costs at risk can be covered by the Private Partner.
STAR America	D	There are certain conditions and protections our firm would likely want to see as part of the project development agreement for us to consider executing it. While we would accept the ability of the public sector to ultimately choose not to pursue a project, even after entering into the PDA, if the project is cancelled during the development phase we would require a pre-negotiated level of compensation to cover certain costs incurred to advance the project. Once the project is developed and determined to be technically and financial feasible, negotiations would then commence between LADOTD and the PDA partner for the delivery of the project. Negotiations can be terminated if the parties are unable to agree to terms, but again, compensation would be required for the development phase of the project. Our firm would not enter into a PDA that allowed for subsequent negotiation of the project delivery phase with multiple parties at the same time.
Vinci Concessions	D	In the event that LADOTD determines that a PDA approach would be beneficial for the delivery of the I-10 Capital Corridor Improvements, the agency should consider certain contractual requirements that would encourage the private sector to participate, including contract exclusivity, intellectual property protection, and payments for the work performed;
Walsh/Archer Western	D	General statements on basic PDA terms
AECOM	T	The necessary elements of a PDA include a defined scope of services, an equitable cost sharing between the parties, well defined off-ramps and appropriate incentive payments if there is a decision to continue or not to continue. Some P3 teams are geared toward a competitive full-service proposal process and may not be as interested in this type of early consulting and advisory work. Some Proponents may or may not feel there is a benefit to them in the use of a PDA, so there may be more or less interest in a PDA than a traditional procurement. Regardless of the view by each Proponent, it is clear that a well-defined process, unencumbered with a complex PDA, and real focus on progress in resolution of issues will most likely be accepted by the private sector.
CSRS	T	n/a
HNTB & KPMG	T	While the PDA method can offer some benefits for projects earlier in their development phase, LADOTD must weigh the control and competitive tension challenges as compared to a well-constructed, firm-price competition. Clear cost responsibility and budget for predevelopment costs is needed under the PDA model. There is typically an expectation that the services provided by the developer should include some "skin-in-the-game" and that the developer is reimbursed in whole or part for a deliverable that would have been needed regardless to advance the project (with or without the PDA). Under a PDA, the procuring agency will lose the potential value from the project that arises from competition and negotiation leverage so procuring agencies using the PDA model have used the concept of "price reasonableness" to establish that the negotiated agreement represents a fair arrangement. It is important for all parties to understand the cost and reimbursement responsibilities for the deliverables at various exit points in the PDA process.
Michael Baker	T	n/a

Parsons	T	Use of a PDA will limit the number of bidders which will have an interest in the project. Many bidders are reluctant or not able to invest money for predevelopment activities without assurance that they will be able to negotiate a contract on an expedited basis. PDAs should spell out in details each party's obligations – work scope, key deliverables, and cost sharing. At appropriate intervals, each party will have the option to terminate the agreement. The contract will need to address termination rights and compensation.
Parsons Brinckerhoff	T	The challenge with a predevelopment agreement is defining a clear process to reach a fixed price P3 contract when there is no competition after the predevelopment procurement. Predevelopment agreements need appropriate off ramps for the developer and the Department in case a final agreement cannot be reached. The process should also include a cost confidence process or bid review process to ensure transparency in the final pricing. The process should be agreed upon as part of the initial predevelopment agreement. Also, it is important to clearly delineate responsibilities for design and environmental analyses to avoid a conflict of interest with any environmental processes.
Stantec	T	1. Potential for uncontrolled risk transfer to the private sector. Areas of potential uncontrolled risk include: a. Risk associated with any political action that could terminate the project, procurement or alter funding availability for repayment of debt. b. Risks associated with public opposition. c. Risk associated with right of way acquisition (Having a R/W schedule with an understanding of when the R/W will be available could mitigate this risk) d. Risk associated with permitting and associated approvals (LADOTD obtaining conceptual approvals and preferable actual permits that can them be modified by the P3 teams is preferred). e. It is preferred that detailed project requirements and/or specifications be based on performance based solutions rather than proscriptive requirements. The ability for LADOTD to have some level of control on the desired final product is to allow for Alternative Technical Concepts as part of the procurement. This allows innovation through the development of concepts that are better to or equal to the base concepts developed by LADOTD and incorporate construction means and methods into the designs. Maintaining confidentiality of those concepts by minimizing when LADOTD feels that they must share information that may be deemed as deviating from the Request for Proposal and project specifications is critical. This has been addressed in some states by maintain items that would be considered a variation of standards confidential, while making items that would require an exception (violation of AASHTO Criteria) on the part of FHWA made public or giving the team that proposed that solution the ability to withdraw the request. f. The procurement would need to consider a true shortlist for a program of this size. The costs associated with the magnitude of this program is significant for development, design, and construction. It is recommended that a minimum of three and a maximum of five teams be selected through a shortlisting process. These teams should all be afforded a reasonable stipend amount to partially offset the cost of the procurement. The stipend would only be paid to shortlisted bidders which are deemed responsible and are unsuccessful in the final procurement or if the solicitation is cancelled by LADOTD prior to the proposal due date. These stipends are typically in the range of 0.5 to 0.6% of the capital value of the project. LADOTD will gain value through this process since the innovative concepts developed as part of the procurement typically remains with the owner when stipends are paid. The issuance of stipends also demonstrates and owner's financial commitment to the procurement.
Citi	F	A key component of the success of a PDA would be legislative approval to deliver the project, and a well-structured agreement to ensure strong interest and competition from the private sector, along with a clear understanding of the criteria for selection, the process following award, and the ability for DOTD to both retain competitive tension post-selection and terminate at their discretion.
LOOP Capital	F	A potential predevelopment agreement for LADOTD should include the following key elements: 1. **Scope and Schedule**. The specific project work scope, as required for the developer to reach commercial close. The agreement should also include a predevelopment submittal schedule that reflect key decision points in the development of the project. 2. **Development Agreement**. Details around the deadline to reach a final agreement on the terms and conditions of the development agreement, as well as any deadline extension options. 3. **Termination Provisions**. A detailed explanation of the grounds for termination of the predevelopment agreement, as well as the termination payment made by the public agency that the developer may be entitled to. Potential respondents may have concerns around having to work through additional approval steps during the predevelopment phase should there be any for the I-10 Capital Corridor Improvements project. There may also be concerns about the flexibility LADOTD holds to materially change the project's scope during the predevelopment phase. JLC's experiences, however, have shown that the preferred proponent and the public agency truly form a partnership, and make every effort to ensure that both parties reach a mutually agreeable project scope and achieve project commercial close.
Macquarie Capital	F	In our experience, a PDA provides the exclusive right to work collaboratively with the Authority to develop the Project. This process relies on a milestone approach, where Macquarie must deliver a defined work scope within a certain timeframe to provide the Authority sufficient information to determine if the PPP is both affordable and provides the best value option. An important lesson learned to provide better value to the Authority would be for the PDA partner to be independent from the construction and operations firms to allow for a competitive process and therefore creating more value for the Authority.
Wells Fargo Securities	F	n/a see risks (question 9)
Butler Snow	L	There are significant predevelopment costs before a project is begun. A predevelopment agreement boundaries for those costs. A timeline should also be developed both for the length of the predevelopment agreement and the actual P3 project. Milestones should be built into the agreement, accompanied by incentives and penalties associated with those milestones. The agreement should also clearly define the project scope and allocate risks between the owner and developer.

P3 Structure / Procurement Type	
Question 12	**Please identify the risks associated with successful solicitation and negotiation of a predevelopment and comprehensive agreement for a public private partnership for management, design, build, finance, delivery of the I-10 Capital Corridor Improvements.**

Firm	**Role**	**Response**
Abertis	D	n/a
ACS Infrastructure & Dragados USA	D	realistic funding/payment approach, certainty of execution, and a reasonable procurement approach
Brown & Root	D	The primary risk contemplated would be whether LA has the political willingness to move forward with respect to the P3 model contemplated, as appears to have been the case with "BUMP". Secondarily, that during the creation of the Pre-Development Agreement, factors are identified which render the project financially infeasible.
Cintra & Ferrovial Agroman	D	The key risks for a firm that bids a predevelopment agreement is 1) the likelihood that the predevelopment agreement will lead to a PPP procurement decision, 2) once the PPP decision by LADOTD has been made, will the PPP agreement be negotiated on a first right basis with the PDA firm, or will there be an open procurement? and lastly, 3) if there is an exclusive negotiation with the PDA firm, will this result in a signed PPP agreement between the concessionaire and the LADOTD?
Fluor	D	A project of this size and complexity will naturally have a restricted number of qualified companies able to deliver the project successfully. By introducing a finance structure, this audience narrows further, and thus the risk of maintaining a competitive market place for LADOTD to ensure it receives a best value procurement for the project.
Kiewit	D	We believe that using comprehensive agreements that are balanced and clear are the foundation of a successful procurement. The following areas of risk allocation are of critical importance to Kiewit: • Schedule • Right-of-way (ROW) acquisition • Third Party / Utility coordination • Environmental permitting • Geotechnical conditions • Hazardous materials • Payment provisions and interest rate protection on submission of a bid
Lane	D	Major risks associated with project delivery include risks relating to design, construction, financing, and O&M. These risks are interlinked, and the failure to appropriately allocate or mitigate risk in one area will have adverse impacts in other areas. For example, environmental risks can impact the Developer's ability to achieve financial close. Therefore, we have taken a generic approach to identifying the various following risks in P3 procurements. **Political** - Lack of political support for the project or a backlash from the public against the project, both leading to project cancellation. Mitigant: Ensure political support and public buy-in prior to procurement launch. Identify local champions for the project, engage in public outreach efforts, and develop fact based counter measures against project opponents. **Risk Allocation Protocol** - Risk allocation protocol that places undue risk on private sector that could lead to inability to reach an agreement between the public and private sector on transaction terms. Mitigant: Evaluate pros and cons of each risk allocation item, develop fair and balanced risk allocation based on past precedents in the U.S. P3 market, and allocate risk to party best equipped to manage and mitigate it. **Approvals** - Failure to obtain regulatory approvals, environmental clearances, and ROW acquisition. Mitigant: Ensure regulatory approvals, environmental clearances, and ROW acquisition are in place prior to procurement launch. **Public Funding** - Inadequate public funding could lead to a mismatch between required private financing and the amount that can be reasonably supported by toll revenue. Mitigant: Ensure necessary public funding level is determined via a market based assessment of project capital costs and future cash flow potential, and obtain funding commitments prior to procurement launch. **Future Traffic and Revenue** - An excessively aggressive view on future traffic and revenue forecasts leading to post-completion cash flow distress that can result in a debt default.

		Mitigant: Develop a transaction structure that discourages excessively aggressive forecasts. This can be achieved by ensuring that public funding amounts are sufficient to support the transaction under stressed cash flow scenarios. **Credit Rating** - Creditworthiness of funding source for availability payments (AP based DBFOM only). Mitigant: Ensure that funding sources are clearly identified, evaluated, and committed. Reliance on uncertain funding sources (real estate development, assessment based financing, etc.) should be minimized. **Interest Rate** - Extraordinary rise in interest rates that make the project unaffordable or deterioration in capital market conditions. Mitigant: This risk is difficult to mitigate. If possible, procurement schedule can be accelerated to take advantage of current favorable market conditions.
OHL & TRC	D	As for challenges, we would highlight the typical issues that we see in projects of this nature: Completion of the environmental review; Commercial negotiations across a range of agreements, in particular, finding an allocation of risk that is suitable for the parties to the transaction and the lenders providing funding; Stakeholder support for the Project; Completion of the credit rating agency review in advance of the lenders funding the project; and Timing of third party funding, as a function of the negotiations with the lending institutions. There are opportunities for sponsors to mitigate these risks or challenges. For instance, open communication with stakeholders early in the process can develop solid support for a particular project. Stakeholder outreach can also mitigate the risk of challenges to environmental approvals. More often than not, such challenges on the environmental front can lead to delays and increased costs for the project and its sponsors. As for the credit rating review and the negotiations with lenders, it is important that the allocation of risk reflects the most suitable party being allocated that particular risk.
Plenary Group	D	We would expect the Project Agreement to include customary contractual risk-transfer mechanisms and responsibility allocation that is in line with recent P3 transactions. Two key areas of concern developers tend to focus on when reviewing contract documents, for example, are relief events and compensation on termination – as a rule of thumb, any risks that are external to the developer's performance under the contract documents, such as an uninsurable force majeure risk, should be the public sector's responsibility. As such, the developer would be expected to be granted performance, time, and compensation relief for such an event, while having an obligation to mitigate the impacts. Any undue, off-market risk placed on the developer would likely have a considerable impact on LADOTD's value-for-money. This is because developers are unable to control or manage these risks. If bearing them in a contract, developers can only assign contingency funding to cover cost impacts of a risk event being realized. As discussed throughout this RFI, we believe the predevelopment services should be procured separately, remain separate, and treated as an advisory role to LADOTD.
Sacyr	D	Provided standard risk allocation graphic for P3 agreements
STAR America	D	A significant risk that bidders such as ourselves must get comfortable with is the investment we will make to pursue the project which can be quite substantial to submit a fixed price and date certain proposal. It requires significant resources towards design and constructability, and the engagement of financial, risk and legal advisors to evaluate and understand the risk transfers and the potential project cost impacts during construction and also during ongoing operations and maintenance. Here are some procurement strategies we recommend to mitigate pursuit risk and ensure you attract the most qualified field of respondents: • Commitment to carry through on transaction – honorariums and strong covenant from public authority: Certainty to close is important for bidders to induce them to spend considerable time and money developing a full technical proposal. The team has found one of most common ways to signal this to the market is to provide honorariums for reserve bidders who are not selected to cover a portion of their bid costs. This is typically communicated in the RFP, only to the bidders who have been shortlisted. In addition, the team has seen clients offer additional signals to show their desire to successfully procure the project like obtaining significant right-of-ways, developing key technical objectives for the proposals, gaining key political approvals to proceed and by highlighting other strong covenants. • Experienced advisers acting for the public authority: It is crucial that the public authority engages with experienced legal, commercial and financial advisers with experience of similar DBFOM projects. These advisers can help the public authority utilize industry best practices as well as providing knowledge of current market terms. • Strong individuals from the public authority that understand the project: Our team has found that working with individuals from a public authority that are the most familiar with project can help ensure successful procurement through better responsiveness to proposers' questions and can ensure that the best outcome is reached for all stakeholders. • Well defined risk mitigation and transfer: DBFOM was designed as a means to transfer risk to the party best able to manage the risk. A well designed DBFOM contract will represent a better way to share all types of risk. Responsibilities are negotiated at contracting stage, assessed on a case by case basis and assigned appropriately to the parties involved, according to who is best able to manage the particular risk. Risk is often shared in a contracted arrangement. For instance, the private partner may pay a fixed portion of increases in insurance, and the client pays any costs beyond this threshold. It is typical that, for each aspect of the project, a risk register or matrix is produced and updated regularly to keep management focus on project issues.

Vinci Concessions	D	In the event private financing is utilized for the I-10 Capital Corridor Improvements, there are several risks that LADOTD should account for or mitigate prior to the commencement of a P3 procurement. The implementation of these risk mitigations is inversely proportional to their associated risks, so early coordination and implementation is important to encourage the private sector to participate, as it demonstrates the public sector's full commitment to a successful P3 transaction for the Project. All of the items noted in our response to the preceding question #19, if not provided prior to the commencement of a P3 procurement, have a chance of turning into liabilities to the transaction, as their absence would increase uncertainty and risk to proposers' bids or extend the procurement schedule. In addition to those items, LADOTD should also consider the following: a. Political Risk: Make sure the project is supported by a political champion that will keep the project moving forward. Our challenge is the 4-year turn in the U.S. elections and some projects take this long to develop and bid, making them subject to the political will of the next election cycle. b. Stakeholder Risk: The project can only be successful if the stakeholders along the entire I-10 Project corridor are engaged in the development to ensure that their voices are heard and implemented into the project requirements. Holding numerous stakeholder meetings to answer questions and remove obstacles for a successful project deliveries is essential. c. Governance Structure: It is extremely important that the Owner puts in place an effective governance structure with authority to make technical decisions on the spot. A policy committee could be also formed parallel to such governance structure for those decisions that are policy related. A well-developed governance structure will enhance communication between the private developer and the public sector and decrease the effective response time in the event decisions, reviews or changes are requested by either party. d. Development of a proactive early works program in a PDA so that work on design, utility relocations, permits, and other early items that could aid in schedule could aid in schedule mitigation.
Walsh/Archer Western	D	Getting the best deal if using a PDA, time constraints of RFQ/RFP competitive P3
AECOM	T	The AECOM Team has found that a strong foundation, built upon precedent successful P3 projects, leads to the most streamlined closings. Key to this entire approach is to provide, along with the RFP, a fair, equitable, precedent-based and market-tested Project Agreement. In addition, detailed Due Diligence materials, that follow a general pattern, are provided to Proponents so that the information is comprehensive. Each solicitation also includes a detailed scope of work, as well as a consistent layout to the Technical Performance Based Specifications, which importantly are outcome based. This entire approach encourages innovation, ingenuity and the inclusion of best practices from a global platform. Risks are compounded during the solicitation and negotiations are delayed due to the following: lack of Due Diligence, unachievable commercial terms that do not meet the project needs, technical specifications that are not performance based, a undefined or under-prepared procurement process, unreasonable procurement schedules, right-of-way that is not fully acquired, stalled or uncompleted Environmental Approvals, or a poorly articulated scope of work.
CSRS	T	n/a
HNTB & KPMG	T	In general, there may be many risks associated with cost reasonableness and a PDA partner given a relative uncertainty on environmental or other critical project risks. Furthermore, these risks could be associated with LADOTD compensation provisions related to key commercial clauses such as termination, funding allocation risks, hazardous materials, receiving proper permits (e.g. 404 permits, etc.) in a timely manner and the right to access ROW.
Michael Baker	T	n/a
Parsons	T	Development and negotiation of the predevelopment or comprehensive agreement is one of the key challenges of a P3 project delivery. While the agreement needs to address the particular requirements of the project, there are a number of good industry benchmarks for the Department to use as a starting point. In the U.S. market, it is common practice for the owner to issue upon announcement of the shortlisted firms a draft comprehensive agreement to the bidders. Each proposer is given the opportunity to review the document and can (1) submit general and confidential questions/clarifications to which the owner responds in writing; and (2) provide a set of comments on the draft agreement on a set schedule. Those comments then provide the basis of discussion between the owner and their advisors with each bidder in separate commercially confidential meetings. Comments will address all elements of the project, as reflected in the agreement – technical, financial, legal, etc. Those comments and discussions then become the basis on which the owner considers changes or refinements to the draft comprehensive agreement. This process can be used for one or more iterations of the document. Customarily, a final comprehensive agreement, which is the basis on which all proposers bid, is released two or three months before the bid submission date. Following the award of the bid, the only changes to the comprehensive agreement prior to commercial and financial close should be inclusion of references to the successful bidder and their corporate form. Under the PDA approach, the Department and its private partner will need to negotiate two agreements – a PDA and then a comprehensive agreement. The PDA will address the roles and responsibility of each party, the cost sharing arrangement, a schedule for works to be performed, the rights of each party to terminate the agreement, payments upon termination, and ownership of any work performed. Under the PDA, the Department and its private partner will agree to project scope/definition, a preliminary risk matrix, and the basic financing provisions on which financial feasibility of the project is based. This becomes the basis to negotiate the comprehensive agreement, along with pricing for all project elements. With no competitive procurement at this stage, negotiations will need to set the price based on industry benchmarks and the Department's own estimates. If no comprehensive agreement and price can be negotiated, the termination provisions of the PDA would take effect. Often the PDA will set a schedule for comprehensive agreement negotiation in order to avoid a languished procurement.

Parsons Brinckerhoff	T	There are a number of risks associated with successful solicitations and negotiations for P3. It is critically important, especially in the soliciting of a Predevelopment Agreement, that the evaluation process is clear and transparent for both phases of the solicitation. Generally a Developer for a Predevelopment Agreement is selected based on qualifications, and price is not a factor. Price is considered leading up to the execution of the Comprehensive Agreement and the process by which the Owner verifies the Developer's price needs to be transparent and fair. The evaluation process needs to be identified at the very beginning of the procurement process. It is also critical to limit the short list of proposers to no more than three. The work effort on the Owner's side is intense and if more than three Proposers are shortlisted, the Owner may have to extend the procurement schedule to accommodate the large number of meetings and review that is required. In addition, it is more likely that one or more of the Proposers will drop out of the process if the shortlisted field is too large. Another contributing factor to a successful procurement is efficient decision making by the Owner so that the schedule can be maintained. Political support for the project needs to continue throughout the process. This can be enhanced by carrying out extensive public education describing why a P3 was selected for delivering the project, how the process works, and why it brings value to the public.
Stantec	T	n/a
Citi	F	The key advantages of the successful procurement of a public private partnership are innovation, expedited delivery, value for money, and long-term risk transfer. In order to maximize these benefits, strong competitive tension and appetite for the Project must be generated from the private sector. This will be achieved if the industry perceives that the Project has completed its feasibility and environmental approvals, funding is approved and there is no further need for legislative approval, the project scope is clearly understood (or where less-developed, that is due to a need for private sector contribution during the procurement phase). There would also be an industry expectation that the procurement process and the project agreements are standard and well-developed. Transparency around the development of the documents during the procurement phase, the point-scoring or method of selection, and the need to meet a public sector comparator or value for money test will also be important. In the absence of this, the risk associated with a successful solicitation of a public private partnership would be a lack of private sector interest or competition, and the inability to source maximum innovation and value for money for the Project.
LOOP Capital	F	**Contested Procurement Results.** Losing bidders may contest the preferred bidder's award of the I-10 Capital Corridor Improvements project. In doing so, the losing bidders may request information from LADOTD such as the winning bidder's proposal and details around the scoring and evaluation process for the submitted proposals. Structuring a transparent procurement process is therefore critical and will help LADOTD mitigate this risk. **Competitive Procurement Process.** A competitive procurement process helps ensure the effective transfer of risk and that optimal solutions are developed by the private sector. However, LADOTD will need to implement an evaluation and scoring process that will allow for the shortlist of a manageable number of RFQ respondents. JLC has observed P3 procurements whereby the procurement agencies shortlisted a material number of respondents, and consequently faced the challenge of evaluating a substantial number of detailed financial and technical proposals. **Contractual Documents Negotiations.** Inexperience with P3 contract negotiations and a lack of standardized contractual documentation may lead to lengthy time frames to develop pre-development and development agreements, as well as undertake negotiations at the preferred bidder phase. Lengthy procurement time frames often lead to higher bid costs for both the public and private sector partners. Engaging legal, financial and technical advisors with extensive P3 experience can help LADOTD mitigate this risk. **Risk Allocation.** The appropriate allocation of project risks between the private and public sector is vital to ensuring the successful execution of a predevelopment and development agreement. Allocating risks to the private partner that are better managed by the public partner may lead to higher costs than necessary to manage such risks or, ultimately to failure of the project. Conversely, allocating risks to the public sector that are better managed by the private sector may not maximize the potential Value for Money. **Contract Re-negotiations.** Given the long-term nature of these projects and the complexity associated, it can be difficult to identify all possible contingencies during project development, and events and issues may arise that were not anticipated in the agreement or by the parties at the time of the agreement. There may therefore be circumstances whereby the parties will need to renegotiate the development agreement to accommodate these contingencies. **Performance Requirements.** The private party's incentives and performance requirements need to be clearly set out in the development agreement to ensure that the public sector takes full advantage of the private sector's expertise. Focus should be placed on performance requirements that are output based and relatively easy to monitor.

