



Innovative Program Delivery

Delivering Projects when Resources are Constrained



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Challenging Times

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- Increasing investment requirements
- Mounting budget pressures
- Efficient operation of system more important, but difficult to financially sustain
- Traditional ways of paying for and procuring projects aren't fully up to the challenge



Revenue Strategies

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- Federal-Aid
- User-Based Fees (Tolling and Pricing)
- Broad-Based Taxes
- Development-Based Fees and Taxes (Beneficiary Pays)



Financing/ Procurement Strategies

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- Bonds: GARVEEs, Munis, PABs
- Public Sector Support Loans: TIFIA, SIBs
- Public-Private Partnerships
 - Commercial Bank Loans
 - Private Equity Contribution



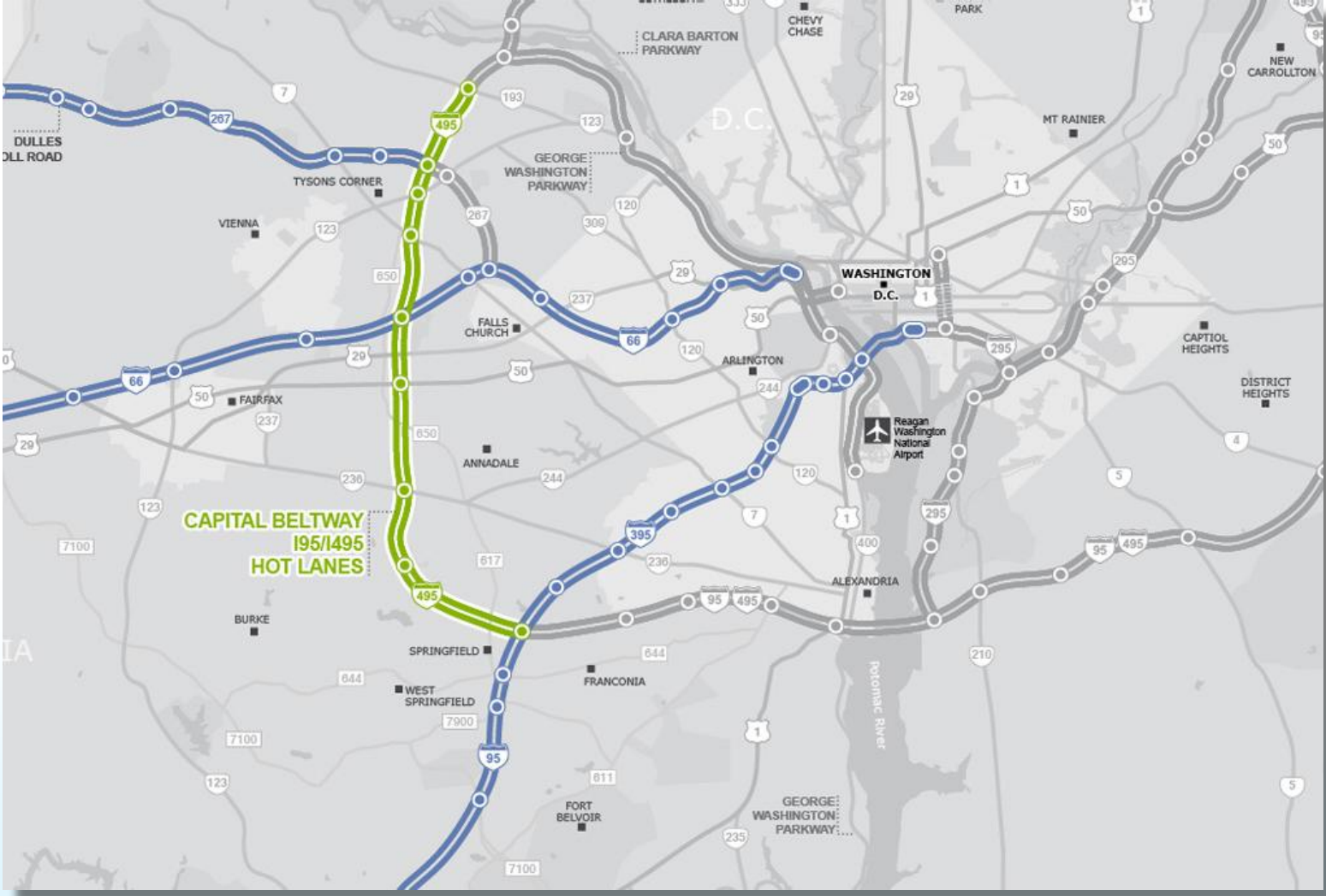
I-495 Capital Beltway HOT Lanes

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Capital Beltway HOT Lanes

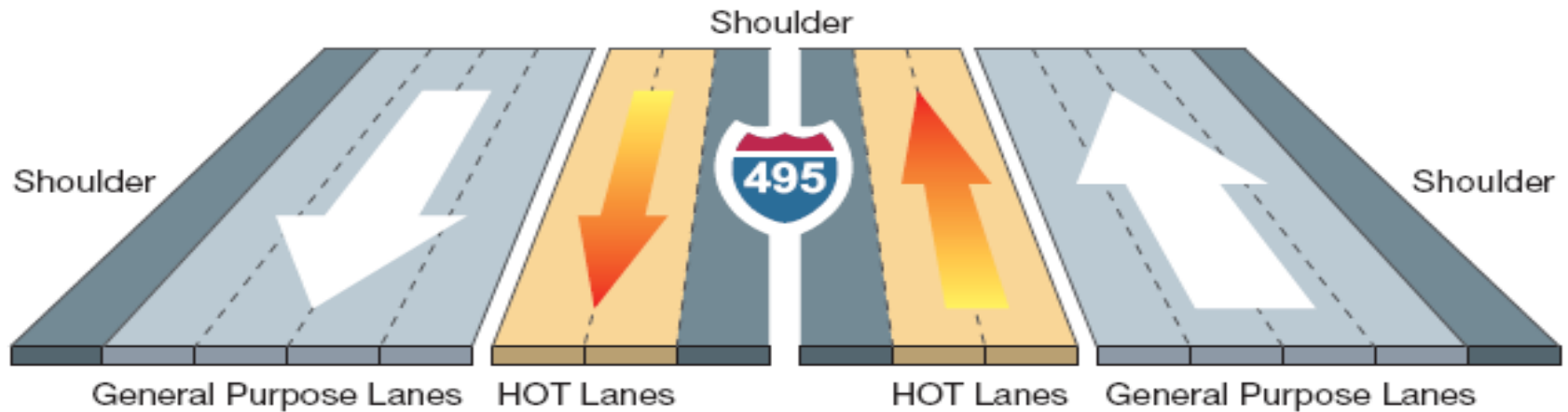
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Capital Beltway HOT Lanes

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Lane Configuration: Beltway (I-495) HOT Lanes