Macquarie Capital	F	In our experience, strong political support is critical – the key risk with a PDA and a comprehensive agreement, are the time and resources expended if ultimate funding and approval for the project are not provided. In order to ensure a streamlined bidding process, we would recommend that the Authority undertakes detailed initial due diligence (e.g. ridership studies, preliminary designs, environmental reports, geotechnical investigations, right of way / title research and utility reports) and makes these available to short-listed bidders to avoid duplication. Private sector financiers are not able to take permitting / approvals risk, and so all permitting and environmental approvals processes should be undertaken by the Authority prior to transaction launch. In order to ensure that an outsize contingency is not priced in, the Authority should develop a supervening events regime that allocates risks to the private sector that it is able to manage or insure against efficiently. The Authority should also develop standardized documentation and utilize established precedents where possible, in order to ensure efficient and financeable risk allocation and contractual elements.
Wells Fargo Securities	F	Although P3 delivery confers a number of benefits, the traditional P3 procurement process can often be both expensive and time consuming, and in many instances, proves to be simply too arduous for smaller projects. In these cases, certain issuers have instead chosen to utilize predevelopment agreements (“PDA”), under which public and private partners co-invest in pre-development activities. This arrangement is particularly beneficial during the early stages of a P3 project, when scope, cost, and financial feasibility may not be fully developed. Moreover, predevelopment agreements allow for an early project start and therefore reduce time and costs. In short, a predevelopment agreement allows for a more streamlined process, with the public and private sector intended to work closely to develop the project together. Despite these benefits, there are nonetheless certain risks associated with PDAs, and they are not appropriate for all projects. For instance, PDAs often signal to the market that the project is either technically challenging or in a very early stage of development. For this reason, this approach may not be appropriate for the I-10 Capital Corridor Project. Moreover, while a PDA can encourage collaboration, it can also limit competition and transparency. Not surprisingly, lack of competition can eliminate the price and value benefits traditionally associated with a P3 procurement. In addition, we would also note that predevelopment agreements are also typically negotiated without committed financing, creating more risk as to the financial certainty of the project. As it relates to the I-10 Capital Corridor, we are of the belief that LADOTD, along with knowledgeable advisors, can likely develop the project (or projects) to a point that would allow a competitive bid process to be conducted without the need for a PDA. Input from the private sector can be still be sought in project development, both through information received as part of this RFI as well as during the SOQ stage (and through one-on-ones prior to the formal commencement of a solicitation). That said, a PDA approach could be appropriate if LADOTD wishes to streamline the process or is uncertain as to what goals it wishes to achieve through a P3 procurement.
Butler Snow	L	P3 can fix a poorly planned project. P3 can’t transfer all risk. Some risk should be retained by owner The quality of the private partner is a big factor in success of a P3 project The public must be made aware of the project and reasons for P3 delivery

Qualifications	
Question 13	**Regarding management of the I-10 Capital Corridor Improvements, what are the minimum qualifications that should be required for a potential respondent?**

Firm	Role	Response

Abertis	D	• Proven experience of managing similar projects under P3 model in terms of the following:
		  ○ Investment amounts
		  ○ Lanes / length under management
		  ○ ADTs
		  ○ Traffic Management

ACS Infrastructure & Dragados USA	D	• Demonstrated experience of managing large scale transportation P3s in North America
		• More specific criteria:
		  ○ P3 Projects in North America over $500M in construction (independent of milestone payments vs finance raised) – complexity of due diligence with rating agencies and lenders is largely a factor of technical complexity and total DB cost, as opposed to debt size
		  ○ History of completing complex, large scale projects on schedule
		  ○ Proven ability to manage transition during the project term (procurement to commercial/financial close, construction to substantial completion, construction to operations)
		  ○ Ability to obtain investment grade ratings on P3 projects
		  ○ Ability to secure and close financing
		  ○ Experience with predevelopment agreements

Brown & Root	D	• Overall team characteristics should include:
		  ○ Experienced in Louisiana projects of comparable magnitude, complexity and cost.
		  ○ Substantive experience in working on similar projects of comparable magnitude.
		  ○ Vested interest in the long-term utility of the improvements provided.
		  ○ Demonstrated commitment to the state and parishes over a substantial period.
		  ○ Demonstrated financial resources to effectively and diligently pursue the work to completion.
		  ○ Sources of financing and investment with a preference to using Louisiana firms to provide such financing and investment.

Cintra & Ferrovial Agroman	D	• Experience in similar or larger/more complex public private partnership projects in North America. This experience should be demonstrated through the submission of relevant nominated projects and resumes of key individuals.
		• Areas of particular focus should be:
		  ○ Public Private Partnership Infrastructure Project Development & Management
		  ○ Communications, Community Relations and Stakeholder Relations
		  ○ Operations and Maintenance
		  ○ Financial Strength

Fluor	D	• A minimum of 3 projects of similar size and complexity successfully delivered using a similar contractual/finance structure • Financial capacity and credit rating to be able to deliver a project of this size and complexity • Key Personnel and Management with a minimum of 15 years experience of delivering projects of similar size and complexity

Kiewit	D	• With respect to PDA experience include:
		  o Technical expertise and innovation
		  o Commitment of qualified personnel and resources
		  o PDA and applicable P3 and highway project experience
		  o Financial strength of proposer
		• With respect to management experience include:
		  o Recent experience of firms and personnel working together completing similar projects
		  o Experience managing public communications and stakeholder outreach
		  o Experience with diverse, small and local business development programs
		  o Experience of key management personnel

Lane	D	• The extent and depth of experience of the respondent's project management team and key personnel with comparable projects, project delivery methods, and roles. • The demonstrated capability and experience identified in the respondent's management structure and key personnel regarding environmental mitigation, design, utilities, construction, systems integration, and operations and maintenance. • The demonstrated capability and experience identified in the respondent's management structure and key personnel in establishing and implementing interrelated processes and project controls that manage project risks and encourage innovation. • The extent that the respondent's team has worked together on other projects.
OHL & TRC	D	• Proven experience in successfully developing P3 projects. This proven experience should be demonstrated at both the company levels as well as the key individual levels; • Proven experience in successfully developing P3 projects in urban settings.; • Proven experience in successfully financing P3 projects. This experience would come through a range of sources, including the equity investor(s), the financial advisor, and perhaps even a bond underwriter (in event that bonding financing remains as attractive as the current market); • Proven experience in successfully operating and maintaining P3 projects, including operations in similar climates; and • If tolling were incorporated into the scope of the project, then proven experience in successfully developing and operating a toll facility and back-office operations.

Plenary Group	D	• Noted that overall team should be evaluated (management, design, construction and financing).
		• More important to pick a strong developer that will be able to establish and lead a robust, well-rounded team that will be able to deliver the Project on time
		• Technical bridge designer with a proven large span and modification/upgrade will be key to ensuring that the Project is successful.
		• Other criteria
		  o Previous P3 experience. We believe that for the developer, particularly under an availability payment model, the underlying asset type is less important than the demonstrated ability to assemble the appropriate team and arrange the financing to meet the Project requirements
		  o The developers approach to long-term management. Is the developer committed to long-term asset management vs. completing the transaction and then selling the asset?
		  o Ability to arrange financing under a number of different constraints and models
		  o Ability to work with federal programs such as TIFIA, PABs, etc.
		  o Commitment and experience of the resources (e.g., the lead Project manager, lead finance manager, lead O&M manager) to be provided who will lead the transaction
		  o Nature of disputes on other projects
		  o Reference lists for projects and for the resource experience

Sacyr	D	• Combined response to question 15-16 in this response as well
		• Overall
		  o Remarkable track record of delivering road projects
		    ▪ Projects delivered over 15 years ago do not qualify as financing or construction valid experiences
		• Design and construction
		  o At least one team member within the shortlisted firms should be able to demonstrate its ability building road projects which are not smaller than USD200 million.
		  o Only consider transportation experiences
		  o Aware of the importance of having a regional contractor playing a significant role in the team
		  o Experienced firm with signature road projects that have proven to enhance mobility, safety and quality to the users

STAR America	D	• Separate minimum management requirements for DB joint venture partners and the concessionaire / developer
		• Developer should be required to:
		  ○ Demonstrate success reaching financial close on projects of comparable size in the US in the last 10 years.
		  ○ For the protection of project lenders that the lead contractor in particular has adequate balance sheet strength and financial capacity to deliver a project of $600-800 million dollars.

Vinci Concessions	D	• Organizational chart of the consortium companies with interfaces identified • Experience of lead equity member in managing projects of similar size and scope • Org chart with key personnel at executive level with resumes demonstrating experience in managing projects of similar scope and size within the last 10 years • Ability of proposer to actively manage and self-perform the work during all phases
Walsh/Archer Western	D	• Past experience on design build and P3 projects equitable in dollar value, scope, and complexity • Ability to identify named Key Personnel with experience on LADOTD projects • Ability to provide a well-organized Project Management Plan (PMP)
AECOM	T	• Project Development Experience – Applicant Lead and Key Individuals; • Project Development Approach; • Team Members and Processes; • Team Organization and Responsibilities; • Maintenance and Rehabilitation Management Approach; and • Maintenance and Rehabilitation Management Experience – Prime Team Members and Key Individuals.
CSRS	T	• No responses provided to any of the questions provided in the RFI – only submitted project experience and cover letter.

HNTB & KPMG	T	• Dependent on the scope of work (e.g. design elements, construction requirements, tolling operations, incident management, life-cycle management and routine operations and maintenance
		• Extent and depth of qualifications of the respondents should be provided in the following areas:
		  ○ delivery of projects with similar scope and complexity;
		  ○ ability to manage and mitigate risks;
		  ○ understanding of life-cycle design and asset management;
		  ○ capabilities in resolving issues / conflicts.
		• In addition, qualified key personnel along with a comprehensive management structure should be demonstrated.

Michael Baker	T	• No response

Parsons	T	• Consortium comprised of a design-builder, O&M firm and debt financiers is needed (led by Developer)
		• Minimum qualifications for developer / concessionaire include:
		  ○ Experience as a developer/concessionaire on North American transportation P3 with a preference for similar dollar value road and highway projects.
		  ○ Demonstrated record of arranging committed financing for other North American P3 projects and achieving financial close.
		  ○ Sufficient resources, as demonstrated by audited financial statements, credit reports, etc. of their ability to make the equity commitments needed for the project.
		  ○ Track record of equity investment in other P3 projects with a long-term view to partnership
		• Key development team members should have minimum qualifications:
		  ○ Project executive/bid director – individual(s) with the management skills and experience to lead the project team initially through the procurement process and then through project delivery as demonstrated by a similar role on other P3 pursuits.
		  ○ Finance lead – development team member with the ability to arrange and negotiate committed financing for the project. An understanding of and experience with alternative forms of financing and demonstrated ability of achieving financial close on other P3 projects should be required.

Parsons Brinckerhoff	T	• Minimum Qualifications should include participation in a DBF/DBFOM of similar size and complexity in the United States or Canada • Key staff with minimum 10 years project management experience • Construction experience with a project of similar size and complexity, design experience on a project of similar size and complexity • O&M experience on a project of similar size and complexity. • Sufficient financial information should be presented to determine that the Developer is capable of financing the P3, has a strong balance sheet, and can obtain the required surety packages required under the contract.

Stantec	T	• Additional information would need to be provided to establish the requirements needed of the Concession Development Team.
		• Initial considerations:
		    ○ Information as to their history in the development, financing, commissioning as well as operation and maintenance as applicable.
		    ○ Information on the number of projects (At least three to five) that have been successfully been completed and are in operations during the last ten years would be a minimum.
		    ○ Management experience would need to be demonstrated at all levels of development from initial planning through completion of all development agreements.
		    ○ For longer term concessions, a proven record of accomplishment of successful hand backs (transfers to owners) is important.

Citi	F	• No response

LOOP Capital	F	• A potential respondent should be required to demonstrate experience and a successful track record in the following areas:
		    ○ Roadway operations and maintenance experience on similar roadways.
		    ○ Design-build-finance-operate-maintain contracting.
		    ○ Managing operations and maintenance interfaces with operators of adjacent roadways/facilities.
		    ○ Coordination and liaison with stakeholders including customers, employees, governing bodies, public officials, citizens impacted by the construction and operations programs, residents, and other parties.
		    ○ Expertise in public involvement/communication during the project's operations period.

Macquarie Capital	F	• The management of the Project should be undertaken by clearly designated key personnel. • Project director who should have extensive experience with PPP's is nominated to be the key contact with the Authority on behalf of the consortium. • Additional key personnel, such as a project manager, construction manager, lead engineer, quality manager and public relations manager are expected to be filled with experienced personnel by the consortium with any project specific elements being considered (experience with utilities, geotechnical issues, etc.)
Wells Fargo Securities	F	• Experience of the consortium in successfully developing and managing similar projects, including successfully reaching financial close and/or successful development through the Operational Phase • Capital and financial strength of the consortium members • Demonstration of financial and technical capability • Evidence of the bidder's (including those in a bidding consortium) existence and good standing under the relevant law • Technical capability and experience of relevant SPV members in construction, operating, maintaining, and managing similar projects • Evidence of the power of the representatives of each member of the bidding consortium to act on its behalf • In the case of a foreign company operating in the country, evidence of its registration or license to operate issued by the competent entity, when the activity requires it • Financing support letters from at least 2 to 3 banks and/or underwriters • RFQ and RFP criteria should be as objective as possible
Butler Snow	L	• A demonstrated record showing similar projects; • narrative of technical expertise and experience with similar projects; • information about key personnel demonstrating competency with design of these projects; • Operations management experience; • Detailed financials

Qualifications

Question 14	What is the minimum amount of time that should be required to allow a potential respondent to prepare and submit a Statement of Qualifications for a public private partnership for delivery of the I-10 Capital Corridor Improvements?

Firm	Role	Response
Abertis	D	Depends on the information that is requested 2-3 months minimum
ACS Infrastructure & Dragados USA	D	1.5 – 2 months A clear and open dialogue will facilitate a shorter procurement schedule
Brown & Root	D	30 days
Cintra & Ferrovial Agroman	D	2 months
Fluor	D	4-5 months depending on PPP structure. DBFOM would require the full 5 months.
Kiewit	D	3-6 months. Under a traditional procurement (not PDA), we anticipate that the environmental process is nearly complete prior to the identification of short-listed teams.
Lane	D	6 weeks
OHL & TRC	D	2-4 months
Plenary Group	D	2 months
Sacyr	D	6-8 weeks
STAR America	D	6 weeks
Vinci Concessions	D	6-8 weeks The minimum amount of time required for the preparation of a Statement of Qualifications (SOQ) varies from project to project, but the typical timeframe averages between six (6) to eight (8) weeks. A minimum of four weeks allows proposers enough time to undertake the necessary preparations and due diligence, qualifications data gathering, and production. On the Owner's side, LADOTD should consider anywhere between two (2) to four (4) weeks for the evaluation of qualifications and shortlisting process, depending on the capacity and resources of LADOTD and its advisors. In general, the Request for Qualifications (RFQ) process, from RFQ release to shortlisting should take no longer than three (3) months so as to keep the momentum going and give a positive signal to the industry that the project is not stalled.
Walsh/Archer Western	D	8 weeks
AECOM	T	It is highly encouraged that the LADOTD provide a market update, website and potential Industry Forum that outlines the procurement schedule and process. If this information is provided 2-4 months.
CSRS	T	n/a
HNTB & KPMG	T	3 months. Depends on procurement type and project complexity
Michael Baker	T	3 months
Parsons	T	6-10 weeks. Department can incentivize early teaming through industry outreach
Parsons Brinckerhoff	T	1-2 months

Stantec	T	A typical solicitation schedule should include the following: 1. Request for Qualifications (RFQ) released. 2. Qualifications due: 60 days after release. 3. Short list establishment: 60 days after qualifications due date. 4. First Draft RFP issued: 30 days after short list established. 5. Final RFP Issued: 180 days minimum after Draft RFP issued (May be longer based on technical requirements of the project. Also may be influenced by status of NEPA Approvals, toll and revenue projects, financing requirements, etc.) 6. Technical Proposals due: 60 days after Final RFP issued. 7. Price Proposal due: 45 days after Technical Proposal.
Citi	F	2 months or longer depending on the information requested
LOOP Capital	F	2 month
Macquarie Capital	F	4-6 weeks
Wells Fargo Securities	F	2-4 months. Stressed industry forum and communication
Butler Snow	L	45 days

Qualifications	
Question 15	**Regarding design of the I-10 Capital Corridor Improvements, what are the minimum qualifications that should be required for a potential respondent?**

Firm	Role	Response
Abertis	D	• Proven experience (directly or via subcontractors) managing design of projects of similar technical complexity and size of the subject project.
ACS Infrastructure & Dragados USA	D	• Proposer should demonstrate experience in the design of large DB/P3 projects (over $250 million) with similar scope and complexity

Brown & Root	D	• Same response to Question 13
		  ○ Experienced in Louisiana projects of comparable magnitude, complexity and cost.
		  ○ Substantive experience in working on similar projects of comparable magnitude.
		  ○ Vested interest in the long-term utility of the improvements provided.
		  ○ Demonstrated commitment to the state and parishes over a substantial period.
		  ○ Demonstrated financial resources to effectively and diligently pursue the work to completion.
		  ○ Sources of financing and investment with a preference to using Louisiana firms to provide such financing and investment.

Cintra & Ferrovial Agroman	D	• Experience in similar or larger/more complex design-build contracts under a P3 structure in North America. This experience should be demonstrated through the submission of relevant nominated projects and resumes of key individuals.
Fluor	D	• A minimum of 3 projects of similar size and complexity successfully delivered using a similar contractual/finance structure • Key Personnel and Discipline Lead Managers with a minimum of 15 years experience of delivering projects of similar size and complexity

Kiewit	D	• With respect to design experience include:
		  ○ Recent experience completing design for similar projects
		  ○ Experience on projects of a similar size
		  ○ Experience on projects whereby proposer held a significant level of ultimate responsibility
		  ○ Experience of key design management personnel

Lane	D	• The extent to which the respondent demonstrates an understanding of, and a sound approach to, the design of the project, including unique issues, specific risks, and anticipated challenges associated with the design of the project as a P3.
		• The extent to which the respondent will incorporate and deliver innovation in the project throughout its lifecycle, including:
		  ○ An explanation of how the innovation leads to added value and shared benefits for the project.
		  ○ The respondent's knowledge of and experience with state-of-the-art technology, techniques, and a demonstrated interest and ability to encourage, allow for, and implement innovative solutions to problems that might arise under a P3 project.
		• Similar, relevant experience designing a P3 project.

OHL & TRC	D	• Substantial qualifications in the following services:
		  ○ Highway and bridge design;
		  ○ Load rating;
		  ○ Maintenance of traffic;
		  ○ Traffic analysis;
		  ○ Interchange Justification Reports (IJR's);
		  ○ Interchange Modification Reports (IMR's);
		  ○ Drainage design;
		  ○ Environmental (including permitting and modifications to environmental documents);
		  ○ Survey and ROW;
		  ○ Geotechnical services;
		  ○ Utility relocation and coordination;
		  ○ Construction management and construction inspection;

		○ Design-Build and other alternative delivery projects. ○ Implementing and completing QC/QA programs for large design projects
Plenary Group	D	• Technical bridge designer with a proven large span and modification/upgrade will be key to ensuring that the Project is successful. • Other criteria ○ Previous P3 experience. ○ Commitment and experience of the resources (e.g., the lead Project manager, lead O&M manager) to be provided who will lead the transaction ○ Reference lists for projects and for the resource experience
Sacyr	D	• Response for #13 was combined with 15-16 • Overall ○ Remarkable track record of delivering road projects ▪ Projects delivered over 15 years ago do not qualify as financing or construction valid experiences • Design and construction ○ At least one team member within the shortlisted firms should be able to demonstrate its ability building road projects which are not smaller than USD200 million. ○ Only consider transportation experiences ○ Aware of the importance of having a regional contractor playing a significant role in the team ○ Experienced firm with signature road projects that have proven to enhance mobility, safety and quality to the users
STAR America	D	• No response (Noted that it was not appropriate based on their role)
Vinci Concessions	D	• Minimum design requirements/qualifications: ○ Overview of the lead design firm indicating its capabilities and resources, size of the firm, core business, relevant experience; ○ No less than three (3) reference projects stating previous experience in the design of projects of similar scope and capital value, and level of participation and how these projects meet the criteria of the I-10 Capital Corridor Improvements; and ○ Key design personnel with resumes and experience in managing the design of projects of similar scope and value.
Walsh/Archer Western	D	• Design firm should have had past experience on similar DB projects with some of the key personnel having had experience with LADOTD projects. • Recommendation to implement ATC process
AECOM	T	• Design Approach – Technical approach on similar Interstate and P3 projects; • Design Experience – Technical experience on similar Interstate and P3 projects; • Design Experience – Urban and aesthetic design experience (including landscape design); • Approach to Stakeholder Engagement and Communications; • Approach to Design/Construction/Maintenance Interface; • Approach to Resourcing the Project; and • Understanding the Requirements of LADOTD and Federal codes and standards.
CSRS	T	• No responses provided to any of the questions provided in the RFI – only submitted project experience and cover letter.
HNTB & KPMG	T	• Qualifications related to design should reflect the ultimate scope for design and construction • Respondent qualifications for design may address the following: ○ experience in designing large, complex projects in an environment that combines design and construction (e.g. P3 or design-build); experience with highway design focused on life-cycle optimization; ○ ability to coordinate with multiple stakeholders; ○ experience in delivering design solutions through the use of Alternative Technical Concepts; ○ ability to integrate and consider environmental constraints into the design; and ○ ability to design complex elements in coordination with managing active traffic flows directly adjacent to the construction work. • Key proposed personnel related to the design team should also have relevant experience in management and delivery of P3 and design-build projects.

Michael Baker	T	• Design qualifications should consider:
		  ○ Personnel qualifications:
		    ▪ Design manager who is co-located with length and depth of experience in managing design of projects of similar scope and complexity to the Project; and have design or design management experience of projects with challenges similar to those of the Project
		    ▪ Design experience shall come from the corporate entity (Lead Engineering Firm) providing the engineering and not the parent or sister company of the Lead Engineering Firm
		  ○ Firm qualifications:
		    ▪ Minimum of three projects that the Lead Engineering Firm worked on within the last ten years, including final design of at least one transportation project in the United States with a construction value of $250 million or more that reached completion or substantial completion within the last ten years
		    ▪ Experience must be on projects where the Lead Engineering Firm held a minimum thirty percent (30%) of the responsibility for the listed design and engineering experience. If the Lead Engineering Firm is a joint venture, the experience must be from one or more joint venture member(s) that will perform at least thirty percent (30%) of the Lead Engineering Firm's potential engineering work for the Project.
		    ▪ Experience with design-build contracting and/or design-build-finance-operate-maintain contracting or any variation thereof that included a design-build component.
		    ▪ Experience in design of large, complex projects that included a public involvement plan, multi-discipline design, complex maintenance of traffic, ROW services and complex utility interfaces.
		    ▪ Experience delivering additional scope in a limited funds environment through the use of the ATC process and other innovative means.

Parsons	T	• Consortium will be led by Developer.
		• Design-builder shall evidence the design qualifications through the members of their lead designer's team or design JV (designer)
		  ○ Designer should be required to have a minimum level of qualifications designing similar large alternative delivery transportation projects in North America
		  ○ Attributes of the minimum requirements for designing similar projects may be as follows:
		    ▪ Vehicular traffic transportation projects of DB bid value similar to this I-10 project.
		    ▪ North American projects completed within the last 12 years (completed means sealed design plan deliverables are completed).
		    ▪ Projects where the designer was not the lead designer or engineer-of-record (EOR) is not acceptable. Additionally, projects where the designer was a design subconsultant to the lead designer or minor partner of a design JV are not acceptable.
		    ▪ Designer should have experience designing at least three similar projects in the capacity of lead designer/EOR; independent reviewer role is not acceptable.
		    ▪ Respondent should only provide similar project experience for projects where the design is complete.
		    ▪ Design team members should be required to have minimum qualifications:
		  ○ Design manager – minimum 15 years' experience, PE, and a Louisiana PE at time of award. Evidence minimum of two projects as project manager or design manager on DB or conventional design project of $200M construction value or higher. Project design shall be completed within the last 10 years.
		  ○ Roadway lead – minimum 15 years' experience, PE, and a Louisiana PE at time of award. Evidence minimum of two projects as roadway lead responsible for the design of construction value of $100M or greater. Project design shall be completed within the last 10 years.

Parsons Brinckerhoff	T	• See also response to Q13 • Minimum design qualifications should generally be consistent with LADOTD's most recent D/B projects for improvements in the Capital Region • Additional experience requirements would be necessary if widening on the I-10 Mississippi River Bridge is included. • Specific qualifications for design would include key staff with 10-15 years experience in structural engineering for bridges of a similar type and demonstrated firm qualifications in the design of widening major truss bridges.
Stantec	T	• Identification of six projects of similar nature to the proposed improvements for the Lead Designer • Include at least two projects (USA or international) in which the Lead Engineering Firm's design and engineering work involved transportation infrastructure with a construction value more than $150 million each that achieved final design in the last five years. The Lead Engineering Firm must have held a minimum thirty percent (30%) of the ultimate responsibility for the listed design and engineering experience. If the Lead Engineering Firm is a joint venture, the experience must be from joint venture's that will perform at least thirty percent (30%) of the Lead Engineering Firm's potential engineering work for the Project. • Include project descriptions demonstrating experience and provide references.
Citi	F	• No response

LOOP Capital	F	• A potential respondent should be required to demonstrate experience and a successful track record in the following areas: ○ Design of at least 1 -2 transportation projects in the U.S. with a construction value comparable to that of the I-10 Capital Corridor Improvements that reached completion or substantial completion within the last ten years. ○ Design-build contracting and/or design-build-finance-operate-maintain contracting or any variation that included a design-build component. ○ Design of projects that included integrated design and right-of-way services. ○ Design coordination for large, complex transportation projects with multiple stakeholders and complex environmental coordination. ○ Experience in delivering the scope of work for transportation projects through the use of the Alternative Technical Concept ("ATC") process and other innovative means.
Macquarie Capital	F	• Design criteria should be those firms that have successful experience in similar size, scope and complexity of the Project.
Wells Fargo Securities	F	• No response
Butler Snow	L	• Demonstrated record showing similar projects; • narrative of technical expertise and experience with similar projects; • information about key personnel demonstrating competency with design of these projects. • Demonstration of professional credentials (civil engineering certifications of key personnel, etc.).

Qualifications

Question 16	Regarding construction of the I-10 Capital Corridor Improvements, what are the minimum qualifications that should be required for a potential respondent?

Firm	Role	Response
Abertis	D	• Proven experience (directly or via subcontractors) managing construction of projects of similar technical complexity and size of the subject project.
ACS Infrastructure & Dragados USA	D	• Proposer should demonstrate experience in the construction of large DB/P3 projects (over $250 million) with similar scope and complexity
Brown & Root	D	• Same response to Question 13 ○ Experienced in Louisiana projects of comparable magnitude, complexity and cost. ○ Substantive experience in working on similar projects of comparable magnitude. ○ Vested interest in the long-term utility of the improvements provided. ○ Demonstrated commitment to the state and parishes over a substantial period. ○ Demonstrated financial resources to effectively and diligently pursue the work to completion. ○ Sources of financing and investment with a preference to using Louisiana firms to provide such financing and investment.
Cintra & Ferrovial Agroman	D	• Experience in similar or larger/more complex design-build contracts under a P3 structure in North America. This experience should be demonstrated through the submission of relevant nominated projects and resumes of key individuals.
Fluor	D	• A minimum of 3 projects of similar size and complexity successfully delivered using a similar contractual/finance structure • Financial capacity and credit rating to be able to deliver the construction element of the project of this size and complexity • Key Personnel including Project Manager, Construction Manager, Safety Manager and other key discipline leads with a minimum of 15 years experience of delivering projects of similar size and complexity.
Kiewit	D	• With respect to construction experience include: ○ Recent experience completing similar projects ○ Experience on projects of a similar size ○ Experience on projects that were open to traffic during the construction period ○ Experience on projects whereby proposer held a significant level of ultimate responsibility ○ Local construction experience ○ Experience of key construction management personnel
Lane	D	• The extent to which the respondent demonstrates an understanding of, and a sound approach to, the construction of the project, including: ○ Unique issues, specific risks, and anticipated challenges associated with the construction of the project as a P3. ○ The ability to provide sufficient materials and equipment for the project, including, at a minimum, compliance with Buy America. ○ A construction management approach that addresses challenges to ensure effective project implementation. • The extent to which the respondent demonstrates an understanding of, and a sound approach to, operations, maintenance, and total life cycle costing of the project, including: ○ Unique issues, specific risks and anticipated challenges associated with operations, maintenance, and total life cycle costing of the project as a P3. ○ The interrelationship among the design and construction work with the operations and maintenance work for the project. • The extent to which the respondent demonstrates a focus and commitment to effective quality management for the project, including: ○ A description of the quality assurance and quality control (QA/QC) approach for the entire term of the project. ○ A system of measuring, assessing, and maintaining accountability for the respondent's performance of work. • Similar, relevant experience constructing and delivering a P3 project.

OHL & TRC	D	• National/International expertise coupled with local knowledge • Proven experience on complex projects similar to the I-10 Capital Improvements Project • Experience of having worked in the local environment • Financial and bonding capacity • Managerial resources with comparable experience • Knowledge of local and regional conditions • Proven track-record of meeting construction schedules and budgets • Proven track-record of managing traffic on similar projects • Innovative and constructible options – Alternative concepts • Proven record incorporating DBE/SWaMs into projects in meaningful ways • Proven track-record on phasing the projects as needed
Plenary Group	D	• Previous P3 experience. • Commitment and experience of the resources (e.g., the lead Project manager, lead construction manager) to be provided who will lead the transaction • Reference lists for projects and for the resource experience • See also response to Question #13

Sacyr	D	• Response for #13 was combined with 15-16
		• Overall
		    o Remarkable track record of delivering road projects
		        ▪ Projects delivered over 15 years ago do not qualify as financing or construction valid experiences
		• Design and construction
		    o At least one team member within the shortlisted firms should be able to demonstrate its ability building road projects which are not smaller than USD200 million.
		    o Only consider transportation experiences
		    o Aware of the importance of having a regional contractor playing a significant role in the team
		    o Experienced firm with signature road projects that have proven to enhance mobility, safety and quality to the users

STAR America	D	• No response (Noted that it was not appropriate based on their role)

Vinci Concessions	D	• Minimum construction requirements/qualifications:
		    o Overview of the lead contractor indicating its capabilities and resources, size of the firm, and relevant construction experience;
		    o No less than three (3) reference projects stating previous experience in the design of projects of similar scope and capital value, and level of participation. This section should also ask how these reference projects meet the criteria of the I-10 Capital Corridor Improvements, whether they were on budget and schedule, solutions to enable the design team to achieve its goals, and solutions that enhance operations and maintenance (contractor experience should not be limited to local experience); and
		    o Key contractor personnel with resumes and experience in managing the construction of projects of similar scope and value
		    o Approach to developing QC/QA program for design, construction and O&M period
		    o Plan to engage local workforce as DBE companies

Walsh/Archer Western	D	• Past experience on design build projects equitable in dollar value, scope, and complexity. • Ability to identify named key personnel and a substantial financial disincentive should apply if those personnel are not provided. • Past experience on LADOTD projects a plus. • If a Construction Joint venture is proposing, they should be able to show past project experience.
AECOM	T	• Construction Approach; • Approach to Stakeholder Engagement and Communications During Construction; • Construction Experience – Construction Prime Team Members and Key Individuals; • Local Construction Knowledge and Employment; • Understanding the Delivery of Construction Projects; • Approach to Resourcing the Project; • Understanding the Requirements of Local Codes, Standards and Authorities; and • Health and Safety Approach and Experience.

CSRS	T	• No responses provided to any of the questions provided in the RFI – only submitted project experience and cover letter.

HNTB & KPMG	T	• Qualifications related to construction should reflect the ultimate scope for design and construction
		• Qualifications for construction may include:
		  o experience with Design-Build or P3 contracting;
		  o experience managing large, complex projects with multiple stakeholders;
		  o ability to manage the project schedule in such a way to ensure timely completion while addressing changing conditions;
		  o experience with implementation of complex maintenance of traffic schemes within construction work zones; and
		  o the ability to consider the design approach along with the long-term operations and management of the constructed elements.
		• Key personnel for construction should also be established that demonstrate the ability to manage efficiently and appropriately coordinate with the DOT, QC/QA firms, the design team and other stakeholders.

Michael Baker	T	• Qualifications related to Construction Quality Assurance include:
		  o Construction Quality Assurance Manager/Lead Quality Manager will be independent of the Lead Contractor's production team and has the authority to stop work. Shall be co-located and on-site until final acceptance.
		  o Construction Quality Assurance Manager/Lead Quality Manger should have the length and depth of experience developing, implementing, and maintaining quality management systems; and have relevant education, training and certification.
		• Lead Contract firm qualifications:
		  o Minimum of three projects that the Lead Contractor worked on in the last ten years, including at least two transportation projects, each with a value greater than $400 million, completed or substantially completed in the last ten years
		  o At least one transportation project with a value greater than $250 million that has received a "Notice to Proceed with major construction" in the last seven years.
		  o Relevant project experience must be on projects where the relevant member of the Lead Contractor held a minimum thirty percent (30%) of the ultimate responsibility for the listed construction experience and, if the Lead Contractor is a joint venture, the experience must be from one or more joint venture member(s) that will be responsible for at least thirty percent (30%) of the Lead Contractor's potential construction work for the Project.
		  o Completed or substantially completed work performed by design-build contracting and/or design-build-finance-operate-maintain contracting or any variation thereof that included a design-build component.
		  o Experience in managing construction on time to demanding schedule for large, complex projects.
		  o The extent and depth of Contractor's experience delivering additional scope in a limited funds environment through the use of the ATC process and other innovative means.

Parsons	T	• Design-builder shall evidence the construction qualifications
		• Contractor should be required to have a minimum level of qualifications with constructing similar large alternative delivery transportation projects in North America.
		• Attributes of the minimum requirements for constructing similar projects may be as follows:
		  o Vehicular traffic transportation projects of DB bid value similar to this I-10 project.
		  o North American projects that have reached substantial completion within the last 12 years.
		  o Projects where the contractor was only responsible for either construction management or CM/CEI is not acceptable.
		  o Contractors should have experience constructing at least two similar projects where their role was lead contractor or sponsor of a construction JV.
		  o Contractors should only provide similar project experience for projects that have reached substantial completion.
		  o Qualifications should be evidenced by providing owner reference and contact information for the Department to be able to confirm the experience of the contractor and the quality of the services provided for the project being referenced.
		  o Contractor team members should be required to have minimum qualifications:
		    ▪ Design-build project manager (PM) – minimum 15 years' experience, and evidence minimum of two projects as PM or CM on a DB (at a minimum) and/or P3 project of $200M construction value or higher. Construction shall be completed within the last 10 years.
		    ▪ Construction manager (CM) – minimum 15 years' experience. Evidence minimum of two projects as CM responsible for the construction value of $100M or greater. Construction shall be completed within the last 10 years.

Parsons Brinckerhoff	T	• See responses to #13 and #15 as well • Minimum construction qualifications should be fairly consistent with the LADOTD's other recent D/B projects in the Capital Region • If widening of the I-10 Mississippi River Bridge is included, then specific construction experience in the widening of major truss bridges should be specified

Stantec	T	• Identification of six projects of similar nature to the proposed improvements for the Lead Contractor. • Include at least two projects (USA or international) in which the Lead Contractor's work involved transportation infrastructure in a congested urban setting involving complex maintenance of traffic requirements having a construction value more than $300 million each that have been completed in the past five years. The Lead Contractor must have held a minimum thirty percent (30%) of the ultimate responsibility for the construction experience. If the Lead Contractor is a joint venture, the experience must be from joint venture's that will perform at least thirty percent (30%) of the Lead contractor's potential construction work for the Project. • Include project descriptions demonstrating experience and provide references
Citi	F	• No response
LOOP Capital	F	• A potential respondent should be required to demonstrate experience and a successful track record in the following areas: ○ Construction of at least 1 -2 transportation projects in the U.S. with a value comparable to that of the I-10 Capital Corridor Improvements that reached completion or substantial completion within the last ten years. ○ Completion or substantial completion of work performed by design-build contracting and/or design-build-operate-maintain contracting. ○ Managing construction on time to a schedule for large, complex projects with multiple stakeholders and complex environmental coordination. ○ The extent and depth of the proposer's experience delivering additional scope through the use of the ATC process and other innovative means. ○ Experience in constructing managed and/or general toll projects, including toll collection system design and toll systems integration.
Macquarie Capital	F	• Firms that have successful experience in similar size, scope and complexity of the Project.
Wells Fargo Securities	F	• No response
Butler Snow	L	• Demonstrated record showing similar projects; • Narrative of technical expertise and experience with similar projects; • Information about key personnel demonstrating competency with construction of these projects. • A work history showing groups previously working with this construction firm; • a safety record; • an environmental record; • demonstration of all appropriate licenses in the State.

Qualifications	
Question 17 (19)	**Regarding financing of the I-10 Capital Corridor Improvements, what are the minimum qualification that should be required for a potential respondent?**

Firm	Role	Response
Abertis	D	• Proven experience of achieving financial closing of similar amounts as estimated for the I-10 Capital corridor Improvements
ACS Infrastructure & Dragados USA	D	• LADOTD could evaluate the proposer teams based on a more holistic evaluation of their overall financial capacity that includes consideration of the members' financials and access to investment capital, but also their demonstrated ability to undertake and successfully perform the design, construction, financing and operations and maintenance obligations in projects with similar scope and complexity to the Project. • Demonstrate sufficient capacity to undertake the $600-$800 million of construction work and requisite equity and O&M needs. • For the design-build contractor joint venture members, this may be evidenced by each members' backlog, surety support letters, and robustness of financial statements (including those of financially responsible parties, if any). • For equity members, a statement that outlines available funds and investment capacity is typically requested, and provides proposers the opportunity to outline each equity members' investment criteria, approval process, and available funds for development.
Brown & Root	D	• Demonstrated financial resources to effectively and diligently pursue the work to completion • Sources of financing an investment with a preference to using LA firms to provide such funding, financing and investment
Cintra & Ferrovial Agroman	D	• A concessionaire/developer should have North American experience in the following areas. This experience should be demonstrated through the submission of relevant nominated projects and resumes of key individuals. ○ References of financing nominated projects which reached financial close within the last five years. ○ Demonstrated experience structuring the project financing of complex public private partnerships. Experience should show the member(s) experience and capability to structure and raise equity, TIFIA, bank loans and private activity bonds. In addition, the member(s) should demonstrate expertise working with debt underwriters and rating agencies.
Fluor	D	• We would recommend that respondents have demonstrated experience closing significant (say > $500M in total project size) US transportation public private partnership projects in the past 10-15 years. • We will note that we've seen certain authorities or their advisors attempt to set minimum thresholds for percentage of total equity to be considered as part of a qualification process and would caution against setting such limits. As an equity investor, contractor and operator, Fluor has a significant, integrated exposure to its projects. Occasionally, accounting considerations can limit our ability to take large equity percentages relative to our pure equity partners. However, regardless of our equity investment percentage, we approach the development and financial arranging processes on an equal basis with our partners. Hence, we recommend the minimum qualification to be defined as being an equity investor at financial close of the initial transaction (i.e. not secondary market equity investors).
Kiewit	D	• Some relevant criteria for LADOTD to consider with respect to financing experience include: ○ Recent experience raising long term financing, debt and/or equity, for similarly sized projects ○ Experience on projects whereby proposer held a significant level of ultimate responsibility ○ Experience of key finance personnel
Lane	D	• The extent to which the respondent demonstrates: ○ Ability and experience in a significant role to develop and finance P3 projects. ○ Capability to arrange limited or non-recourse financing covering a substantial portion of the project costs, including an understanding and ability to assess and mitigate risk. ○ Experience with projects financed in part by TIFIA, PABs, and other credit and financing tools used for similar projects in the U.S. ○ Relevant experience of key financial individuals that will be responsible for the project financing. • The extent to which the respondent demonstrates available equity investment, depth of demonstrated ability to invest equity, and the equity financing strategy for each Equity Member. • The extent to which the respondent demonstrates a reasonable approach to financing the project, management of risks associated with financing of the project, as well as an understanding of the challenges, options, and strategies associated with the project.
OHL & TRC	D	• Proven experience in successfully financing P3 projects. This proven experience should be demonstrated at both the company levels as well as the key individual levels; • Proven experience in successfully financing P3 projects with a range of debt solutions. The experience should include long and short-term bonds, bank debt, private placements, TIFIA, New Start funding, etc.; • Inclusion of a financial advisor to the bidder with experience in successfully financing P3 projects – again across a range of debt solutions;

Plenary Group	D	• Milestone Construction Payments. This structure requires the least amount of private sector financing. Essentially LADOTD pays for construction on a monthly basis. Each payment is the lesser of the monthly billing set by a pre-determined schedule of construction costs and the actual work performed (as certified by an independent third party). The balance of the financing is arranged by the developer.
		  ○ It is possible that there will be no external financing required (no lenders) under this model. This would eliminate fees and due diligence costs associated with the debt financing.
		  ○ It is effective in transferring construction period risk, as LADOTD only pays once work is completed, and pays no more than the scheduled payments.
		  ○ This structure is limited in regards to OM&R risk transfer. With no private debt capital at risk it is difficult to effectively transfer the long-term risk of operating costs to the developer.
		• Construction Completion Payment. This structure will require short-term developer financing to pay for construction costs. LADOTD will agree to pay a fixed amount upon the completion of the asset.
		  ○ Like the milestone payments, this is an effective structure to transfer construction period risk. In our opinion, the risk transfer is equal in either a milestone or construction completion payment structure.
		  ○ This requires a large amount of private sector capital, but on a short-term basis only. This will result in interest being accrued by the developer and factored into LADOTD's maximum payment. In our experience in the current interest rate environment, the cost of this financing is quite low. However, there will be costs incurred on both sides for additional financial fees, legal expenses, and due diligence costs associated with the senior debt.
		  ○ Like the monthly milestone structure, this has no long-term developer financing. With no long-term capital at risk, it is difficult to transfer long-term operational risk.
		• Construction Payments, Availability Payment. In this structure, a portion of the capital costs are funded by LADOTD, either as milestone payments or at construction completion. The remaining portion of the capital costs are financed by the developer on a long-term basis. In our experience, the vast majority of P3s that use this structure are for a 30-year or longer terms. A 30-year minimum is optimal in that it incentivizes developers to think long-term, and there is readily available financial capital willing to invest over a 30-year horizon. Once the construction of the asset is complete, LADOTD would commence making availability payments to the successful developer. These availability payments would be fixed over the length of the contract, with increases made only for inflation or negotiated changes to the scope of services provided. Critically, there would be Deductions from the availability payment in the event that the conditions did not meet specified standards.
		  ○ This approach provides LADOTD with price and date certainty on all of its payments to the successful developer. The construction payments are capped at a fixed amount and are only paid for work certified as completed. The cost of long-term operations is also guaranteed, and there is private sector capital in the form of senior debt and equity "skin in the game" to ensure that the long-term risk of operations appropriately managed.
		  ○ If LADOTD has raised a significant amount of funding for the Project to date, but perhaps not an amount sufficient for the full scope, this approach would enable the developer to finance the funding gap.
		  ○ The developer's cost of finance may be higher than LADOTD's. However, the premium paid is due to the transfer of risk, effectively a risk adjusted rate. If LADOTD were to incorporate the same risk adjustment for performance accountability into its own financing structure for the Project, our opinion is that the cost of finance would be equal to or greater than that of an experienced developer.
		  ○ In all likelihood, the availability payments will be considered a long-term liability for LADOTD and will be presented as such on LADOTD's financial statements.
		• Toll Model. Under a toll model the Project is funded from revenue generated by the traffic.
		  ○ While this approach may appear to be the most attractive to LADOTD, one needs to consider the fact that the tolling revenue may not be sufficient to fund the Project and to exacerbate the situation, the cost of providing the tolling services is a drag on the revenue.
		  ○ This model is expensive to implement. The cost of financing is higher due to lenders' requirements for a higher percentage of equity and equity investors higher return expectations due to higher risks and significant discounting of tolling revenue as contingencies.
		  ○ While LADOTD is protected on the downside in the event the revenue does not materialize as expected, they forego upside potential if the traffic exceeds the anticipated flows, a very real possibility given the discounting done as noted above.
		• Congestion Pricing Model. This model is typically utilized in highly congested areas. It is designed to control the orderly flow of traffic at an acceptable speed. In effect, the "toll" rate is raised or lowered to discourage/encourage drivers from using the managed lane. The price elasticity for saving time by the drivers dictates the price.
		  ○ Similar to the toll model discussed above, the cost of providing the congestion pricing services needs to be considered as well as the fact that it may not provide enough funding for the project (however, along with tolling it is one source of funding that could be combined with other models as we discuss below).
		  ○ Congestion pricing also demands a higher cost of financing due to lenders' requirements for a higher percentage of equity and equity investors higher return expectations due to higher risks and significant discounting of congestion revenues as contingencies.
		• Hybrid Models of the approaches which combine elements
		• Taxable Options Debt. A privately placed or publicly offered taxable bond with customary project finance risk allocation could be an attractive option for bidders. Lenders in this market have become increasingly hungry for availability payment structures, and private placement investors in particular tend be very flexible on structure, terms, and timing. For example, private placement investors could explore various structuring efficiencies with bidders such as a "delayed draw" mechanism, an accreting structure, or even a tranche of debt that is linked to CPI. Further, private placement investors are typically willing to commit to credit spreads at bid, which eliminates any credit spread risk LADOTD would be carrying from bid date to financial close.