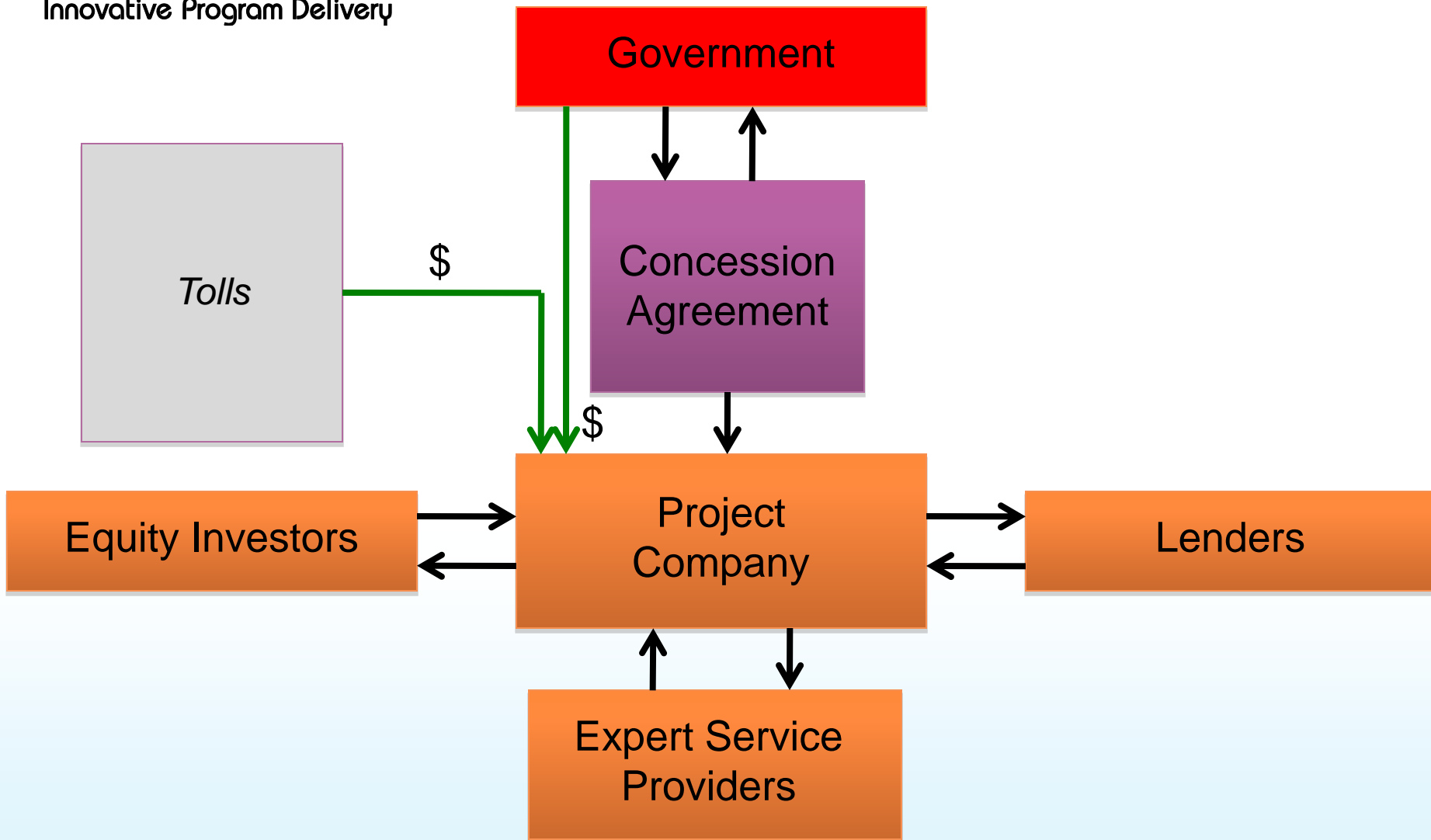


- 14-mile segment, two new HOT lanes in each direction
- Variable tolls, HOV-3 free
- Congestion-free network for transit service
- Replacement of more than \$260 million of aging infrastructure, including more than 50 bridges and overpasses



P3 Concession – Overview

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P3 Concession – Overview

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Lane Configuration: Beltway (I-495) HOT Lanes

The diagram shows a cross-section of a highway with four main lanes. From left to right: a shoulder, a general purpose lane, a HOT lane (orange), a HOT lane (orange), a general purpose lane, and another shoulder. The HOT lanes are marked with orange arrows pointing towards the center. A shield with the number 495 is positioned between the two HOT lanes.

- Capital Beltway Expressway
 - Transurban (90%) / Fluor (10%)
- 80 year concession (VDOT retains ownership)
- VDOT will share in project revenues and refinancing gains when ROI greater than 8.1%
- No non-compete clause
- Turnback provisions

Public	Shared	Private
<ul style="list-style-type: none"> • Hazardous waste • Police and Emergency services 	<ul style="list-style-type: none"> • ROW • Snow Removal • HOV increase 	<ul style="list-style-type: none"> • Design • Finance • Revenue (tolls) • Construction • Operations • Maintenance

Source	Amount (\$000s)
PABs	589,000
TIFIA	588,922
VDOT Contribution	408,895
Equity	348,695
Interest Income During Construction	70,793
Total Sources	2,006,305



MAP-21

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- Expanded TIFIA (\$17 billion in lending capacity and increased flexibility)
- Mainstreams a number of tolling options
- Calls for model P3 contracts and best practices
- Requires that P3s be considered for all projects over \$100 million





OIPD - Mission

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- ALL the tools are in ALL the toolboxes
- The right people know about the tools
- The right people understand when and how to use the tools
- The right people think about using the tools at the right time
- The tools can actually be used
- ***Always with an eye toward transportation (multi-modal) solutions, USDOT policy objectives & the public good***





For More Information

Innovative Program Delivery

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Moving Forward?

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- Questions ?
- Comments ?