		• As we mention in question 6, LADOTD will ultimately be able to "guide" bidders toward any financial structures or strategies (such as the ones noted above) that are particularly desirable through its scoring system within the RFP. For example, if LADOTD values committed finance vs. a volume-based underwriting solution, it can include additional scoring points for a committed finance solution. We have seen successful procurements recently where committed financing is mandated. • Equity. Equity capital contributed by the Project sponsors would cover the balance of Project costs during the construction period (less any milestone payments, if used). The ratio of equity to total private finance (debt plus equity), known as the "gearing ratio," is constrained by some combination of lenders, the public sector sponsor, debt covenants, and cost. Typically, in an availability payment P3, gearing ratios range from 5% to 10% during construction. Under a traffic risk approach this gearing ratio is increased due to restrictions from lenders because of cash flow uncertainty. This increase in equity (typically 25% to 50%) substantially drives up the overall cost of financing the Project. To the extent LADOTD feels that a certain threshold of equity capital during construction is required to implement sufficient risk transfer, it can set a minimum "construction equity ratio" that the developer is required to maintain throughout construction. There are considerable precedent P3 transactions in the US that utilize this strategy. • Tax-Exempt Options A natural reaction for a public sector sponsor when procuring an availability payment DBFOM is to explore the use of tax-exempt bonds to reduce the Project's cost of capital and the sponsor's resultant annual payment. However, without a PAB allocation, tax exemption could introduce the following issues with the Project. • Risk Transfer. A non-PAB tax-exempt structure may limit LADOTD's ability to enforce key performance indicators through monetary deductions, increase LADOTD's termination compensation liability under a developer default, and may require LADOTD to covenant to complete the Project even if the developer defaults during construction. • Flexibility and Commitment. As a general rule, tax-exempt investors are much less likely to be accepting of structures that deviate from the market standard. Further, because a tax-exempt solution would require a volume commitment from bond underwriters at bid, underwriters would have a difficult time agreeing to accept any nuances from the market standard into their final pricing included at bid. • Timing. When compared to a tax-exempt solution, a taxable solution tends to be a much simpler structure, as tax-exempt borrowings in the P3 space require a conduit issuer or a nonprofit entity to issue the bonds. Further, tax-exempt borrowings typically have a longer timeframe from bid to financial close, as the bonds must be marketed and sold to a multitude of different investors. These factors increase a public sector sponsor's risk of an increase in interest rates from bid to financial close – developers do not take risk on base rates (i.e., MMD or treasuries) from bid to financial close. Further, because there are fewer parties involved in a taxable financing, LADOTD will be able to minimize costs normally incurred through a tax-exempt financing (such as bond counsel, disclosure counsel, and a tax-exempt financial advisor). • Cost. Long-term tax-exempt rates as a percentage of taxable rates have historically been more attractive than taxable rates. However, in the current market, long-term tax-exempt rates are actually higher than taxable rates (treasuries). Further, the market standard for tax-exempt rates is to sell bonds with a 10-year par call. While this par call increases future refinancing flexibility and the potential for LADOTD to reduce its availability payment through a reduction in debt service (though this refinancing gain would likely have to be shared with the developer), the cost of the option significantly increases the cost of borrowing.
Sacyr	D	• No response provided
STAR America	D	• See response to first question regarding minimum qualifications above
Vinci Concessions	D	• Overall requirements to determine minimum include factors such as the capital costs of the project, procurement delivery method, concession term, risk profile, cost of financing and payment mechanism. Once there is further clarity on these factors, minimum qualifications can be determined. • Assessment of credit strength. Credit strength is the ability of a prospective debtor to repay debt and the likelihood of default. Respondent team members with strong balance sheets will be able to obtain a lower cost of financing that will result in more competitive pricing of bids for the Owner. • Additionally, respondents with the below qualifications, at a minimum, are beneficial for project delivery: 1. Demonstrated successful collaboration on past projects amongst the respondent team members 2. Past experience successfully raising levels of private financing comparable to what would be required on this project. 3. Significant relationships and experience working with banks, the capital markets and have experience with a broad range of credit and debt facilities including TIFIA and PABs to deliver the most optimized financing solutions.
Walsh/Archer Western	D	• For the RFQ o Adequate financing capacity (esp at the construction level) to provide performance security on the project o Experience in bidding and reaching financial close for availability payment P3 projects o Experience with PABs (if utilized on the project) o Understanding and ability to communicate financial goals of the project and willingness to work with LADOTD to find mutually beneficial solutions for AP delivery
AECOM	T	• [AECOM has found the following qualifications related to financing to be most relevant and to provide the best results: Financial and Financing Information, Financial Strength of the Prime Team Members, Risk Allocation and Approach to Securing Performance, Approach to Financing Structure, and Past Experience – Projects and Team Experience with Financing Elements. • If properly queried, these qualifications will accomplish the following: o An experience profile that exhibits that the leading financing portion of the team has not only successfully closed a similar P3, but that they have remained committed to the project o A test of not only the balance sheets of each financing portion of the team, but an examination of whether a default on any obligations has occurred]

CSRS	T	• [No response provided]
HNTB & KPMG	T	• It is recommended that qualifications requirements are established for demonstrating experience in similar structures or financing arrangements, letters from banks demonstrating a long-term relationship can establish credibility of the team to deliver financing to the project, if applicable. • Additionally, teams should be required to establish minimum thresholds of payment and performance bonding requirements in the RFQ stage to confirm ability to post adequate bonding. • Other financial requirements may include a review of the financial capacity of the developer team or parent guarantor.
Michael Baker	T	• "no response"
Parsons	T	• The Developer who is leading the P3 should have demonstrated experience in delivering DBFOM projects of similar size and complexity in the United States or Canada. The Developer should also have experience in the specific type of P3 anticipated for this project (revenue risk or availability payment type P3s). It is important to evidence experience in reaching financial close, and in using PABs or TIFIA if they are anticipated for this P3. The Developer members need to evidence strong balance sheets, be in good financial standing and be able to obtain the necessary Letters of Credit or Performance securities that the state requires.
Parsons Brinckerhoff	T	•
Stantec	T	• 1. Respondents may only list the experience(s) of the Lead Contractor or any firm that comprises 20% or more of the Lead Contractor, or the Guarantor of such firms. Respondents may include the financing experience of affiliates of such firms if they provide, as an attachment to this Form, a certification from the chief executive, chief operating(or similar) officer of the Affiliate that confirms: (i) the ownership or management structure, as applicable, that creates the relationship between the Lead Contractor and the Affiliate and (ii) the Affiliate's willingness and ability to provide human resources and other professional support to the Lead Contractor, as needed, for the Lead Contractor to successfully submit a responsive Proposal and satisfy its obligations in respect of the Project. • 2. Respondents may list only projects: (i) which involved private financing; (ii) for which a proposal with committed financing was submitted within (10) ten years of the SOQ Due Date (Respondents may list projects for which a proposal was submitted but not selected as the preferred proposal); and, (iii) the Lead Contractor had at least 10% participation in the borrower or anticipated borrower as applicable. • 3. Respondents must list a minimum of two (2) transportation projects in North America, and may list up to a maximum of six (6) projects. At least one project must have a Project Financing Size of $300,000,000 or greater, and at least one project must be one in which the Lead Contractor had at least 20% participation in the borrower or anticipated borrower as applicable. • Regarding construction of the I-10 Capital Corridor Improvements, what are the minimum qualifications that should be required for a potential respondent? • Regarding financing of the I-10 Capital Corridor Improvements, what are the minimum qualifications that should be required for a potential respondent? • 4. Of the projects listed on this Form, Respondents must provide an attachment with more detailed narrative descriptions of the first four (4) projects (or all projects if less than four (4) are listed). The selected projects should be those the Respondents feel are most similar to the Project and reflective of their financing experience. • 5. Respondents are encouraged to include more detailed information about the four projects' debt facilities/structures than the information contained in the Form (e.g., debt structure and rationale). • 6. For each of the four projects, Respondents must provide a reference at the procuring agency who was involved in the project's procurement and negotiation of commercial and financial terms. For each reference, Respondents should provide the individual's name, current telephone number, and e-mail address. Projects may not be considered if the designated reference for that project cannot be reached or does not respond to communications from LADOTD. • 7. These additional narrative descriptions and list of related references must be provided as a single attachment to this Form, and the attachment may not exceed four (4) pages total, provided on separate 8-1/2" x 11" sized white paper.
Citi	F	• The response to this question is intentionally left blank.
LOOP Capital	F	• [no response provided]
Macquarie Capital	F	• In our experience, the firms that make up the equity member(s) should have sufficient knowledge working with TIFIA along with experience providing PABS and similar financing. • A common problem of procurements is that the proposers best able to respond to RFQ criteria are not necessarily those which will ultimately be able to submit the most responsive and competitive final bids at the RFP stage. A frequent problem is scoring criteria which encourage teams at the RFQ stage to overload their team with parties to meet shortlisting criteria, making it unwieldy and less competitive in terms of actual project delivery. Like everything – a balance is required. In order to establish shortlisting criteria which allow for selection of capable and financially strong teams while at the same time maximizing competitive tension, we recommend the following: • A clear distinction should be made between qualifying criteria which lead to pass/fail assessment and scoring criteria (e.g. experience with P3s, experience with technologically similar projects, sustainable solutions applied in previous projects) so teams can be selected based on their likely contribution to project goals. Best practice would suggest very limited use of pass/ fail criteria and an emphasis on scoring criteria to ensure that LADOT is not in the position of having to disqualify a bidder which would otherwise be capable of undertaking the project. • Our experience suggests that dollar based financial capacity thresholds are not desirable for the Authority since they are difficult to define in an environment where most teams will be consortia made up of multiple different companies with different financial capacity attributes. ○ We recommend that a scored financial capacity evaluation offers maximum flexibility to the Authority in ensuring that a bidding consortium will ultimately be capable of delivering the project. This should include balance sheet metrics; credit ratings; bonding/ letter of credit capacity; letters of support from financial institutions; evidence of equity investment capacity; evidence of

		achieving financial close on projects of similar scope, size and complexity. The last criteria mentioned is probably the most important since there are multiple different ways in which a team can provide the financial capacity necessary to get a project to a successful close. ○ For project experience we similarly recommend minimum criteria to be relatively flexible with an emphasis on scoring rather than pass/ fail. We recommend that the criteria focus on evidence of having successfully bid, closed and implemented several projects of similar scope, scale and complexity. More points should be scored for projects which offer the closest relevance to the Project. In our experience, P3 projects are qualitatively different from projects delivered by conventional means. A strong track record of Design-Build projects therefore may not be fully indicative of ability to meet the risk transfer requirements of a P3. We recommend that bidders are allowed to demonstrate their capability in a number of different ways, including through international projects. Many bidding teams will offer up the same reference projects since they will have been completed by large consortia. We recommend that references are sought and weighted highly in the evaluation to determine who actually did what; that key individuals are required to be named and references sought on their performance and that teams whose members have worked together previously on similar successful projects score more highly.
Wells Fargo Securities	F	• A qualified respondent is expected to consist of a strong team of partners who have the financial wherewithal to meet LADOTD's goals. • Equity partners should be able to demonstrate: (i) solid business fundamentals, (ii) financial strength necessary to contribute cash and/or letters of credit for their equity commitment, and (iii) a strong parent company willing to guaranty their equity and operating obligations (or be able to procure highly rated letters of credit to secure their obligations). • Debt financing is required as part of its bid. Regardless of the type of financing (whether bank loan, private placement of capital markets offering) the provider of the debt financing will be required to provide a firm commitment that they can meet their obligations. This commitment is usually demonstrated through a commitment letters from the lender, stating the terms and conditions of their commitment. The more "committed" the financing, the more certain LADOTD can be that the Project will successfully reach financial close. • For lenders and private placement purchasers, it is typical that their rating by a national rating agency be no lower than BBB or its equivalent. For capital markets underwriters, a track record of executing capital markets financings as well as meeting regulatory net capital rules is the norm. • In addition, some form of interest-rate risk sharing is also a norm on these types of financings, with the developer typically asked to take some level of risk associated with movements in credit spreads between the date of bid and final execution. The process for establishing and setting interest rates can be complicated, and as such, LADOTD should pay close attention to how interest rates assumptions are handled both at bid and financial close.
Butler Snow	L	• A demonstrated record showing similar projects; narrative of technical expertise and experience with similar projects; information about key personnel demonstrating competency with financing these type of projects. • Copies of recent financial statements; any statements of changes in material financing condition; auditor letters; surety and parent company letters.

Project Delivery (I-10)	
Question 18	**As a respondent for a solicited public private partnership for delivery of the I-10 Capital Corridor Improvements, what information would you need access to in order to draft proposals?**

Firm	Role	Response
Abertis	D	• No response

ACS Infrastructure & Dragados USA	D	• Prior to RFP release or very soon after release, the following should be provided to de-risk the technical aspects of the project and reduce contingencies which will lower the cost of the project:
		  ○ all data
		  ○ reference drawings
		  ○ environmental and field studies (both surface and underground)
		  ○ reports
		  ○ technical provisions
		  ○ as-builts and historical condition data (inspection reports (e.g. NBIS), non-destructive pavement condition surveys, etc.)
		• Any necessary third party agreements (utilities, railroads, etc.) should be in place as early as possible and provided
		• Alternative funding applications should be advanced (e.g. PABs, TIFIA, etc.) to allow potential magnitude of allocations and conditions so a financial plan can be prepared
		• Prior to or during procurement, public sector should advance the following to reduce risk and uncertainty:
		  ○ R/W (if not all is acquired during procurement, proposers should have input on parcel prioritization)
		  ○ Permits
		  ○ Government approvals
		  ○ Third-party agreements
		  ○ Utility agreements
		• Base design must be established with a schedule for R/W acquisition
		• Procurement process should allow for Alternative Technical Concepts

Brown & Root	D	• Existing designs • Design basis • Survey information • Permit documentation • Real estate and ROW information and documentation • Pre-existing geotechnical information

Cintra & Ferrovial Agroman	D	• Referenced response to other questions.
		• Response from Question #4:
		  ○ NEPA prior to RFP
		• Response from question #19:
		  ○ LADOTD should focus all technical requirements on performance standards instead of legacy preferences where applicable. It should also try to provide proposers with optimum levels of existing condition information. Specifically, existing pavement and geotechnical data are often significant risk drivers.
		  ○ LADOTD should consider an extensive campaign prior to an RFQ in order to have sufficient data once the RFP is released to shortlisted proposers.
		• Response from question #20:
		  ○ Maintenance of traffic expectations should be clearly defined for proposers in consideration of construction sequencing and scheduling.
		• Response from question #21:
		  ○ Public contribution / support information
		  ○ TIFIA considerations
		  ○ Pursuit of PABs allocation

Fluor	D	• The more that LADOTD can advance key elements of the project to validate both technical and financial viability of the project the stronger the proposals from the industry can be both technically and financially.
		• Design and Construction Items
		    ○ Well defined project schematic
		    ○ Advanced Right of Way requirements, and potential progressed acquisitions
		    ○ Detailed and developed understand of utility conflicts and advancement of utility agreements where critical to the project schedule
		    ○ Advanced and detail geotechnical date throughout the project alignment
		    ○ Complete and detailed technical provisions outlining the technical expectation for the project
		    ○ Clearly defined project goals and objectives, and main stakeholders and community involvement in the project development
		    ○ Clearly defined scoring requirement for the project, determining priorities and detail required for each section of the technical proposal
		• Financial Items
		    ○ Funding transparency and related documentation (funding white paper, credit reports, bank book, work program);
		    ○ Traffic and revenue study (as applicable);
		    ○ Customary Request for Proposal and Concession Agreement documentation

Kiewit	D	• During the procurement phase, DOTD should provide:
		    ○ Existing boring, testing and analysis data (at a minimum, on the order of 30-50% of the site investigations needed for final design)
		    ○ Level 1 and 2 Hazmat Assessments
		    ○ Draft Noise Report with recommended mitigation requirements
		    ○ Category SUE A or B information on utilities within in conflict with concept design
		    ○ Utility location information provided in a GIS/Microstation database
		    ○ Detailed surveys and investigations of surface and below-ground conditions
		    ○ All necessary cultural resource studies
		    ○ MOT criteria and lane restriction preferences

Lane	D	• Environmental assessment • Survey data • Reports: Geotechnical, Utility, Right of Way, Pavement Condition, Bridge Inspection, and Hydraulic • As-Built plans and preliminary design files • Noise studies • Public meeting comments and commitments • Public hearing maps and files • Traffic data

OHL & TRC	D	• Engagement of a team of key advisors to work directly with DOTD
		• See response to Question #4 as well.
		    ○ Clear definition of the scope – but without being overly prescriptive, thus allowing the developer to introduce innovation into the Project while increasing the value-add to the client.
		    ○ Early application for federal grants (such as FTA New Starts), federal loan programs (such as TIFIA), and tax exempt funding (such as PABs) by the client.
		    ○ Availability of due diligence / reference reports, including but not limited to environmental, geotechnical, utilities, and applicable inspection reports;

Plenary Group	D	• Detailed Scope of the Project
		    ○ Technical Specifications
		    ○ Extensive Geotechnical Data
		    ○ Utility Relocation Status and Data
		    ○ EEO/DBE/SBE Requirements
		• Current Project Status (R/W, NEPA, Permitting, third-party coordination)
		• Financial Information (sources of funding / finance – PABs / TIFIA)
		• Evaluation process and criteria
		• Process from Preferred Proposer to Financial Close

Sacyr	D	• Base Design up to an approximate 30% completion. • Funding plan provided by the Client and its advisors • Legal framework, including the Concession Agreement and other relevant agreements. • Right of way acquisition schedule, advance and approach. • Capital improvement plans of the State. • If the project is finally a revenue risk deal, it will be critical to review the official detailed traffic and revenue report. In any case each of the bidder will create its own, but it is critical for the Client to have one and this one to be provided to the bidders several months ago before the RFQ stage.

STAR America	D	• Clear articulation of the public authority's annual appropriations process (if any) and how the circumstance of non-appropriation will be dealt with in the P3 agreement is very important
		• Information for pricing and delivering design/construction was deferred to contractors and designers.
		• Additional information from Executive Summary
		    o All governmental approvals such as environmental clearances should be in place
		    o Right of way should be secured if possible and if this is not possible a clear schedule of anticipated completion of these activities should be established before issuing a Request for Qualifications (RFQ) and/or Request for Proposals (RFP).
		    o Design should only be advanced to whatever level is necessary to facilitate the necessary governmental approvals

Vinci Concessions	D	• Well-defined scope
		• Demonstrated governmental commitment
		• When project finance included:
		    o A well-defined scope of work;
		    o A well-defined corridor and alignment, and ROW;
		    o Environmental Assessment (EA) or Environmental Impact Statement (EIS), and Record of Decision (ROD) to allow for the early determination of environmental risks to establish baseline environmental conditions and contamination;
		    o A geotechnical report describing existing geotechnical conditions to allow for the early determination of geotechnical risks;
		    o An existing utility survey to allow for early utility coordination and early determination of utility risks;
		    o A clear determination and contractual allocation of financial and technical risks;
		    o A complete draft of the Project's Comprehensive Agreement and performance specifications, which may be revised during the RFP process, but would provide a baseline of the conditions to be negotiated;
		    o A clear and well-defined baseline project schedule that demonstrates when LADOTD expects the I-10 Capital Corridor Improvements to be open for service (design and construction schedule) and that incorporates the P3 procurement as well; and
		    o All available feasibility and traffic studies, and projections. It is likely that the private sector will perform their own studies, but any studies provided by LADOTD in terms of traffic could serve as a baseline as to what the agency is expecting. Also, in many instances, these studies are kept confidential by the public sector, but it is highly recommended that the public sector performs these studies to at least have a comparison baseline.
		• Prior to RFQ, need stakeholder buy-in, has a government champion and commitment is not subject to impact due to political change

Walsh/Archer Western	D	• Reference Information Documents (RID) containing the following:
		    o Existing utilities
		    o Structures
		    o Drainage
		    o Easements
		    o ROW information as it pertains to the responsibility of the developer.
		    o Additional information as it relates to stakeholder agencies, and status of required environmental documents and permits

AECOM	T	• Recent asset and pavement condition and inspection reports (including mandatory bridge inspection reports). • Original design criteria, construction plans and specifications, including as-built drawings; operational and maintenance documents; statistics; capital improvement and rehabilitations plans; historic actual expenditures; and budgets. • Environmental compliance history, including any potential environmental liabilities associated with the asset. • Disaggregated historic (10-year plus is ideal) traffic count data for the existing I-10 and alternative routes, including detailed vehicle classification information for heavier vehicles and trucks. • Traffic (and revenue, where available) forecasts produced for the corridor from LADOTD and other agencies, including the socio-economic datasets and future planning, zoning and development plans underlying these forecasts.

		• The ability to clearly present an organized, efficient and relevant set of documents that address and that are synced to the project needs and characteristics is critical. • Raw data provided in each respective due diligence report should be reliable for the private sector
CSRS	T	• No responses provided to any of the questions provided in the RFI – only submitted project experience and cover letter.
HNTB & KPMG	T	• Major information categories include: ○ Adequate geotechnical data (this may be supplemented by the successful Proposer, but LADOTD should complete an initial investigation targeted to high risk areas). ○ Utility information, especially for major utilities needing adjustment. ○ ROW parcel information and clear understanding of responsibilities and risks of acquiring parcels ○ Details of existing pavement, drainage and bridge condition will be very important if LADOTD expects a Developer to take over older assets or transfer life cycle risk of existing pavement and bridges. ○ Reasonably complete Technical Provisions that allow sufficient scope for flexibility where there is more than one way of achieving the project objectives. ○ Traffic/revenue models and traffic counts for revenue risk projects. ○ Description of key commercial terms and risk allocations, particularly any payment deductions for nonperformance, relief events and compensation events. ○ Communication of clear project goals and objectives at a high level reflected in objective evaluation criteria that show how price and other factors will be evaluated. ○ Methods LADOTD would use to evaluate Alternative Technical Concepts.
Michael Baker	T	• Existing plans of the facilities • Geotechnical information • Traffic data including any traffic analysis and projections • Traffic and revenue reports • Toll Policy for the area • Drainage reports • Schematics • Financial plans • Funding arrangements • Utility information (Subsurface Utility Engineering) • Hazardous material Reports • Right of Way Maps including any plats • Pavement designs (if available) • Term sheet of applicable contractual obligations • Project scope • Detailed scope of work for design, construction and operation and maintenance (O&M) activities • Design criteria • Environmental status/approval • Environmental permits • Digital Terrain Model/survey • Evaluation criteria for the Qualification Statement and Detailed Proposal • If Design Build Finance Operate Maintain or Design Build Finance, financial model for project feasibility from the LADOTD perspective
Parsons	T	• Department shall have: ○ Completed the feasibility study for each project component and defined the project scope. ○ Progressed the environmental review to the level that the Department has confidence that they will have a Record of Decision or FONSI prior to the issuance of the RFP. ○ Identified and confirmed its ability to legally pledge a sustainable revenue source to fund the project. ○ Department's application for the a TIFIA loan, a description of the process for interfacing with the TIFIA office and, when available the draft and final TIFIA term sheet ○ Application and award letter for a PAB allocation based upon estimated project costs. ○ Engaged experienced external technical, legal, and financial advisors well-versed in P3 project delivery to support Department staff dedicated to the project and the procurement. ○ Set an achievable procurement and project schedule and commit to bidders on that schedule. ○ Prepare a RFQ based upon the skills and resources needed to successfully deliver, and spell out the evaluation criteria on which respondents will be selected for shortlist. ○ Target a shortlist of three bidding consortiums to advance to a proposal phase which allows for confidential discussion and collaboration between the Department and bidders.

		○ Develop a RFP which sets forth a fair and transparent process to work with bidders to create innovative, cost-efficient solutions for the I-10 Capital Corridor Improvements. ○ Set forth in the draft comprehensive agreement the Department’s approach to risk allocation based upon a fair and balanced sharing.
Parsons Brinckerhoff	T	• Developers need the following: ○ A well prepared draft Agreement which defines the performance requirements ○ A well-defined scope ○ Clear Technical Provisions ○ Clear Instructions to Proposers with a proven process for incorporating ATCs ○ Establish a schedule of meetings for the interactive process for negotiating the Contract Documents, reviewing the ATCs and understanding the Owner's expectations. • Other information: ○ current/future roadway plans ○ environmental documents ○ right of way acquisition documents ○ Third Party Agreements. ○ Baseline data for existing utilities, geotechnical investigations and reports, preliminary hazardous materials assessments, as well as existing as-builts.
Stantec	T	• Access to feasibility studies, plans and environmental assessments for the various projects • FHWA Major Project deliverables – PMP and Financial Plan
Citi	F	• Information about the source(s) and timing of public funding that will be available for the Project • The more information DOTD is able to provide concerning the source(s) of public support, the amount and timing of the public funding, and the priority of dollars that can be committed to the Project relative to other State / DOTD obligations will greatly impact the ability of its financial professionals or potential P3 bidders to provide financing proposals for the Project.
LOOP Capital	F	• Draft of the pre-development or development agreement. • Details regarding the design & construction and operations & maintenance scope of work. • The developer team’s specific design & construction and operating & maintenance requirements.
Macquarie Capital	F	• The following physical due diligence studies should be provided, at a minimum: ○ Geotechnical investigations along the entire alignment ○ Pavement condition assessments ○ Existing structures condition assessments ○ Utilities surveys ○ Initial traffic studies • The Authority should consider the following: ○ ROW acquisition schedule and process ○ Fully negotiated utility relocation agreements ○ Fully negotiated Railroad Agreements ○ Hazardous material surveys and commercially acceptable risk transfer ○ Schedule
Wells Fargo Securities	F	• No response
Butler Snow	L	• A respondent would need the broad parameters of what the project was trying to accomplish. • Respondent will need to know what of the Design, Build, Finance, Operate, and Maintain functions are expected to be performed or, alternatively if any of those functions will be curtailed and retained by the State. • Copies of any completed feasibility and environmental studies should be attached as well.

Project Delivery (I-10)	
Question 19	**Specifically as it relates to design, what key factors and considerations should be provided by LADOTD for delivery of the I-10 Capital Corridor Improvements?**

Firm	Role	Response
Abertis	D	No response
ACS Infrastructure & Dragados USA	D	• Scope of Work • Priorities and goals • Criteria for upgrading and/or replacing existing structures, pavements and drainage. • Environmental considerations, including community requirements. • IITS requirements • Utility Adjustments: general approach and existing MOUs (or drafts) with utility owners. • Main technical requirements for new design, including approved variations and exceptions (if any). • A detailed and complete geotechnical analysis, including both GBR and GDR. • Life cycle requirements • Rules for ATCs opportunities: we encourage LADOTD to include a proactive and confidential Alternative Technical Concept Procedure. This system will provide innovation and savings in cost and schedule. • Permitting process
Brown & Root	D	• Any and all relevant technical data, issues and parameters will serve as basis of establishing the design and limits of project • Critical to involve stakeholders and engineers that have been involved on past corridor projects • Traffic improvements which take current environment under consideration • Request flexibility in DOTD's establishment of limits / bounds of the project to allow thoughtful and innovative approach to project
Cintra & Ferrovial Agroman	D	• LADOTD should focus all technical requirements on performance standards instead of legacy preferences where applicable. It should also try to provide proposers with optimum levels of existing condition information. Specifically, existing pavement and geotechnical data are often significant risk drivers. • LADOTD should consider an extensive campaign prior to an RFQ in order to have sufficient data once the RFP is released to shortlisted proposers.
Fluor	D	• Providing a complete schematic alignment • Investigation to the schematic Right-of-Way required to complete the project • Sufficient utility investigation to determine the feasibility of the schematic alignment and allow for design optimization and refinement • Sufficient geotechnical investigation to determine the feasibility of the schematic alignment and allow for design optimization and refinement • Well defined Technical Provisions outlining the acceptable technical criteria and expectations to allow for technical optimization through the proposal development
Kiewit	D	• Distinguishing between output specifications and detailed technical requirements (typically dictating the methods to use, the materials to use, the schedules, etc.) • A procurement process which allows innovation, i.e. alternative technical and financial process (ATC / AFC) • Flexibility to select materials and design approach that complies with performance objectives and maintenance regime through life-cycle analysis • identify those requirements that the LADOTD requires, the 'must haves' and we encourage a process that allows as much flexibility as possible by limiting those 'must haves'
Lane	D	• Appropriate preparation and planning by LADOTD during pre-procurement and procurement of the project. • Provide a preliminary design that is the most current and accurate representation of LADOTD's concept to achieve the project goals • Provide comprehensive design criteria • Preliminary design should be accompanied by the reports, investigations, and information used for development, including any subsurface investigations and existing utility information • Provide a clear and concise list of commitments made during development of the environmental documents • Use of an Alternative Technical Concepts (ATC) process • Develop and maintain the management structure and personnel to provide effective contract management and engineering design review processes • Participate in a formal partnering process that involves all key project personnel

OHL & TRC	D	• Well-defined scope of work that includes project design criteria and limits of work • Allow for and encourage innovation and communication through one-on-one meetings and the submission of Alternative Technical Concepts (ATCs) • Continue to require the implementation of a comprehensive QC/QA Program
Plenary Group	D	• Any preferences for detailed specifications that the Department would like to be included in the Project Scope • Preferences regarding quality of construction vs. cost efficiency • Preference regarding committed finance vs. volume-based underwriting • Very clear scope of what LADOTD wants reconstructed vs. left in place along with defining specific performance standards that LADOTD expects • Existing traffic information • Existing asset condition
Sacyr	D	• A base design up to a 25-30% complete should be made available by the Client to the Proposers • Remaining portions of response addresses potential project approach that would be used by Sacyr and is not responsive to question asked
STAR America	D	• Design should only be advanced to whatever level is necessary to facilitate the necessary governmental approvals ○ Avoid duplication and redundancy by limiting design developed by others ○ Limits innovation ○ Prescriptive design may impact risk allocation for lifecycle elements
Vinci Concessions	D	• Approved environmental documents (prior to commencement of procurement) • Commitment to obtain Right of way • Geotechnical Studies • Existing utility survey (public sector typically takes pre-existing geotechnical condition risk and utilities not mapped on utility survey) • T&R Study and Traffic Counts – Recommended that LADOTD provide a T&R Study to serve as a base case for design development • Commit to obtain permits required prior to commencement of construction (e.g. 404 / 401 permits)
Walsh/Archer Western	D	• Permitting to the fullest extent possible • Schematics • Developed Instruction to Proposers, Technical Provisions, and Project Agreement documents • Use of LADOTD standard details to the fullest extent possible.
AECOM	T	• Conformance and compliance with State and Federal standards and methods will ensure that the user experiences a predictable passageway through the corridor in a safe and efficient manner • Preservation of the standards, codes and typical precedents followed on similar roads; • Clearly defining the expected performance outcomes; • Clearly articulating the windows and avenues for ingenuity, innovations and best practices; • Providing a strong and definitive scope of work that is to be performed by the private sector; • Good access to the project data, which will include: a. Access to historical documentation of the corridor, past studies, reports or documentation of any previous commitments within the corridor b. Access to as-builts c. Access to right-of-way maps d. Access to bridge inspection reports • Clear definition and reasonable metrics of the routine maintenance, asset preservation and hand-back/residual life criteria; • Efficient and defined pathways when changes to scope or performance criteria are warranted; • Strong and committed partnership on collaborative items such as public outreach and permitting; and • Interim milestones and construction achievements that align with the technical delivery goals.
CSRS	T	• No responses provided to any of the questions provided in the RFI – only submitted project experience and cover letter.
HNTB & KPMG	T	• Target the level of design completion to the minimum necessary to achieve environmental clearance. • Progress long lead time items such as third party agreements and permits and prepare sufficient design to allow these long-lead items to be initiated. • Provide guidance on what design options and solutions would be unacceptable. • Where possible (particularly where there is a risk transfer of O&M and life cycle cost under a P3), allow proposers to follow their design method of choice. Design requirements should be at a performance level (e.g. provide specified roadway capacity) rather than at the detailed level (e.g. provide specified lane configuration).

Michael Baker	T	• The more background engineering information provided by LADOTD, the less risk there is in developing the preliminary design which usually translates into more aggressive bidding and financing of the project • Key items: a clear project scope; project specific standards and specifications; environmental, drainage, geotechnical, and traffic and revenue studies; schematic or preliminary designs; bicycle and pedestrian requirements; storm water management and mitigation requirements; ROW, utility, and survey data; toll rate policy; electronic toll collection system (ETCS) infrastructure needs; aesthetic parameters; initial and ultimate configuration requirements; design criteria; other design parameters in support of the project; preliminary project cost estimates; project schedule and key milestones • Avoid being too prescriptive in developing the project's Technical Provisions • Recommended elements for procurement: ○ Use one-one-one meetings ○ Implement ATC process ○ Conduct training for LADOTD staff with respect to evaluation of proposals, ATCs, etc. ○ Require co-location of Department and Developer staff during design and construction phase
Parsons	T	• Recommendations include: ○ Conceptual Design - Provide a conceptual design (approximately 10% complete) that conveys the intent of the project improvements and includes key design elements that will set the project footprint for right-of-way and environmental impacts. ○ Recommended that the Department acquire any design exceptions requiring FHWA approval in order to eliminate uncontrollable risks to the design-builder ○ Environmental Clearance - recommend that the Department acquire the appropriate governmental approvals for NEPA documentation prior to issuance of the RFP. ○ Required environmental permits can be assessed by the Department to determine who should acquire ○ Reference Documents - topographic survey, existing ground surface, proposed and existing right-of-way lines, geotechnical exploration data, subsurface utility explorations, existing and forecasted traffic data, pavement cores and records, existing hydraulic models and all infrastructure as-built plans along the corridor. ○ Technical Provisions - technical provisions can supplement existing design standards and construction specifications. The technical provisions should define the project scope and limits and eliminate any grey areas in existing standards as this document is intended to have the highest precedence of project requirements. ○ Interchange Access Justification Reports (AJR) - If the AJRs will be the responsibility of the design-builder, we recommend allowing enough time from award to construction to coordinate and complete the AJRs. Furthermore, candidate input from the Department and FHWA on alternate interchange types posed by the respondents during the bidding phase will help manage risk and cost. If the Department desires to solely obtain the AJR approvals ahead of the procurement, we recommend allowing flexibility in the interchange type to allow for innovation and cost saving solutions.
Parsons Brinckerhoff	T	• Limit prescriptive requirements and use performance specifications • Prepare conceptual engineering drawings to a level to support the procurement process and allow the Proposers to prepare accurate cost estimates (includes ability to obtain R/W and environmental approvals) • Pursue and obtain all NEPA and state/local environmental clearances prior to reaching financial close on the P3 • identify what utility relocations are required and who (LADOTD or P3 team) will be responsible for dealing with utility relocations • Requirements for MBE/DBE participation or local firm participation must be identified and included in the procurement document • Define the Department's management oversight structure and approval process for design
Stantec	T	• A comprehensive Request for Proposal (RFP) document reflecting all requirements and restrictions needed to address the anticipated program. This RFP should identify any, and all restrictions and requirements typically through documentation in the written RFP requirements or referenced as mandatory requirements. • At a minimum, Conceptual Drawings and Reports reflecting the base concepts that were utilized to define the project, evaluate initial risks, establish project budget, and obtain all necessary approvals for design and procurement.
Citi	F	• No response
LOOP Capital	F	• Question / response not included
Macquarie Capital	F	• The following physical due diligence studies should be provided, at a minimum: ○ Geotechnical investigations along the entire alignment ○ Pavement condition assessments ○ Existing structures condition assessments ○ Utilities surveys ○ Initial traffic studies
Wells Fargo Securities	F	• No response

Butler Snow	L	• Compliance with the law
		• The design-build contract should clearly allocate risk of schedule delays by requiring the private partner to assume some of the risk for delays beyond the control of both parties
		• Clear assignment of risk based on DB environment
		• LADOTD should also consider:
		  ○ The life-cycle cost of the project;
		  ○ The general reputation, industry experience, and financial capability of the private partner;
		  ○ The proposed design of a project;
		  ○ Estimated public benefits;
		  ○ The diversity of employees at the private partner; and the private partner's plans to employ local contractors and residents.

Project Delivery (I-10)	
Question 20	**Specifically as it relates to construction, what key factors and considerations should be provided by LADOTD for delivery of the I-10 Capital Corridor Improvements?**

Firm	Role	Response
Abertis	D	No response
ACS Infrastructure & Dragados USA	D	• Traffic Control restrictions and requirements • Tentative schedule reflecting main milestones and maximum durations • DBE goals • QC/QA approach • Maintenance during construction • ROW Acquisition process • Permitting process
Brown & Root	D	• Any and all relevant technical data, issues and parameters will serve as basis of establishing the construction limits of project • Critical to consider impacts to current traffic to mitigate future congestion • Request flexibility in DOTD's establishment of limits / bounds of the project to allow thoughtful and innovative approach to project
Cintra & Ferrovial Agroman	D	• Maintenance of traffic expectations should be clearly defined for proposers in consideration of construction sequencing and scheduling. • See also response to #19.
Fluor	D	• Advancement and procurement of the schematic Right-of-Way required to complete the project • Detailed utility investigation to determine the feasibility of the schematic alignment and advancement of any critical or major utility agreements or relocations • Detailed geotechnical investigation to allow for certainty in construction execution and schedule. • Well defined Technical Provisions outlining the acceptable technical criteria and expectations to allow for technical and constructability optimization through the proposal development • Appropriate risk allocation between LADOTD and developer to ensure that risks are held and managed by the appropriate party.
Kiewit	D	• Deliver the Project under a phased approach through a single contract which allows for standardization of project design, optimization of project phasing and sequencing, economies of scale and considerations for funding availability • Also reference response to Question 18
Lane	D	• Provide as much project scope information as possible, as soon as possible • Advanced identification of LADOTD's, and ultimately the project's, DBE goals will be beneficial to the development of a contracting plan that will maximize inclusion and the successful participation of DBE firms • See also response to #19.
OHL & TRC	D	• Environmental Clearance - This process should be accelerated as much as possible as the final environmental ruling will influence design and construction options; • Right of Way (ROW) Acquisition - If property acquisition is required, design and construction could be delayed if the ROW acquisition process is not completed in advance; • Utility Coordination – Utility conflicts often delay design and construction due to the interface risk introduced by third-party utility companies; • Traffic Management – Ensuring that commuters can still get to their destinations in a timely fashion despite the presence of construction is a major challenge in urban areas. Traffic detours during construction can be a major inconvenience to the local community, and can quickly erode stakeholder support for projects; • Third Party Interfaces – Establish a clear delineation across the interface points to facilitate an effective project delivery. A well-structured suite of interface agreements will greatly assist in mitigating delays and other unexpected costs; and • Safety – Providing for a safe and efficient work zone, both for traversing vehicles and construction workers, minimizes impacts associated with injury and delay caused by incidents in the work zone.
Plenary Group	D	• No specific response. Grouped questions #19-21.

Sacyr	D	• Evaluation of the impacts on mobility and access needs should be considered, including the impact to access and circulation needs on the local streets in the vicinity of I-10 and on the other transportation facilities in the area (transit, freight, and bicycle/pedestrian). • A variety of mitigation measures, such as traffic movements planning and definition of specially routes should be facilitated. By providing additional routes connectivity will be maintained throughout all the construction phase. As it will be further detailed, these measures should be supported on the public comment from the very inception of the project, for granting its acceptance.
STAR America	D	• Limit prescriptive specifications • Authority should establish, definable, measurable and enforceable performance requirements or output based specifications that are enforced through a mechanism of payment deductions and penalties
Vinci Concessions	D	• Since this will be implemented as a DB project, see response to Question #19. • Remaining response references QC/QA during design and integration of quality into O&M.
Walsh/Archer Western	D	• Previous studies and assessments conducted by/for LADOTD that pertain to the areas included in the 1-10 Capital Corridor Improvements project. • As-built information pertaining to existing structures and utilities
AECOM	T	• Clear and objective RFQ evaluation criteria that require relevant project experience with similar projects related to size, scope and complexity. Further, define a clear scoring matrix, in order to eliminate objectivity and subjective evaluations; • Well defined, dispersed and ample set-down and staging locations, with the Owner initially securing all required easements, but also interfacing with the constructors to make adjustments; • Clear pathways for innovations, ingenuity and construction best practices; • Balanced approach to defining the required scope of work that avoids a prescriptive series of criteria that inhibits flexibility; • Eliminate criteria that defines or requires the construction means and methods to be employed by the contractor; • Clear and achievable construction period milestones, with a preference of the private sector to select key milestones from a menu of options; • Defined and acquired fee-simple availability of the project lands for mainline and interchange expansions, free of encumbrances; • A defined schedule of when parcels and properties will be made available to the contractor, especially if the land is fully secured after Financial Close; • Clear definition of all required permits and other required clearances, collaboration and assistance with the fling of these matters, and definition of which permits will be secured by the LADOTD; • A completed and achievable Federal Environmental Assessment for the project; • Clearly defined Small, Disadvantaged and Minority Business practices, along with a strong communication network via the LADOTD to engage proactively with well qualified firms that can become key partners of the Proponent's team; and • Key underground, utility, geotechnical and environmental raw data, as well as Project Agreement language that balances the risk profile of unforeseen conditions.
CSRS	T	• No responses provided to any of the questions provided in the RFI – only submitted project experience and cover letter.
HNTB & KPMG	T	• Procurement documents should reflect industry standard commercial terms and risk allocations • Long-term P3 agreements should contain easily measured maintenance, operation performance requirements and handback provisions • Provide a clear schedule of its intended release of ROW dates • Depending on P3 delivery model selected, another equally important focus should be on maintenance performance requirements such as ride quality rather than detailed specifications

Michael Baker	T	• The more background construction and quality information provided by LADOTD, the less risk there is in developing construction statements of qualifications and bids
		• Key considerations include:
		  ○ Relationships among QC/QA staff and clear assignment of roles and responsibilities for the staff
		  ○ Clear description of approach to specifications (prescriptive vs performance-based)
		  ○ Requirements of a materials testing laboratory
		  ○ Anticipated liquidated damages
		  ○ Conflict of interest considerations, including firms that are precluded

Parsons	T	• Focus on the performance standards and output specifications for the improved roadway and avoid prescriptive requirements • Recommend the Department address: ○ Maintenance of traffic, limitations on lane closures, and incident management along the corridor ○ Incident management responsibilities between the Department and contractor during construction need to be defined ○ Commitments to stakeholders - The Department, as the owner of the corridor, should take the lead for stakeholder outreach and management with support from the contractor. Early stakeholder engagement is welcomed and preferred so any changes to the project definition can be incorporated prior to the Department's launch of the procurement. ○ Alignment, right-of-way, and utilities – Identification of the alignment and initiation of needed right-of-way acquisitions, and mapping of all utility interfaces are essential project information which bidders will need to develop and price a technical proposal. ○ Requirement and responsibilities for maintenance of the existing facility during construction ○ Service life requirements for the constructed works ○ Utility relocation responsibilities ○ Approach to construction schedule incentives/disincentives ○ Aesthetics ○ QA/QC requirements and division of responsibilities between the Department and Contractor
Parsons Brinckerhoff	T	• Identify and clarify any constraints or requirements associated with the construction activities so that the Proposers can incorporate these requirements in their construction planning and pricing (including preferred schedule and/or construction phasing constraints) • Identification of any environmental constraints or mitigations which are part of the environmental documents and affect construction activities, along with any permit requirements and identification of the responsible party for obtaining the permits • Restrictions relative to maintenance of traffic must be identified, along with process and responsibility for communicating information about construction activities to the traveling public • Evacuation procedures for hurricanes • Address whether Developer can adjust limits of individual packages • List of other projects in the Capital Region, which are anticipated to be under construction during the timeframe for the Capital Corridor project
Stantec	T	• See response to Question #19 • Additionally: ○ Reasonable time frames for construction and completion of improvements. ○ Concepts that allow innovation for design as well as means and methods of construction.
Citi	F	• No response
LOOP Capital	F	• Question / response not included
Macquarie Capital	F	• The Authority should consider the following: ○ ROW acquisition schedule and process ○ Fully negotiated utility relocation agreements ○ Fully negotiated Railroad Agreements ○ Hazardous material surveys and commercially acceptable risk transfer ○ Schedule
Wells Fargo Securities	F	• No response
Butler Snow	L	• Concession agreement should contain: ○ Clear conditions precedent for the commencement of the agreement and clear ongoing benchmarks and deadlines with respect to the construction of the project ○ Upon completion of the project, clear ongoing benchmarks with respect to the operation and maintenance of the project.

Project Delivery (I-10)	
Question 21 (9)	**Specifically as it relates to financing, what key factors and consideration should be provided by LADOTD for delivery of the I-10 Capital Corridor Improvements?**

Firm	Role	Response
Abertis	D	• Availability of subsidies (financing) from the public authority • Guarantees required during different project stages • Acceptance of guarantees with double beneficiaries • Eligibility of the project for PAB and TIFIA • Minimum equity requirement for the concessionaire
ACS Infrastructure & Dragados USA	D	• In our experience, the most effective public sector commitment would require a long-term agreement by the public entity to identify and dedicate funding sources. There are several considerations in respect of the expected payment structure: • Revenue risk: Not transferring the revenue risk at all will have a positive influence on the financial risk of the Project. • Backstop: Securing payment obligations from financially strong public entities is essential regardless of the funding structure (e.g. for large potential financial obligations such as termination payments). • Appropriations/counterparty risk: We would analyze the credit/counterparty risk for each source of public funding, both during construction and operations. To the extent some or all of these obligations are backstopped by other forms of public funding, we would perform a detailed analysis on those as well. Further, it is important for proposers to clearly understand the revenue sources and any and all parameters surrounding conditions that may be placed on the sources. Additionally, any agreements between the procuring entity and other entities that have any funding responsibilities or any oversight over the project, project expenditures or related issues are also key to proposers understanding these issues. • Aside from our recommendations above, provisions in the P3 agreement should include protection for interest rate and credit spread movements between submission of the financial proposal and financial close. We suggest that LADOTD include a process for setting a benchmark interest rate and credit spreads on which the financial proposal would be based and then used as the benchmark for risk share calculation at financial close.
Brown & Root	D	• Evaluate the time value of money with respect to when these projects would be accomplished in the normal course of business for the current procurement process of LADOTD. In an environment, where this corridor is crushing the Capital region from an economic point of view, it is important to understand how much commerce is being impacted which hurts the economy in the region while we do not address this important traffic congestion issue. Interest rates continue to be at all-time lows and state's like Georgia are taking advantage of innovative financing in order to move projects forward in a very expedited manner. We recommend that Louisiana adopt something similar to the Georgia model, potentially also incorporating elements of availability financing in order to move the I-10 corridor forward immediately.
Cintra & Ferrovial Agroman	D	• Public contribution/support: The RFQ/RFP should clearly define the support from the State of Louisiana in the form of public subsidy (either up-front, during construction or at construction completion) and ongoing availability payments. • TIFIA financing: TIFIA will not provide committed financing during the RFP stage and will only negotiate with the preferred proposer after the project award. LADOTD should account for the fact that the TIFIA application process usually takes 6 months to complete. Should TIFIA be involved in the financial structure of the project, financial close would likely take approximately six months. • PABs: Private activity bonds have become a vital tool in financing large-scale infrastructure development in the U.S. as they reduce overall costs by having the interest payments be tax-free to the bondholders which effectively reduces the interest rate. LADOTD should seek an allocation of PABs from the U.S. DOT.
Fluor	D	• The response to this question varies somewhat depending on which method of procurement LADOTD adopts. In either of the structures below, it is presumed that the project documentation would be consistent with commonly accepted precedents. • Design-Build-Finance (DBF): Using this approach, work proceeds on an optimal schedule with LADOTD paying up to its committed and available funding in each payment period. When the value of completed work exceeds available funding, the authority certifies the work and agrees to pay from subsequently committed funding. This structure allows a project to be constructed ahead of its committed funding, allowing construction to proceed on the fastest and most efficient schedule and avoiding construction and ROW cost escalation resulting from delaying a project. Contractors and lenders will need to have insight into the source of committed funding and a pledge from LADOTD to make such payments. Typically, these structures include provisions that once the DOT certifies the work it cannot set-off such certified amount from future repayments. • Availability Payment Structure: Under this structure, regular payments over the concession term are pre-determined prior to financial close and are often funded via a dedicated stream of sales or other revenue pledged by LADOTD. The private concessionaire assumes construction, operational performance and maintenance risk of the asset, while LADOTD maintains revenue risk. Given that the Concessionaire relies on regular Availability Payments from LADOTD, it will be critical to understand the credit quality of such payment stream. Developers, investors and lenders would expect

		LADOTD to provide transparency with respect the funding stream (e.g. revenue projections, existing debt service, provisions for additional indebtedness, capital expenditure program projections, other funding obligations, lien position for Availability Payments, appropriation process). • Toll Revenue Concession: Under this structure, the Concessionaire will rely on toll revenues as the primary funding source for securing financing – in addition to any upfront or progress payments from LADOTD as applicable. Although developers will ultimately procure their own investment grade traffic and revenue studies to arrange financing and inform their bids, they will typically expect LADOTD to provide a "near" investment grade traffic and revenue study at the commencement of the procurement to validate that this delivery mechanism is viable. Additionally, assuming that the Concession Agreement would include customary provisions for termination upon Concessionaire default, LADOTD default and termination for LADOTD convenience, investors and lenders will have many of the same concerns identified above with respect to the credit quality of the LADOTD payment obligation.
Kiewit	D	• LADOTD needs to provide detail with respect to the availability of funding under any delivery model. Specific to P3, information related to the Project's committed funding in the STIP, allocation or availability of funds under Federal programs including PABs and TIFIA, statutory limitations. Specific to appropriations based obligations, details related to LADOTD's budgetary process, any legislative funding protocols, and any other programmatic considerations need to be made available. • <See detailed pages 16-17 of Kiewit Proposal>

Lane	D	• While availability of private capital is plentiful, it can only be deployed if the project is defined thoughtfully, has a fair and balanced risk allocation, and the developer (and its lenders) can safely recoup their investment with a reasonable return thereupon, without assuming undue or unmitigated risks. The following items should be provided by LADOTD:
		  ○ LADOTD Funding Plan – Identify funding sources and define project scope appropriately
		  ○ Credit quality of the State of Louisiana - In regards to an AP based DBFOM or a DBF/DBFM

OHL & TRC	D	• While the size of the transaction is one factor, there are other factors that will impact the response by the financial markets. Several of these factors include: • Risk allocation across the project agreements among the parties involved; • The strength and stability of the revenue funding mechanism (in the case of an availability payment structure), or the strength of the revenue predictions and experience of the equity partners (in the case of the revenue-risk structure); and • The ability of rating agencies and potential lenders to remove, mitigate or cap the maximum liability of potential lenders. The investment rating process has become a critical step in securing the necessary debt in P3 projects. The inability to remove, mitigate or cap items in the transaction deemed "high risk" can severely impair the ability of the project to attract the needed funding.
Plenary Group	D	• [Not response given – see question above 17]
Sacyr	D	• In order to grant current and future funding of the I-10, tolling is a key factor for the feasibility of the Project. We highly encourage LADOTD to consider the viability of this option, without excluding additional possibilities as making use of the TEA pilot programs rendered by the FHWA, as the recent TEA-21 pilot program, in order to fund part of the Capital Investments. • If toll revenue is insufficient, the remainder of the Capital Investment could be funded from an increase in Gas Tax along with other LADOTD annual budget allocations. LADOTD, along with its advisors, should consider whether to structure the P3 project either: • As an Availability Payment scheme, which allocates the Revenue risk of the highway to LADOTD and the Performance risk to the private partner or, • As a Toll Revenue scheme, in which the Demand risk is transferred to the Private Partner. • There are intermediate solutions between these two extremes, in which revenue risk is shared by both parties, thereby optimizing the risk allocation. Any of these arrangements, if well-structured, could make the project feasible and gather significant interest from the private sector, commercial banks and bond underwriters. • Regardless where the revenue risk lies, Sacyr could provide the toll collection service as part of the concessionaire's scope. The P3 Agreement would regulate the terms on reverting the collected money to LADOTD, when appropriate. This would allow LADOTD to enter into a Design, Build, Finance, Operate and Maintain (DBFOM) contract scheme with the Private Partner while retaining revenue risk in the Public sector balance, if it so wishes, adding flexibility. This approach may be beneficial for both Public and Private Partners. • Parallel, it is worth mentioning that there is considerable appetite from both private debt and equity investors for exposure to infrastructure assets and a financing of $200 million to $2 billion is well within the capacity of the US infrastructure market.
STAR America	D	• No response provided – see financing discussion
Vinci Concessions	D	• An important consideration would be the appropriate level of risk transfer for LADOTD to meet its project objectives. Determining this level of risk transfer will then help inform the process to structure the payment mechanism, amount and timing of potential public subsidies, cost of financing, and level of private sector participation.

Walsh/Archer Western	D	• The project could support an AP structure effectively and offers the most supportable financing solution for the following reasons:
		  ○ AP are more efficient to finance vs. revenue risk (with PABs, cost of capital is reasonably close to traditional municipal financing but there is significant risk transfer
		  ○ APs enable the developer to have focused resources on construction and maintenance of the facility versus revenue generation and other activities unrelated to LADOTD's operating goals
		  ○ Aps will create clarity on the project expenses, and clarity to the amount of revenue that the developer will receive in a highly predictable fashion to allow each party to budget efficiently

AECOM	T	• Most surface transportation P3s in the U.S. have utilized a combination of financing sources: Private Activity Bonds (PABs), senior bank loan(s), USDOT TIFIA Loan, subordinate debt purchased by the Owner or sister agency and equity. The availability and cost of any financing source is dependent on the risk allocation between the Owner and the private partner, as well as on an acceptable mix of debt and equity that depends on the nature of the project and the P3 agreement (i.e., full Concession with revenue risk, Availability Payment, Concession Subsidization, or DBF).

		• PABS: It is recommended that LADOTD obtain a conditional PAB allocation from USDOT in an amount that is larger than the expected use of PABs. LADOTD should obtain the conditional allocation prior to launching the RFP (and preferably the RFQ), which provides flexibility to all Proponents to include PABs in their proposed financing structure and qualifications. • TIFIA: With regard to a potential TIFIA Loan, similar to PABs, it is recommended that LADOTD (a) submits a Letter of Interest to USDOT for the I-10 Project so that USDOT can confirm the project's qualification for a TIFIA Loan, and (b) negotiates with TIFIA (now the Build America Bureau) a draft term sheet. As with a PAB conditional allocation, LADOTD should negotiate the draft TIFIA term sheet prior to launching the RFP (and preferably the RFQ) so that all Proponents can know the general size and terms of a potential TIFIA Loan for use in their proposed financing structure. Proponents can submit their experiences with this program while recognizing that there is no loan commitment until TIFIA evaluates the preferred Proponent's finance plan. LADOTD should be aware that the content of such a term sheet would be much easier to develop for an Availability Payment structure than for a full revenue risk Concession Model. • Department should provide qualified Proponents with a preliminary traffic and toll revenue study and underlying data and base model, so that each qualified Proponent can more efficiently prepare its own traffic and toll revenue projections. Underlying traffic data are also important for Proponents to utilize in their proposals for an Availability Payment model, as levels and types of traffic will affect proposers' construction and O&M objectives. • Summary: Finally, the terms of the proposed Concession Model Project Agreements are closely analyzed by credit rating agencies, lenders and equity investors. Apart from the risk allocation, including defined and detailed relief and compensation events, the most important terms from a financing perspective are the timing and requirements relating to LADOTD's construction progress and/or completion payments, the nature and source(s) of funding of LADOTD's payment obligations and the rules surrounding different termination payments (i.e., termination for convenience, Owner default, concessionaire default, etc.).
CSRS	T	• [No response provided]
HNTB & KPMG	T	• Typical P3 financing sources including federal Transportation Infrastructure Finance and Innovation Act (TIFIA) loans, Private Activity Bonds (PABs), private debt solutions, etc. • The market will need to see a clear line to a source of repayment either through dedicated funding sources, toll revenues (if applicable), tax base or other source of revenue. • If tolling is involved with financing as a source of revenue, an investment grade traffic and revenue forecast will be required. • In some instances, LADOTD's P3 financial advisor can help with the initial applications for TIFIA and PABs. Also, any debt options should evaluate potential impacts on the Louisiana's Net State Tax Supported Debt Limit.
Michael Baker	T	• "no response"
Parsons	T	• The key factor for project financing is identification of a sustainable revenue stream – either toll revenues or an availability payment from the Department – which is sufficient to cover all project costs and can be legally pledged to same. • Projection of toll revenues will need to be demonstrated by an investment grade traffic and revenue study based upon reasonable and achievable assumptions. Investors will look for project toll revenues to provide coverage of all projects costs plus some cushion (~1.35 times) to allow for any reduced level of traffic and/or higher costs. • Sensitivity to early year revenue forecast as tolling is introduced could require sculpting of the debt repayment and/or liquidity reserves. In the case of an AP, must demonstrate sufficient revenues (aside from other commitments) to meet its availability payment obligations and other payments under the comprehensive agreement. Department will need to appropriate the needed amounts each year. Any steps the Department can take to provide financiers comfort that future year payments will be made will be favorably received.
Parsons Brinckerhoff	T	• A schedule of funding available and/or programmed, timing of the availability and some indication of the range of additional funding which is to be provided by the Developer. • For the funding to be provided by the Developer, LADOTD needs to provide an availability payment schedule which LADOTD can accommodate. • LADOTD needs to identify whether or not they will entertain possible tolling and if there are any local funding measures possible or under consideration • The LADOTD has been recently successful in securing a FASTLANE grant for other improvements on I-10, and LADOTD should indicate its desire/intentions to work with the Developer to leverage all available funding for other competitive grant opportunities.
Stantec	T	• A reasonable time frame between the issuance of the Final RFP and the Expected Commercial / Financial Close. A realistic timeline is predicated on the necessary engineering needed, costing and required information to fulfill the scope and procurement requirements. The final project funding method will also have an influence on the time needed.
Citi	F	• DOTD should be prepared to provide details about the source(s) and timing of public funding that will be available for the Project. • Should the Louisiana Legislature provide an increase in the State's gasoline and special fuels taxes that could be used for the Project, it would have a significant benefit on the financial viability of the structure versus a scenario where DOTD was to commit excess portions of existing revenues. The more information DOTD is able to provide concerning the source(s) of public support, the amount and timing of the public funding, and the priority of dollars that can be committed to the Project relative to other State / DOTD obligations will greatly impact the ability of its financial professionals or potential P3 bidders to provide financing proposals for the Project.
LOOP Capital	F	• 1. Periodic Payments (Availability Payments) vs. User Fee Payments. The financing terms and size will be impacted by the revenue collection risk assumed by the developer under a DBFOM concession agreement. ○ a. Availability Payments. Delivery could come in the form of periodic payments made by LADOTD to the developer over the term of the concession agreement. The availability payments would be subject to reductions based on the conditions set forth in the concession agreement. Under an availability payment structure, given that the developer is not directly assuming any fees collection/revenue risk, the developer may be able to raise more leverage to support their financial proposal.

		○ b. User Fees. Under a revenue-risk structure, the developer would be responsible for the collection of fees assessed to users of the I-10 Capital Corridor. The concession agreement may also incorporate a risk-sharing arrangement whereby LADOTD would be eligible for a portion of the project's generated revenues once a threshold has been met. Such a structure could allow LADOTD to retain revenue upside from the project. ○ c. Milestone Payments. Delivery could come in the form of payments made by LADOTD during, or upon completion of, construction to fund a portion of the project's development costs. The presence of periodic milestone payments versus one payment at the end of construction, for instance, may determine whether a developer opts to secure short-term debt financing during the project's construction period. ○ d. Hybrid Delivery Approach. Delivery method could also take the form of combining both availability payments and revenue-risk structures. Under this approach, a portion of the project's revenues received by the developer would be comprised of availability payments made by the LADOTD. • 2. Federal Funding. The availability of federal transportation funding such as FHWA grants and TIFIA credit assistance for the project will be an important financing determining factor for the developer. • 3. Base Interest Rate and Credit Spread Risks. LADOTD should be sure to provide clarity around whether the agency or the developer will be responsible for assuming fluctuation risks of the base interest rates and credit spreads underlying the debt financing proposed by the developer in their financial proposal. • 4. Private Activity Bonds (PABs). PABs have become an integral financing source for transportation P3 projects. Public agencies procuring projects that may be eligible for PABs therefore generally include considerations pertaining to PABs in the RFP ITP. Procurement agencies may choose to allocate all responsibilities associated with issuing PABs to the developer. Examples of such responsibilities include obtaining credit ratings; identifying a conduit issuer; and payment of conduit issuer costs.
Macquarie Capital	F	• Subject to payment mechanism considerations, two key factors could include • 1) the ability to complete a substantive and detailed traffic study and • 2) the Departments' willingness to provide the level of public funding required to make the Project economically feasible on a risk adjusted basis. In the case of a demand risk approach, the Authority should bear in mind that the completion of a traffic study will not only require substantial traffic data for the surrounding road network, but also additional time to confirm data and develop robust traffic forecasts. Furthermore, if the required traffic data is not available, proposers will need additional time to compile the data through traffic surveys. Under an availability payment approach, proposers will bid an amount of public funding required to make the Project economically feasible. This will be determined based on the construction, maintenance, operations, and rehabilitation costs during the concession term.
Wells Fargo Securities	F	• Identifying a dedicated funding source - LADOTD will need to identify a dedicated and stable revenue source that can help support project payments and/or will be strong enough to support a bond issue or other future funding to 'take out' a milestone payment • Federal funding – TIFIA has been essential to funding of P3s • Legislative / Stakeholder support - full legislative authority to proceed, approvals needed from FHWA, as well as the support of multiple stakeholders who would have interest in the project, would have a major influence on the willingness of potential respondents to commit the funds necessary to develop a bid and participate in the Project.
Butler Snow	L	• Tax-exempt governmental financing can be utilized in a design-build financing P3 if there no ongoing private use (i.e. operation and maintenance) of the facility to be financed. On the other hand, tax-exempt private activity bonds may be used in a design-build-finance-maintain-operate P3 (subject to allocation and volume cap analysis). • A concession agreement should provide procedures for adjusting toll rates, length of time the concession agreement, ability to refinance the debt relating to the project, condition of the project at the end of the concession agreement, alternative dispute resolution to settle disputes about the terms of the contract. • Governmental entities are often limited by constitutional provisions and by statute with regard to agreements and waivers with respect to certain rights. The concession agreement must be clear as to the dispute resolution procedures and it must be examined to ensure compliance with state law. • The concession agreement should have "teeth" that enable LADOTD to correct any noncompliance with performance

Project Delivery (I-10)

Question 22 (12)	What financing structures are available for LADOTD in delivery of the Capital Region Area Projects?

Firm	Role	Response
Abertis	D	• None
ACS Infrastructure & Dragados USA	D	• We recommend that LADOTD procure the Project using a combination of availability payments and milestone payments. This would optimize the cost of financing. • A market standard approach to risk allocation, including protections for lenders, and strong counterparty credit will be essential to securing financing. • Financing tools potentially available in the market include tax-exempt private activity bonds (PABs) and a low interest rate TIFIA Loan. We highly recommend that LADOTD consider applying for PABs and TIFIA loan assistance. This can and should be done early in the process so that proposer teams may have the possibility to utilize these sources in their financing packages and this will greatly streamline the overall procurement process.
Brown & Root	D	• There are a wide range of financial structures available for LADOTD in the delivery of the Capital Region Area projects. All of these financing mechanisms have pro's and con's depending on the desired end state of LA DOTD. • Some type of availability payment financing, like the GA DOT model, could be very advantageous to the state of Louisiana. There is also availability for tolling structures and we believe the current administration will provide new innovative financing options for public private partnership in the next 12 months.

Cintra & Ferrovial Agroman	D	• We believe that a DBFOM availability P3 would yield LADOTD the best value for money for the project delivery.
		• A P3 would likely have funding sources of:
		  ○ Equity
		  ○ Private Debt (bank debt or private activity bonds)
		  ○ TIFIA
		  ○ State subsidy

Fluor	D	• [See Key Financial Factor Response] • The response to this question varies somewhat depending on which method of procurement LADOTD adopts. In either of the structures below, it is presumed that the project documentation would be consistent with commonly accepted precedents. • Design-Build-Finance (DBF): Using this approach, work proceeds on an optimal schedule with LADOTD paying up to its committed and available funding in each payment period. When the value of completed work exceeds available funding, the authority certifies the work and agrees to pay from subsequently committed funding. This structure allows a project to be constructed ahead of its committed funding, allowing construction to proceed on the fastest and most efficient schedule and avoiding construction and ROW cost escalation resulting from delaying a project. Contractors and lenders will need to have insight into the source of committed funding and a pledge from LADOTD to make such payments. Typically, these structures include provisions that once the DOT certifies the work it cannot set-off such certified amount from future repayments. • Availability Payment Structure: Under this structure, regular payments over the concession term are pre-determined prior to financial close and are often funded via a dedicated stream of sales or other revenue pledged by LADOTD. The private concessionaire assumes construction, operational performance and maintenance risk of the asset, while LADOTD maintains revenue risk. Given that the Concessionaire relies on regular Availability Payments from LADOTD, it will be critical to understand the credit quality of such payment stream. Developers, investors and lenders would expect LADOTD to provide transparency with respect the funding stream (e.g. revenue projections, existing debt service, provisions for additional indebtedness, capital expenditure program projections, other funding obligations, lien position for Availability Payments, appropriation process). • Toll Revenue Concession: Under this structure, the Concessionaire will rely on toll revenues as the primary funding source for securing financing – in addition to any upfront or progress payments from LADOTD as applicable. Although developers will ultimately procure their own investment grade traffic and revenue studies to arrange financing and inform their bids, they will typically expect LADOTD to provide a "near" investment grade traffic and revenue study at the commencement of the procurement to validate that this delivery mechanism is viable. Additionally, assuming that the Concession Agreement would include customary provisions for termination upon Concessionaire default, LADOTD default and termination for LADOTD convenience, investors and lenders will have many of the same concerns identified above with respect to the credit quality of the LADOTD payment obligation.

Kiewit	D	• There are three financing structures that are available: ○ Pay as you go, which can be used under the CMAR and Progressive DB delivery models ○ Design-build-finance P3 with short to medium-term debt structure (potentially combined with milestone/progress payments) should also be considered based on availability of funding. This can be utilized under any of the three recommended delivery models. ○ Traditional Design-build-finance-operate-maintain P3 with an availability payment model, which allows the private sector to access less expensive financing with lower debt/equity ratios, which effectively reduces overall project cost and improves viability.
Lane	D	• Financing for this project will likely include a mix of federal, state, local, and private funding. • Extent of private financing under a Demand Risk DBFOM will depend on the cash flow generation potential of the project, which is a function of forecasted traffic and toll revenue, forecasted operating expenses (O&M, lifecycle costs, rehabilitation costs), administrative expenses, debt service costs (interest and principal), and return on equity. • Under an availability payment DBFOM, LADOTD will need to identify its funding sources (upfront at closing, and ongoing during the operating period) and define project scope appropriately so that equity sponsors and lenders/rating agencies have confidence that availability payments can be made comfortably. • Capital cost in excess of the privately financed amount must be met with federal, state, and local funding. • Potential local funding sources could include sales taxes, tax increment districts, or other assessment based financing • Private funding will include sponsor equity, senior debt, and potentially subordinated debt. Senior debt sources may include Transportation Infrastructure Finance and Innovation Act (TIFIA) loans, Private Activity Bonds (PABs), bank loans, and private placements. Subordinated debt could be placed with banks or other institutional lenders.
OHL & TRC	D	• Given recent experience in the U.S. P3 market, multiple sources of financing are likely to be available for this project, including Private Activity Bonds, commercial bank debt, taxable bonds, private placement funding, and federal funds (i.e., TIFIA, etc.). Several recent P3 transactions in the U.S. have been financed with a combination of long-term bonds and short-term bridge bank debt. • If TIFIA financing is being considered for this project, we would recommend that DOTD work now to determine TIFIA availability and timing to better understand how TIFIA could be a benefit.
Plenary Group	D	• [No response given – see question 17]
Sacyr	D	• Due to our broad experience with projects of this size, we firmly believe that the best and most innovative way to fund the I-10 Project is using the Public Private Partnership (PPP or P3) scheme. By means of a P3 Agreement, the upgrade of the I-10 would certainly benefits from the efficiencies that a private partner is able to achieve by performing the Design, Build, Finance, Operate and Maintain (DBFMO) as one contract, allowing a fast track implementation. • As funding is concerned, it is vital to analyze and compare the capital cost and the capacity to generate revenues that each option offers. Assuming that tolls will be a funding source, if not the only one for this project, we have to highpoint the uncommon particularity of the I-10 in terms of tolling application, whether granting a specific regulation, managed lane or applying to toll pilot program (as the aforementioned TEA-21). • Summarizing, in our view the option to widen the I-10 using general purpose lanes is the most attractive from many different points of view. This solution allows tolling all lanes and maximizes revenue, while maintaining the capital costs low, thereby increasing the viability of the project, and minimizing the need from tax funds. However, if political decisions favor not to maximize toll revenues, the State could still provide the necessary funding to approach move forward with the project by allocating money from the LADOTD's budget, and/or an increase in taxation.
STAR America	D	• The finance structure we believe would be appropriate for a project like this is an availability payment structure. It is important to note that this structure does not limit the ability to implement and collect toll revenue on the corridor if that is the desire of the state as a means of repayment for the project. The private consortium would process payments and toll collection and return all proceeds to the state as an additional source of revenue while maintaining control over toll rates. • Under a toll risk concession toll revenue need to be sufficient enough to cover all of the capital expenditures as well as operations and maintenance costs, so the private partner will require the ability to control toll rates to ensure adequate revenues to cover costs as well as their desired returns. Jurisdictions that have utilized a toll revenue risk concession model versus an availability payment model have seen more significant public opposition to the implementation and the costs to users of the system because of increasing toll rates. • We believe the use of Federal US DOT Private Activity Bonds (PABs) or the loan program established by the Transportation Infrastructure Finance and Innovation Act (TIFIA) is a cost-effective way to fund a portion of the project's capital costs. The principal advantage of these programs is reduction of the cost of financing due to their typically low interest rates they carry. The combination of PABs and TIFIA could provide a very compelling solution for the public agency, as we have seen on several other transportation P3 projects, through a lower overall cost of debt. Both PABs and TIFIA benefit from advantaged financing cost that will allow the project to benefit from tax exempt financing rates for PABS and US Treasury rates for TIFIA. One additional benefit for TIFIA is that it is subordinated debt, further lowering the cost of the senior debt. There are two minor disadvantages of the programs mentioned above. First, the use of federal funds for the financing will increase the level of administrative and compliance duties such as record keeping, wage or Buy America requirements. These provisions typically result in slightly increased administrative costs, but are typically more than offset through lower financing costs. • Another potential drawback is the delay because of the length of the application process for an allocation of these funds. Waiting for funding approval/allocation could stretch out the time to deliver enhanced transit and economic development to the public agency and potentially increase future delivery costs. It is our recommendation that if a public agency is interested in utilizing these programs they start discussions with US DOT very early in the development process to ensure any federal requirements are well understood. • We believe that if the project seeks to obtain or anticipates obtaining allocations of PABs and/or TIFIA for the project, the proposers should be given an option to include these funding sources into their proposals. The savings potential as a percentage of total costs will vary with the project's financing and cost structures.

Vinci Concessions	D	• Financing tools to consider include options such as taxable bonds, private activity bonds (PABs), private placement bonds, bank debt, and Transportation Infrastructure Finance and Innovation Act (TIFIA) loans. • Capital markets can provide a source of long-term financing through various types of bond facilities from taxable bonds, to PABs, to private placement bonds. The potential quantum and tenor of bonds such as PABs are well suited to the long-term concessions and repayment profiles typically associated with P3 projects. LADOTD will have to seek US Department of Transportation approval to issue PABs. • Bank debt typically provides a source of short to medium term financing and is often used during the construction period as bridge financing to complement the longer term financing facility in place. • TIFIA loans are administered by the US Department of Transportation and can be used to specifically fund large-scale surface transportation projects such as highways. The TIFIA credit assistance can be extended in the form of secured loans, loan guarantees, and standby lines of credit. If LADOTD wishes to pursue TIFIA funds, LADOTD will have to work with the US DOT to evaluate creditworthiness and other eligibility requirements. • The preferred finance mechanism will ultimately be a function of many factors such as the capital costs of the project, procurement delivery method, concession term, risk profile, cost of financing and payment mechanism.

Walsh/Archer Western	D	• Historically APs will utilize a combination of 5 types, with PABs and equity being the most successful
		  ○ Equity – typically sized to approximately 10% equity and 90% debt and serves to align incentives and enforce risk transfer
		  ○ Short term bank loans – acts as a “bridge” for milestone payments during the construction period and is very efficient
		  ○ Long term private placement bonds – efficient long-term capital repaid by availability payments and can be taxable
		  ○ Long term PABs – tax-exempt capital with costs very similar to traditional muni bonds; PABs must be allocated to the project by USDOT
		  ○ TIFIA loans – federally subsidized loans for low-cost long term debt; LADOTD would need to apply for a TIFIA loan prior to procurement and each bidder would be able to use

AECOM	T	• Critical goals, such as reducing debt and preserving credit ratings, must be structured and resolved prior to tendering the opportunity to the private sector.
		• Financing structures which are available to LADOTD to be evaluated include, but not be limited to the following:
		  ○ Tax-exempt debt financing through municipal market (municipal bonds);
		  ○ Federal debt financing tools such as Private Activity Bonds (PABs), which are tax-exempt bonds issued by or on behalf of local or State government for the purpose of financing the project of a private user;
		  ○ Transportation Infrastructure Finance and Innovation Act (TIFIA) direct loans, loan guarantees or standby lines of credit;
		  ○ Bank debt financing; and
		  ○ Capital Market analysis that focuses on what the private equity financiers, lenders and investors see in the project, as well as the U.S. infrastructure investment marketplace
		• The Louisiana Public Facilities Authority has the authority to issue PABs up to the State volume cap. In all cases, LADOTD will need to secure some level of funding to support financing activities;
		• The cheapest form of finance may involve LADOTD paying (with available funds, not debt) for a portion of the Project upfront through milestone payments under a single P3 contract, or paying for the whole Project on a staged upfront basis through a series of segmental DBF contracts where available funds could include any Federal, State or local contributions;
		  ○ Under DBF or an Availability Payment P3, any initial funding shortfall could potentially be supplemented by LADOTD issuing debt backed by future toll revenues (likely affecting the State’s Debt Capacity and at its own risk); and
		  ○ While a revenue risk Concession Model P3 could potentially enable the Project to be financed at no risk to LADOTD and off-balance sheet, the private sector may demand higher rates of return under this approach, resulting in a higher overall cost of finance.
		• Ultimately, LADOTD’s selection of a project financing approach should be subject to detailed Value for Money analysis that weighs each of these factors in context with, and in addition to, the other pros and cons of various delivery models (i.e., risk costs, cost of delivery, life cycle costs and potential revenues). In addition, consideration must be given to long-range planning of future roads that could compete with or impact the traffic and revenue risk carried by the Developer.

CSRS	T	• [No response provided]
HNTB & KPMG	T	• Grant Anticipation Revenue Vehicles (GARVEEs), highway revenue bonds, general obligation bonds, toll revenue bonds (if applicable) (taxable or tax-exempt), PABs and TIFIA. • In addition, a private sector partner may be able to access these financing tools and combine them with suite of private financial instruments including equity, short term bank debt solutions, taxable bonds and private placements.
Michael Baker	T	• “no response”

Parsons	T	• State General Obligation Bonds, State Appropriation Backed Bonds, and the Transportation Trust Fund, TIFIA loan program • Department can add P3 to its financing options with toll/traffic risk transferred, availability payments, or a combination thereof. Department's private partner will develop and structure a financing program to leverage the project revenues, whether toll/user fees or an availability payment to be received over the concession term, to repay non-recourse project debt and provide an equity return. The project debt and equity must be sufficient to fund the construction period costs of the project. While a private partner under a P3 structure will have a higher cost of borrowing than the Department, the private partner will have access to the TIFIA loan program mentioned above and can issue tax-exempt private activity bonds (PABs) at competitive rates. Should the Department determine to transfer the tolling risk to a private partner, a "cooperative endeavor" like the agreement with the Louisiana Transportation Authority which backstopped the Authority's toll revenue bonds on the Highway 1 project could be considered.
Parsons Brinckerhoff	T	• This project could be delivered through a Design/Build/Finance or Design/Build/Finance/Operate/Maintain (DBFOM). Other alternative delivery options include Design/Build, PM/CM at Risk or Progressive Design/Build, but these options do not include a financing component. • Financing options could include federally supported Public Activity Bonds (PABs) and TIFIA. • As stated earlier, it doesn't appear that tolling is an option, since the facility is part of the Interstate Highway system and the I-10 Mississippi River Bridge structure is not being replaced as part of this project. There may be a potential for some contributions of revenue if a dedicated truck tolling lane or Express Toll Lane could be implemented to enhance the funding coming from state gas tax revenue commitments. • It might also be possible to leverage revenue from other localized revenue sources such as property taxes, sales tax, or value capture. • This project may also be a strong candidate for a FASTLANE grant, assuming that this program is continued under the current administration. LADOTD was already awarded $60M for improvements on a section of I-10 near Lafayette which is a good foundation for future requests with FHWA for further improvements on a significant national freight corridor.
Stantec	T	• 1. In developing a strategy to fund the program, the private entity would need to understand the timing of each project and develop a strategy on how one could finance the capital cost of each project. This would be closely tied to any funding options and policy preferences LADOTD may have particularly if tolling is an option. LADOTD would more than likely obtain best value in bundling all the project's finance needs into a single contract, rather than splitting any complex financing of the various project elements under separate contracts. • 2. In optimizing and developing a strategy that will produce the lowest cost of capital and least risk to the State's credit rating is dependent on LADOTD's available assets considering the following: a. Funding projects and/or project elements through available funds and not debt by establishing milestone payments within the base P3 Agreement b. Establishment of a series of strung DBF contracts with short-term gap financing that can be repaid through near term federal and state funding streams c. Under DBF or availability payment models which can be used to support the P3 improvements, near term funding gaps can be supported by the issuance of debt backed by toll revenues against the State's Debt Capacity and/or at its own risk. d. Revenue risk P3's is sometimes an option with lower risks to a state, however private sector revenue risk is sometimes higher than what an agency could control to address negative perceptions by the areas stakeholders. • 3. A detailed Value for Money Analysis must be developed that weighs all potentially influencing factors including type of delivery model, potential risks, cost of delivery, life cycle costs and, when tolling is included, potential revenues which would supplement funding obtained from other sources.
Citi	F	• Citi believes that utilizing a Design Build-Finance ("DBF") procurement could help to mitigate DOTD's fiscal challenges to accelerate the delivery of the I-10 Capital Corridor Improvements. Through a DBF procurement, one contract is awarded for the design, construction and full or partial financing of a facility. • Citi provided an illustration for how DOTD might be able to structure "contract payments" to the private contractor and, in this example, how a 6320 Corporation could accelerate DOTD's funding through a single fixed-rate tax-exempt issuance. Citi would like to note that this tax-exempt financing structure could also be effectuated a 501(c)(3) Organization under slightly different assumptions. This 63-20 Corporation example assumes that the DBF contract includes a work schedule that will provide for payment from DOTD to the private contractor when construction work has been completed. • The State currently has legislative authority to issue Grant Anticipation Revenue Vehicles ("GARVEEs") to advance the funding of critical projects on the State's transportation system. Since the GARVEE Act is already in place and portions of the Project would likely qualify for federal funding, Citi believes the State and DOTD can utilize new GARVEE financing capacity to finance portions of the Project under an aggressive timeline and at low tax-exempt borrowing rates. By issuing and utilizing GARVEEs, the State can generate a significant amount of upfront revenues for the Project without needing additional monies from the legislature, presenting the opportunity for significant cost-savings to the State, since the Project can be completed at present day costs and at an accelerated pace. • Citi is the market leader in arranging TIFIA loans and has more expertise incorporating a TIFIA loan into the structuring of a complex financing than any other investment bank
LOOP Capital	F	• 1. Equity Financing. Under a DBFOM structure, the developers and investors would likely contribute equity financing to fund the project's costs. The equity is typically fully committed from the outset of the transaction. The development team will also provide a letter of credit at financial close from a financial institution to support the commitment until the equity is drawn. • 2. Private Activity Bonds. Tax-exempt PABs may be available for the projects. PABs usually offer lower costs of financing than taxable bonds and bank debt. PABs also allow for a longer tenor and the securities can be marketed to a large institutional investor base. The use of long-term PABs prevents refinancing risk and has been proven to be a reliable financing source for transportation projects. • 3. Bank Debt Financing. Developers may look to secure short-term, bank-debt financing for the projects. During the construction period, in the absence of milestone payments, the developer team may finance costs using bank debt proceeds. • 4. Private Placement. The U.S. P3 market has recently witnessed the use of taxable, privately placed debt to finance projects across several infrastructure sectors. These debt private placements can be sourced from large domestic and foreign institutional investors.

Macquarie Capital	F	• TIFIA is a Federal credit program. One major benefit of TIFIA financing is the flexibility of terms. For demand risk projects, it is common for the TIFIA tranche to be permitted to capitalize for the first 5 years of operations, reducing the debt service burden in the initial years while the project is in ramp up phase. The other major benefit of TIFIA is the pricing, which is customarily 1bps above the price of equivalent dated Treasuries, making the loan effectively the price of similarly dated Treasury securities (and hence the cheapest form of financing for the Project). • Private Activity Bonds (“PABs”) are issued by a state or local government (known as a “conduit issuer”), the proceeds of which are used by one or more private entities. • Equity We are highly confident that equity financing would be available for this Project. Macquarie has the ability to source equity capital from among its managed unlisted infrastructure funds, subsidiaries (or vehicles managed or advised by its affiliates or subsidiaries), its own balance sheet, and investor clients. • The bank market continues to be open to finance well-structured PPP transactions. Banks are particularly focused on the quality of the Lead Contractor, project terms for termination compensation and risk allocation, and the size of offering to “clear” the market.
Wells Fargo Securities	F	• As it relates to financing structures, there are a wide variety of tax-exempt and taxable financing tools that can be used to help finance project costs, including short-term bank loans, long-term tax-exempt private activity bonds (as authorized under Section 11143 of Title XI of SAFETEA-LU), and long-term taxable debt (traditionally taxable municipal debt, 4(a)2 private placements, or 144(A) offerings). • In addition, a variety of federal financing tools can also be considered, including TIFIA, FASTLane Grants, etc.. • To the extent a design-build or design-bid-build approach is undertaken, more traditional tax-exempt bonds can also be considered. While product choice will ultimately depend on both the specific timing of payments as well as market conditions at the time of issuance, most recent U.S. P3 transactions procured under a DBFOM approach have taken advantage of tax-exempt, private activity bonds (“PABs”), which offer long-dated, tax-exempt financing based on the “AAA” MMD index. In this way the cost of funds can be kept as closely in line as possible with LADOTD’s more traditional bonding cost, apart from the lower expected rating (which is a function of construction and operating risk inherent in a P3 financing).
Butler Snow	L	• Capital markets debt, private activity bonds, Governmental tax-exempt bonds, private equity, TIFIA, federal grant programs, GARVEEs, public contributions (appropriation, milestone payments from the State or the granting of tax credits). • There are also funds for individual economic losses suffered by the State of Louisiana as a result of the BP Settlement Payment. Certain of these settlement payments can be borrowed against and leveraged. As these funds are payable in installments by BP over a number of years, if the State were to securitize these installment payments it could use these economic loss payments to solve a major infrastructure problem in the state and generate economic development in the state as well.

Project Delivery (I-10)

Question 23 (13)	If public funds are anticipated for financing of the I-10 Capital Corridor Improvements, what would be the sources of those funds?

Firm	Role	Response
Abertis	D	• None
ACS Infrastructure & Dragados USA	D	• Continue to evaluate the Project as an availability-based DBFOM P3. • LADOTD should assess the public money that can be dedicated as a funding stream to the Project, confirm that money is sufficiently budgeted to afford availability payments, and establish a clear, transparent, and reliable appropriations process.
Brown & Root	D	• If public funds are used, they could come from several sources; 1. Gas taxes. La. Currently has a $0.16/gal (41st in the US) gas tax. An increase to this tax could be beneficial to this effort; 2. Vehicle registration fees; 3. The Capital Outlay Program which is a bonding program; 4. Federal Funds particularly The Flex Funding program made up of the Surface Transportation Program (STP), this is the largest source of federal funds; the Congestion Mitigation and Air Quality Improvement Program which is primarily concerned with improving traffic congestion and air quality issues; Transportation Enhancement funds which are primarily designed to enhance transportation choices; and finally, the Transportation, Community, and System Preservation funds.
Cintra & Ferrovial Agroman	D	• Any public funding would most likely come from the State of Louisiana, probably from the LADOTD's budget or motor fuel taxes.
Fluor	D	• We would expect that the funding sources would be determined by LADOTD and its financial advisors to satisfy investor and lender requirements while working within LADOTD funding constraints.
Kiewit	D	• We can raise short to mid-term debt, however we would rely on public funds to ultimately repay the financing raised. • As part of our scope of work, we would work with LADOTD to advance the financing feasibility and develop a financial plan for the Project.
Lane	D	• Public funding could be a mix of LADOTD appropriations from the Louisiana State budget or local sources such as sales taxes, tax increment districts, or other assessment based financing. Such local sources of funding can be especially beneficial when state budgetary resources are either insufficient or the timing of such resources are not aligned with the project schedule.
OHL & TRC	D	• DOTD is in a much better position than we are to identify sources for any public funding that will be required for the project. What we can offer is our collective experience pursuing other third party funding sources, such as banks, capital markets, TIFIA, etc., which could have a material positive impact on the project.
Plenary Group	D	• TIFIA loans • Other federal grants (FASTLANE, etc.) • PABs • State tax revenue • Other State DOT funds (Gas Tax, Motor Vehicle Registration and License Fees, Commercial Trucking Special Permit Fees, etc.) ▯ Toll revenue or congestion pricing revenue (if applicable)
Sacyr	D	• In the State of Louisiana, however, transportation is funded primarily through an excise tax on motor fuel that is dedicated to the Transportation Trust Fund (TTF) for exclusive use on transportation • Financial solutions can come from different sources: ○ Supporting on the local level: incentivizing local investment to march state and federal funds. ○ Leverage the use of all available tools for infrastructure investment. Louisiana has existing enabling legislation to develop additional toll facilities, operate a State Infrastructure Bank (SIB), once capitalized, enter into Public Private Partnerships (P3) and employ the full spectrum of alternative delivery means to expedite the project completion. ○ Sustainable Financing: seek out recurring, reliable sources of revenue for transportation and utilize some combination of debt, user-fees, private investment, and ―pay-as-you-go‖ methods to leverage market conditions and accelerate delivery of projects and benefits. ○ Innovative Financing, Project Delivery: leverage tolling and P3 opportunities with State investment, thereby, offsetting total costs with private investment and corridor or structure-specific user feeds. ○ Promote a comprehensive revision of the current tax system (which has not been revised since 1990). • Without excluding any of the options proposed, we consider tolling is a key factor for the feasibility of the Project. In this regard, we highly encourage LADOTD to make use of the possible options already purposed in order to fund part of the Capital Investments. If toll revenue is insufficient, the remainder of the Capital Investment could be funded from an increase in Gas Tax along with other LADOTD annual budget allocations.

STAR America	D	• Our expectation is that federal and state formula funds (i.e. liquid fuels revenue and other motor vehicle related fee revenues) would be used for the project. LADOTD would need to demonstrate adequate availability of those funds in the context of other current and future financial commitments, to support the repayment of the project in the form of availability payments over the term of the contract. Credit Rating Agencies and lenders would need to get comfortable that the project is affordable and appropriately prioritized in the state's budget throughout the term to minimize the risk associated with a failure to appropriate funding for the project.
Vinci Concessions	D	• We believe that LADOTD would be best positioned to determine the optimal sources of public funds to use. However, as we understand, public funds can be sourced at both the state and federal levels. • At the state level, the state motor fuel and diesel tax revenues and private automobile and truck registration fee revenues are common sources of funding. • At the state level, Louisiana's Capital Outlay Program could also provide a source of funding for public improvement projects of various types. Funding is provided through the sale of state General Obligation Bonds and can be used for acquiring land, buildings, equipment or other properties, or for the preservation or development of permanent improvements. • At the federal level, the federal motor fuel and diesel tax revenues are common sources of funding. In addition, the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) administer certain funding for transit programs.
Walsh/Archer Western	D	• Existing LADOTD revenues, including taxes and fees and operating budget • User fees from tolls • New taxes, including local gas tax, sales tax or other revenues
AECOM	T	• While many sources of funds can be employed, the most common ones are as follows: o Toll revenue collected from the asset; o Marketing along the corridor, and the potential for other sponsorship or naming rights revenues; o Increase in Motor Fuel Tax; o License renewal fees and surcharges; o Specialized grant programs such as the USDOT TIGER program; o General overall sales or property tax increase; and/or o Fees from Transportation Improvement Facilities (TIFs) or Special Assessment Districts. • Each of these items provides solutions, but also are often met with steep public resistance as they are viewed as simply "additional taxes." While no solution will achieve a full consensus, often smaller contributions from a variety of the above sources, when combined, and triggered in non-successive and reasonable means, can achieve the desired outcome.
CSRS	T	• [No response provided]
HNTB & KPMG	T	• Most P3s require state funding to fund at least a portion of the project's development costs. The Governor's Task Force on Transportation Infrastructure Investment report has identified the most applicable funding sources.
Michael Baker	T	• "no response"
Parsons	T	• Public funds will be required for the project since a P3 provides financing, not funding. Even if a newly built or improved corridor is tolled after opening, those revenues are funding for the owner. The owner may award the successful bidder under a P3 procurement the right to toll a corridor and keep and collect toll revenues. Often the owner will establish a tolling regime which creates limits under the private entity's ability to raise and collect toll revenues. In many cases, the owner wants to retain control over toll levels, especially when a corridor is part of a larger regional network which will be impacted by toll levels. The owner, within their policy constraints, levy and collect toll revenues and apply the toll revenues to pay an availability payment, in whole or in part. Of course, an availability payment can be made from any legally available Department funds at a level demonstrated to cover the payment
Parsons Brinckerhoff	T	• In addition to routine Federal funding and state TTF funds, there may be other Federal Funds that can be secured at a Federal level such as FASTLANE or high priority corridors funding. • Locally, additional funds could be realized from increasing and/or indexing state sales tax, increasing fees (registration and truck permits), or implementing local option measures
Stantec	T	• 1. State and Federal Funding sources typically accessible to LADOTD • 2. State Investment Bank Loans, if available • 3. TIFIA Loans • 4. Federal grants (i.e.: TIGER) • 5. Local public funding, if available
Citi	F	• As Citi currently understands the project, will not be a "tolled" facility or have some other method to self-generate revenue. Without tolls or other self-generated revenue streams, public funds will be required to successfully finance the I-10 Capital Corridor Improvements. For other similar projects, states have provided public funds primarily from statewide transportation taxes and federal-aid funds to offer a stable and creditworthy security that could be leveraged at a low borrowing cost. While the State and DOTD have significant flexibility to determine which revenues can be used to support the Project, certain revenue streams (i.e. new gasoline and special fuels taxes) can support the Project to a greater degree and at a lower cost than other revenues (i.e. unclaimed property) available to the State.

		• Several specific legislative issues and considerations for both state and federal funding sources that will be confronted in the near future that will have an impact on the types of funding streams that will be available to commit to the Project. • Citi believes we can create a financing structure to efficiently leverage any public funding stream the State and DOTD may have available to commit to this Project and we would welcome the opportunity to discuss those alternatives with you at your convenience.
LOOP Capital	F	• Toll Revenue • TIFIA • State Infrastructure Bank • TIF • Private Toll Operator
Macquarie Capital	F	• Public funding sources typically include bond measure funding, toll revenue generated by the project, and state appropriations.
Wells Fargo Securities	F	•
Butler Snow	L	• Tolls could be used; increases to the gasoline tax or state income tax could be used; TIFIA can be used; Private Activity Bonds may be issued. Financing could also be in the form of a traditional governmental bond; the P3 element could come from transferring operations and maintenance to a private party to offset issues with budget constraints and political sensitivities.

Project Delivery (I-10)

Question 24 (14)	What threshold financial arrangements would be necessary to successfully complete the I-10 Capital Corridor Improvements?

Firm	Role	Response
Abertis	D	• Bid bond arrangement • Arrangement of construction guarantees • Arrangement of operations guarantees
ACS Infrastructure & Dragados USA	D	• A clear, transparent, and reliable appropriations process must be in place.
Brown & Root	D	• As part of the PDA process, a detailed financial plan can be developed and vetted. It will be necessary to understand where the eventual funding would come from to pay the developer. There are many options for the source of funds. Additionally, Open Book costing models can be generated to facilitate financial close. Typically, in the early stages of a P3 project, the project is not fully defined, financial feasibility has not yet been determined - but appears to have good potential, and the owner is seeking private sector innovation to define and accelerate the delivery of an optimally feasible project.
Cintra & Ferrovial Agroman	D	• Prior to launching an RFQ process, it would be recommended to have the sources of any required public funding identified, as well as an agreement with the State of Louisiana to fully allocate the periodic availability payments.
Fluor	D	• [Please see response with respect to the key financial factors question above.]
Kiewit	D	• The private sector's ability to successfully raise debt and equity financing is highly contingent on a number of select factors including: • Securing public funding earmarked in the Statewide (STIP) and Metropolitan Transportation Improvement Program (TIP) • Developing a comprehensive agreement with market proven terms and credit structure • We recommend LADOTD request a TIFIA allocation for the Project in conjunction with a PABs allocation prior to the start of any procurement. • <For more detail, see pages 16 – 17.>
Lane	D	• Investment grade traffic and revenue forecast prepared by a recognized traffic consultant. • Project scope and cost definition based on realistic T&R scenarios that will allow for successful financing in the capital markets • Committed public funding availability in line with project construction schedule (i.e. public funding must be available when it is needed). If funding timeline does not match project schedule, then the Developer will have to arrange incremental private financing which will add to the project cost.
OHL & TRC	D	• There will be much to discuss with potential lenders to this project. We are not sure addressing threshold arrangements at this point in the project's development cycle would be possible given the level of uncertainty surrounding the structure of the transaction.
Plenary Group	D	• In order for the Project to proceed with an availability payment based P3 delivery model, LADOTD will have to meet certain threshold financial arrangements in order to receive an investment grade rating on the transaction ("BBB-" or better). Assuming that the State would be the Sponsor for the Project, the credit ratings on currently outstanding Highway Improvement Bonds of A1/AA-/AA- (Moody's/S&P/Fitch) would be sufficient to meet the demands of the market for a strong balance sheet and credit rating of the entity ultimately sponsoring the Project. This ensures investors that availability payments will be made on a timely basis to the developer of the Project (however, payments will still be subject to any deductions for non-performance as specified in the Project Agreement). In addition, investors will also have to be assured that funds backing the availability payments will be appropriated for annually in the event the debt requires annual appropriation and that in the event of a non-appropriation, back-up funds will be made available from some other source.
Sacyr	D	• No response provided
STAR America	D	• The counter party to the agreement and/or the project guarantor would need to have a credit rating of investment grade or better and clearly defined project terms and conditions in the agreement establishing the timing and amounts of the availability payment. Rationale risk sharing between the parties would also need to be articulated in the agreement along with processes that facilitate efficient dispute resolution.
Vinci Concessions	D	• Under a revenue risk scheme, the gearing would be expected to have a debt to equity ratio between 60% and 65%, while an availability payment based scheme would be expected to have a debt to equity ratio between 80% and 85%. • Another aspect to be considered regarding delivery of a project under an availability payment or revenue risk scheme is the credit strength of the Owner. Under an availability payment scheme, the credit strength of the Owner will be evaluated by bidders/lenders as counter party to the contract. Bidders/lenders must have confidence that the Owner can fulfill the availability payment obligations of the contract. This is not a focus of lenders under a revenue risk project.

		• Another financing consideration for LADOTD is the structuring of the level of private financing versus public subsidy for the project. • With respect to the level of private financing, VINCI Concessions, as a long-term investor and partner is attracted to investing equity in projects whereby there is a long-term P3 mandate which includes not only the construction but also operations, maintenance and rehabilitation of the project. • The financial risk level or private financing amount would be determined based on several factors such as the risk profile of the construction, payment mechanism, public subsidy, timing of potential milestone payments and substantial completion payments, availability payments and strength of the counterparty
Walsh/Archer Western	D	• Developers and lenders will closely examine the credit quality of the payer of the Aps • Generally speaking, the payer must have at least a BBB+ or A- rating in order to receive an investment grade rating (BBB-) • Clear termination provisions • Benchmarking process so that LADOTD mitigates credit spread risk between the bid date and financial close
AECOM	T	• If the Project uses a full revenue risk Concession Model or a Concession Subsidization, the typical project finance debt/ equity ratio is expected to be range between 70% to 80% debt to 30% to 20% equity, respectively. • For an Availability Payment Model or a DBF Model, the typical project finance debt/equity ratio will vary, more with a range between 80% to 95% debt and 20% to 5% equity, respectively. Interestingly, recent market trends are supporting less equity investment as the cost of financing this amount of dollars over the typical 30-year Availability Payment term can be significant. Both the private and the public sector are now aligning in new methods (via financial guarantees and contractual terms) to find a common ground in reducing the long-term cost impact to financing. • In all of the cases above, the debt quantum (5% to 30%) contemplates employment of TIFIA, PABS, potential bank debt and any potential State contributions to minimize any revenue/demand risk effects. • DBF models provide a lot more flexibility on the debt/equity ratio, as both of these elements are short-term and often supported by fixed bonds rather than employment of other instruments such as the liquidity provided by Letters of Credit.
CSRS	T	• [No response provided]
HNTB & KPMG	T	• These arrangements include obtaining a Committed Plan of Finance which would include evidence of equity commitments and financing. • LADOTD may require parental guarantees, payment and performance bonds (during DB and Maintenance periods), proposal bonds or lines of credit to enhance the overall credibility of the proposals
Michael Baker	T	• “no response”
Parsons	T	• The Department needs to identify a stream or streams of revenue sufficient to meet its obligations under the comprehensive agreement. The funds should demonstrate a robustness to inflation and economic volatility. In addition, the funds must be legally pledged. If the pledge of funds is subordinate to other uses the Department will need to explain all prior claims on the funds (amounts and timing). In addition, how those prior claims may change over time must be explained. Any payments from the Department which are subject to appropriation in future periods, to the extent possible, should be prioritized ahead of future appropriations for new projects.
Parsons Brinckerhoff	T	• For availability payment P3s, it is important for the Department to identify and model the funding sources that will support the availability payments over time. • Often the procurement documents include a funding white paper that provides details about how the Department will fund the availability payments. • For a revenue risk P3, it is important for the Department to provide information regarding usage patterns over time and any constraints on setting or increasing tolls.
Stantec	T	• This is indeterminable until significantly more information is available.
Citi	F	• The threshold financial arrangements necessary for successful financial completion of the I-10 Capital Corridor Improvements depend on which structure DOTD pursues. We believe the principal agreements discussed below will be necessary to plan and document the financing aspect of the project; however there may be other agreements necessary for the completion of other aspects of the project, such as design and construction. • If DOTD pursues a DBF P3 structure, a Design Build Finance Agreement (“DBFA”) is needed. The DBFA is the principal agreement that will be entered into between the Developer and DOTD, which governs the design, building and financing of the Projects. • If DOTD decides on a synthetic P3 structure, a Funding Agreement between the contractor, the bond trustee and the conduit issuer would be necessary. • If GARVEEs are issued, a memorandum of understanding (“MOU”) between the FHWA and the State will need to be executed.
LOOP Capital	F	• 1. TIFIA Credit Assistance. The TIFIA federal credit program is currently a crucial financing tool for large capital projects. P3 projects, particularly in the roads sector, have frequently used TIFIA loans extended by the Federal government to fund project costs. We would expect the LADOTD to work with the developer team to assess whether the project will be eligible for TIFIA financing, and if so, work through the TIFIA loan application and arrangement process. TIFIA loans offer the following key benefits: ○ Low fixed taxable interest rates, often less expensive than traditional tax-exempt municipal debt; and Debt service payments can be deferred up to five years after project completion. This flexibility has been essential to developers, particularly for toll road projects due to the early, ramp-up years of operations during which revenues are less predictable. • 2. Tax-Exempt Bond Financing. The developer will expect to explore the issuance of tax-exempt bonds such as PABs, to finance the project. Part of such exploration process will involve the identification of a conduit through which tax-exempt bonds can be issued. The developer team will therefore need to identify a Louisiana-based entity that can serve as a conduit. The developer will also look to secure long-term, fixed rate bond financing to minimize refinancing risk.

		• 3. Base Interest Rate and Credit Spread Risks. The developer will expect LADOTD to share the risks associated with fluctuations in the base interest rates and credit spreads underlying the debt financing proposed by the developer in their financial proposal. Typically, the procurement agency will assume the base rate fluctuation risk over a specified period, and will share the credit spread fluctuation risk with the developer over a specified period.
Macquarie Capital	F	• The financial arrangements threshold ultimately depends on the financing structure and the availability of funds to the Authority. From our perspective, milestone payments are not a requirement nor necessarily desirable. We have been able to arrange financing for projects of a similar size without milestone payments in the payment structure, so we expect this approach will be feasible for this Project. • However we recognize there may be some benefits to the Authority from using milestone payments. For example, a milestone payment or several milestone payments can help to reduce the cost of the project to the Authority if they are funded at its cost of debt capital lower than the project cost of capital. • The inclusion of a milestone payment means bidders can fund a portion of the debt by a short term facility, which will be repaid with the milestone facility and will generally have a lower interest rate than a long-term facility. Progress payments can be most efficient in decreasing project cost, as the subcontractor can be paid directly from these payments. Progress payments can be potentially combined with a single completion payment after the system is proven in service. • The milestone payment(s) should not be larger than a maximum of 50% of the total funding requirement, as this has a significant impact on the risk transfer and potentially the private cost of capital.
Wells Fargo Securities	F	•
Butler Snow	L	• At the initial stage, the source of payment and security for any project must be identified. A financial model and modeling data must be created to show how revenues would be generated. Detailed expected pricing documents need to be formulated. A project financing plan needs to be crafted. Commitments for pricing and financing must be identified with appropriate parties. Lenders and/or underwriter commitments need to be obtained. Agreements need to be reached on acceptable interest rates for long-term financing.

Project Delivery (I-10)	
Question 25	What challenges related to communication with local officials, communities and businesses does a respondent foresee and what strategies are suggested to maintain open and transparent relationships?

Firm	Role	Response
Abertis	D	Demonstration of project value How tolls will improve traffic How funds that would have been required may be used to benefit relevant constituents
ACS Infrastructure & Dragados USA	D	Good public relations campaign will increase project support and reduce likelihood of delay Town halls On-line platform Direct outreach Specific focus on DBE community
Brown & Root	D	Outreach program recommended
Cintra & Ferrovial Agroman	D	In our experience, it is important for the contracting agency, in this case LADOTD, to lead the communication with local officials, communities and businesses. The developer, together with its contractor, should be in direct support of this communication and have direct responsibilities as it relates to construction and operation communications. Ultimately, however, LADOTD needs to “own” the message and stand firmly behind the project as a necessary improvement for the tax-paying and traveling public.
Fluor	D	Success of any project is predicated with the support of local officials, communities, businesses, travelling public and the wider stakeholders. It is imperative that open and transparent communication and involvement throughout the project is a key objective, so that all stakeholders and communities are vested in the project’s success by being part of the project development and delivery
Kiewit	D	Challenges to communication • Identifying relevant stakeholders throughout all phases • Maintaining an active “living” database of stakeholders • Educating stakeholders about all phases of work • Establishing communication tools with a consistent look and feel Strategies to Open & Transparent Relationships • Proactive outreach with stakeholders • Solutions-focused responses • Transparent “One-Voice” communication • Maintain the public information approach throughout all phases
Lane	D	Lane develops a comprehensive public information/public relations outreach program specific to each project. The program focuses on open and ongoing communication with local officials, communities, and businesses. Implementing the program as early as possible in the procurement phase minimizes potential challenges related to communication.
OHL & TRC	D	Our team has worked with all levels of government all around the globe. There are two common themes that drive success for these large infrastructure projects. First, it is imperative that the private partner and the sponsor, in this case DOTD, establish a solid foundation from which to launch the development effort. This foundation is based on communication and cooperation. The communication needs to be frequent, open and honest, particularly in the early stages of any development project. And the cooperation needs to be outlined in the early days, bringing each party’s strengths to bear on the project. We appreciate that describing a project as a P3 Project does not eliminate the sponsor’s obligation to its constituents or consumers. A true partner recognizes this and works with the sponsor to fulfill such obligations through the completion of a premiere project. Secondly, the private partner needs to “partner” with DOTD to implement a broad stakeholder outreach program aimed at reaching all the stakeholders impacted by the project. It is important to emphasize the term “partner”, as it is typically the client that will receive the negative feedback if stakeholders are caught off-guard or feel as if they are not being heard. At the same time, these same stakeholders need to see that the private partner is working to improve their quality of life by improving their transportation options.
Plenary Group	D	In order to maintain open and transparent relationships, our experience is that it is best if there is a joint duty of Owner and Developer from the start of the Project. It will be important to very clearly define these roles in the scope so the Owner and Developer can work together as a team. Besides defining this joint duty from the start, one of the most effective ways to convey important information to local officials, communities, and businesses is through a website specifically dedicated to the Project. This website can be set up even before the request for Statements of Qualifications are sent out in order to make the public aware that the Project may be developed as a P3 and allow LADOTD to describe the Project goals, Project outreach, and list out contacts that the public can reach out to with questions. As the Project progresses, this website can be further developed to include Project updates, the Project team and their experience, frequently asked questions, as well as listings for local jobs that Project Co may be looking to fill.

		Along with a website, it is also helpful for the developer to establish and maintain a team dedicated to keeping lines of communication open with the public regarding the Project. Plenary maintains key individuals dedicated to this project development role that have significant previous experience with public relations and are available to assist from the start of the procurement throughout the length of the concession. From the start, these individuals will play a pivotal role in ensuring that key decision makers are informed about the P3 model and particularly about the procurement and approval process. They are also available throughout the delivery phase of projects to assist with the public communication needs that are central to the success of the Project.
Sacyr	D	Sacyr has a general approach to team match with local companies in all of our P3 Projects several months before the RFQ stage. Right now, we are in process of having conversations with local construction companies for taking them on board, in order to achieve a whole integration of Sacyr's global expertise and the local construction knowledge. To understand the importance of I-10 improvements it is important to keep in mind that Louisiana's transportation system has a direct impact on every aspect of daily life as residents and industry hardly depends on the road transport system. Therefore, as transport facilities have become an effective channel for promoting economic development along different corridors, when the transportation system deteriorates, so does the quality of life for Louisiana's residents. According to the Governor's Task Force report, a greater authority and control of project and investment decisions at the local level should be supported. As it has been referred, the participation of Metropolitan Planning Organizations (MPOs), Economic Development Organizations, and local governments may also reveal crucial to incentivize local investment to match state and federal funds. Consistent with national best practices, the role of the local community in the State of Louisiana has been key at planning and identifying short-term (Highway Priority Program, HPP), and long-term (Louisiana Statewide Transportation Plan, LSTP) transportation projects. The State's long-term transportation plan, the LSTP, was first developed in 1996 through a collective process, with the participation of stakeholders and public officials from every region of the State and subsequently adopted by the Louisiana Transportation Policy Committee. The LSTP was most recently revised through the same collaborative and comprehensive process in 2015. Within DOTD, the HPP was first established in state law in 1974, developing a transparent, resource-driven process that considers both quantitative and qualitative data in determining which projects move forward each fiscal year. More specifically, the HPP is developed each year by DOTD and then presented to the public and legislature through joint annual field hearings of the House and Senate Transportation Committees. Comments from legislators and the public are considered as DOTD revises and refines the annual plan, which must be approved by the House and Senate Committees on Transportation as well as the full bodies of the House and Senate. This transparent and data-driven process of identifying and selecting projects for each fiscal year has proven to be an effective means of making annual investment decision about the State's system of highways. Levels of transparency and modernization have been reinforced with the Act 355 of the 2015 Regular Legislative Session revised the HPP, as Louisiana's citizens now have more opportunity to understand the projects and financing issues, which is important as it helps to ensure accurate expectations from the public.
STAR America	D	Based on our experiences, a transparent process involving significant stakeholder engagement, before during and after procurement is essential to ensure a project's success. This includes both internal and external stakeholders that may be impacted in some way either positively or have a perception of being negatively by the project or the manner in which it is being procured. We strongly believe stakeholder engagement must go well beyond any public involvement required as part of the federal or state environmental process The most significant risk of an alternative procurement process is that significant time and money is spent by both the public sector and private bidders only to see the process fail to reach a successful financial close. This typically occurs because of inadequate preparation and education internally about what to expect through the process and insufficient stakeholder outreach and education about the project and process. This leaves a project vulnerable to scrutiny and criticism from opponents who often will use misguided or inaccurate information about P3 as a delivery model to undermine the process. Agencies that have been transparent and forthright as to why they intend to utilize a P3 approach have typically avoided significant opposition or been successful defeating self-serving opposition from impacted land owners and other traditional opponents of large infrastructure projects. Issuance of an RFI such as this combined with additional market soundings where feedback is received from the private sector specifically on the project can help to establish the right foundation and framework for the procurement. The public agency and its partners should also engage in stakeholder outreach activities to educate those groups and individuals that will be impacted by the project and help prepare them as to what to expect during procurement, delivery and operations.
Vinci Concessions	D	Communications during the procurement and after financial close is always a challenge due to the multiple parties involved. The following points offer recommended strategies that often help mitigate the risk associated with communications: a. LADOTD's Governance Structure: as stated in item (c) of our response to the preceding question #20, a governance structure delineates authorities, responsibilities and reporting relationships within the agency. b. Owner's Authorized Representative: LADOTD should elect an "Owner's Authorized Representative" as the sole point of communication between the agency and the Developer. The Owner's Authorized Representative should be empowered to make technical decisions "on the spot" and should serve as the bridge between the Developer and policy decision makers. A single Owner's Authorized Representative speeds up the process by way of having a single point of contact to deal with on the side of the Agency. c. Owner's Policy Committee: P3s often involve policy decisions that have to be made jointly by LADOTD with other agencies, local municipalities and other government officials. For these policy decisions, LADOTD should establish a Policy Steering Committee composed of decision makers at each of these agencies and stakeholders. The Owner's Authorized Representative serves as the connection between the Developer and the Committee. These issues would typically be political in nature, or related to policy or finances. d. Public Outreach and Business Owners: LADOTD should require from each proposer during the procurement phase a communications and public outreach plan in which they should detail how they intend to deal with public outreach and affected business owners. It is not unusual to require that the Developer establishes a customer service center through which they have the ability to address in a

		timely fashion any concerns that the general public may have. The plan for the customer service center should be submitted as part of the bid, and should become a part of the project agreement after financial close. e. Project Steering Committee: Lastly, after Financial Close, LADOTD should establish a joint steering committee with LADOTD and private developer representatives to discuss project updates, issues related to public and business outreach, potential delays, etc. f. The LADOTD should also provide a list of commitments made in their community outreach programs and make that list available to all proposers. In addition, and after financial close, having periodic meetings with the public to keep them informed of construction progress, traffic disruptions and detours, and safety provides accountability and eliminates the element of surprise for the community. VINCI has successfully utilized this approach on previous projects.
Walsh/Archer Western	D	Require a PI firm be part of the developer team
AECOM	T	Developing an new P3 program will increase demands on communication with local communities and other stakeholders. Successful strategies that AECOM has been involved with are numerous, but the key common elements include the following: Early and continual engagement with stakeholders and the community; Public education undertaking to articulate the rationale and details of why the selected P3 delivery method was tendered; A public website that includes details and downloadable reference materials of a technical and P3 nature; Information blasts and updates via social media platforms; A defined procurement and construction schedule; “Info-Graphic” details that describe key elements such as lane closures, detours and other potential disruptions; and Formation of a Citizen’s Advisory Board, which includes key members of the community so that input is gathered and concerns are addressed as they relate to the entire process, including procurement.
CSRS	T	n/a
HNTB & KPMG	T	While communication of project need, scope, and community impact is important on all projects, the P3 aspect lends itself to additional communication and education of stakeholders. A centralized LADOTD P3 office can instill confidence to stakeholders and the industry by communicating a robust policy and procedures document, demonstrating a sound rationale and process for evaluating the merits of alternative delivery, and implementing a transparent procurement process. Since P3 delivery is new in Louisiana, we suggest outreach to influential business and community organizations to educate them on the project and process. Early communication with local business and civic entities such as BRAC, BRAF, CPEX, CRISIS, LABI, and regional chambers in the Capital Region can help solidify a base of support. Dialogue with national, regional and local industry and trade associations is equally important, particularly with organizations like LCA, GBRIA, AGC and ACEC.
Michael Baker	T	n/a
Parsons	T	Challenges related to communication with local officials, communities and businesses related to this project during execution will exist. These challenges will likely include: • Opponents continuing to be vocal that the project is not warranted. • Properly informing the traveling public regarding closed lanes and any necessary detours that would impact their travel routes and times. • Properly informing the community, local officials, and businesses of any construction activities associated that would impact the ability to conduct business as usual. • Mitigation strategies for maintaining open and transparent communications with these stakeholders should be developed early, required in the RFP, and should include a mix of Department responsibilities and respondent responsibilities. Specifically, the strategies for maintaining open and transparent communications with the stakeholders should be a joint effort between Department and the respondent. • Strategies should include a range of methodologies, including mailings, meetings, internet-based activities, and other interactions.
Parsons Brinckerhoff	T	It is critical that LADOTD undertake a broad education process that explains the rationale for their decision making, outlines the options evaluated and then outlines the process for the procurement process. Education and communication should be consistent and continuous and should reach out broadly to elected officials, government agencies and the general public. This takes time and commitment and one can never communicate too much.
Stantec	T	Public input from previous phases of these projects is a key determinant of level of communication required. The community generally supports these projects due to their benefits. However, opposition always emerges. It is imperative that LADOTD and the private entity work diligently to preempt this opposition through appropriate outreach to officials and the public. Meetings with affected elected officials should occur at regular intervals. Websites, social media, and other outreach tools should be employed to maintain transparency.
Citi	F	n/a

LOOP Capital	F	Local officials, communities and businesses are key stakeholders in the execution and closure of any P3 transaction. JLC and Loop Capital's extensive experience enables us to anticipate and address stakeholder challenges with the provided strategies enumerated below. In order to maximize interest among potential buyers, it is imperative that LADOTD work together with advisors to maximize process clarity and minimize political/regulatory uncertainty using the following: Design a structured procurement process aimed at achieving key financial and policy objectives. Communicate that the planned process meets the public sector goals of each stakeholder prior to procurement Understand and assess the impact of public policy objectives for the Capital Region Area projects on asset value and marketability to support the LADOTD's decision making process before and after transaction launch Develop a clear roadmap for transaction approval from the State and relevant regulatory authorities prior to launching a procurement process Balance financial objectives/asset marketability with stated goals of the Department Maintain on-going engagement with local officials, communities and businesses throughout the process – Political and regulatory risk can sometimes adversely impact valuation or delay project authorization if not properly addressed. JLC and Loop Capital have experience working with municipalities and sellers on P3 transactions to coordinate and execute communication plans, including with third party communication advisors Set realistic expectations with each stakeholder on the risks, benefits, costs to achieve and timing to realize benefits from the I-10 Capital Corridor P3 transaction
Macquarie Capital	F	Macquarie Capital believes that the best approach to managing stakeholder expectations, including local officials, communities and businesses is through open communication channels, keeping stakeholders informed of progress, and giving an opportunity to voice any issues. During the process, multiple meetings should be held where the bidders can present their ideas for the design and operational structure for the Project and the City can provide feedback in order to ensure optimizations are realized to the fullest and bidders can change the course of their processes timely if the City has negative feedback on certain elements of the proposal. Additionally, the Authority can gather public opinion on the Project through community outreach efforts and / or a Project-specific website with a forum.
Wells Fargo Securities	F	
Butler Snow	L	Internal communication at LADOTD will be critical. All staff will need to understand management structures and the justification for using P3. Clear internal messaging will make external messaging more consistent. LADOTD should identify advocates that can convey why P3 delivery is right for the project Demonstrating advantages over traditional delivery should be based on more than project financing LADOTD should demonstrate that the project aligns with local and regional transportation priorities.