

P3 TODAY AND TOMORROW

2012 GOVERNOR'S TRANSPORTATION CONFERENCE

495/95 EXPRESS LANES PROJECTS

DECEMBER 6, 2012

Today's Presentation



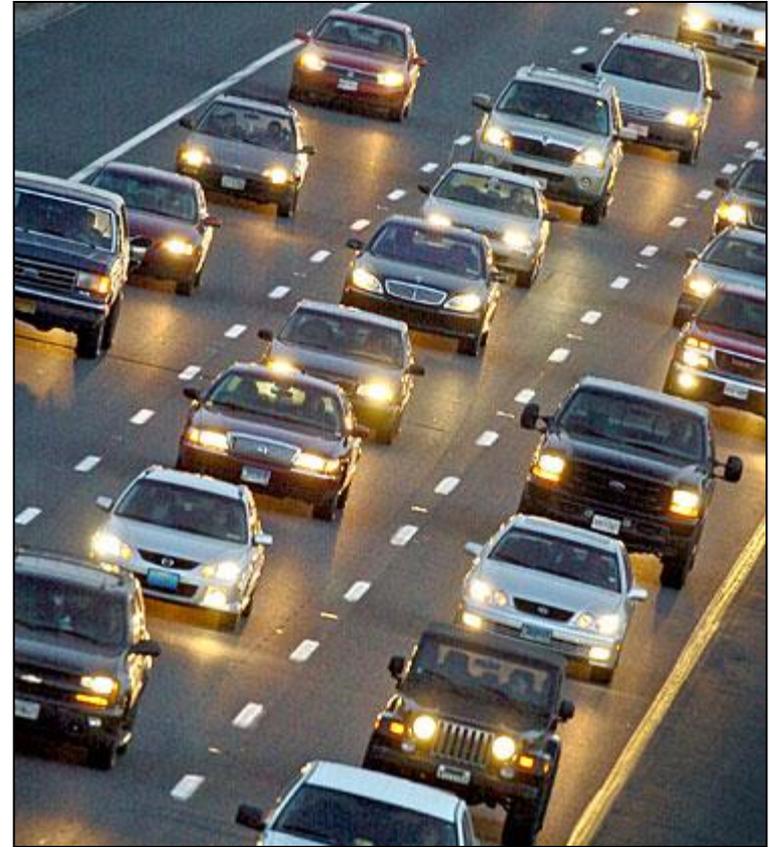
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- Delivering 495 Express Lanes through public-private partnership
- Partnership benefits and key features
- Implementing a complex project
- Operations: delivering faster and more predictable travel
- Moving ahead: 95 Express Lanes

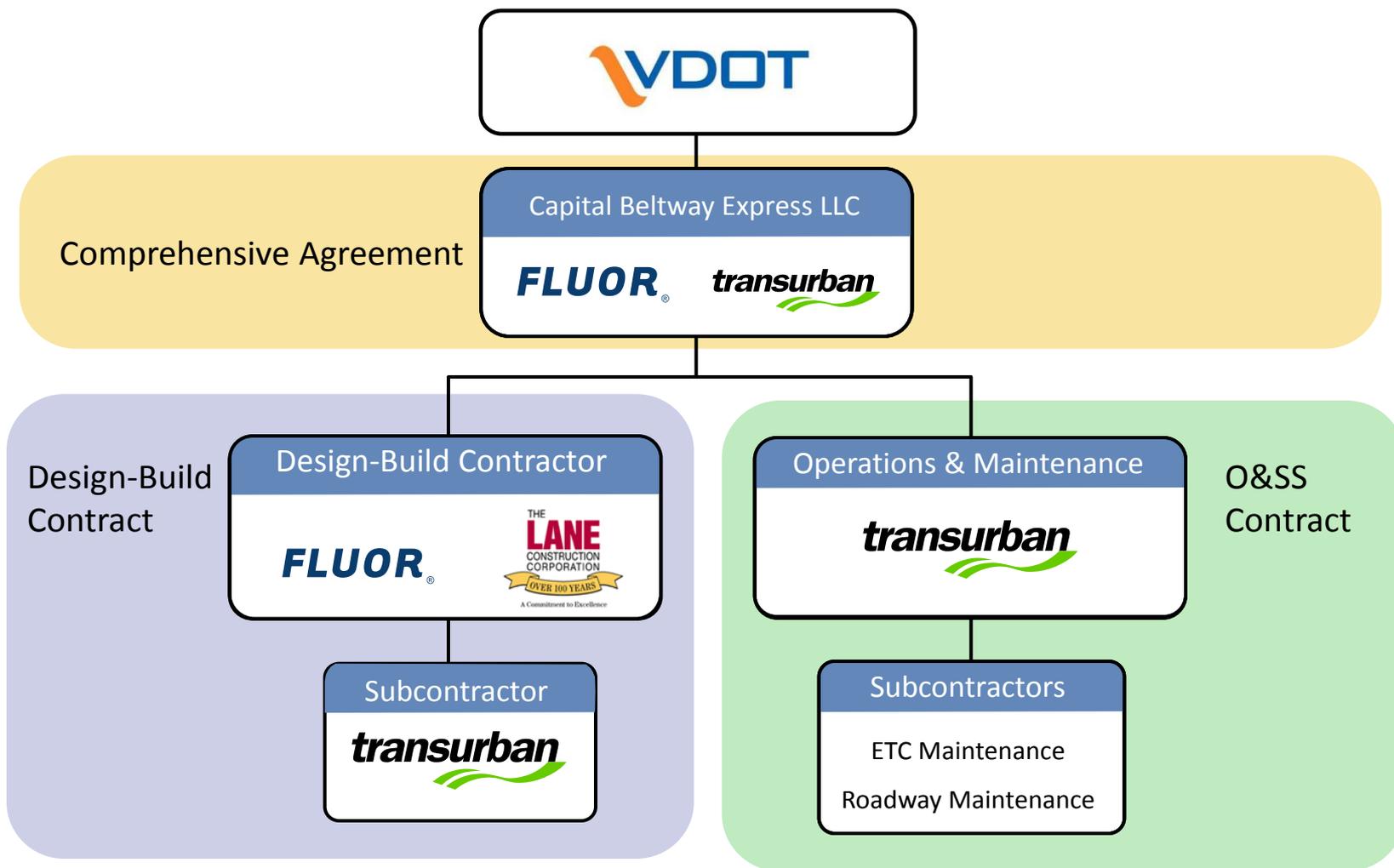
John Lynch, P.E.,
VDOT
Regional Transportation
Program Director

Road to Improvement

- Virginia began looking for solutions to growing congestion on I-495 in 1980's
- Initial proposal for traditional highway expansion failed due to public opposition, prohibitive costs and impacts
- Private proposal for HOT Lanes provided:
 - Funding source
 - Reduced impact on community and environment
 - Reduced ROW requirements
 - Operational expertise
 - Risk transferred to private sector



Partnership Structure



Public-Private Partnership Benefits



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- Leverage private investment to enable major projects, maximize tax dollars
- Accelerate delivery of major transportation improvements
- Shift key risks to private sector, away from taxpayers
- Deliver on-time, on-budget at rates higher than traditional delivery
- Access private sector skills, innovation
- Preserve state debt capacity and protect credit rating
- Shift long-term operations and maintenance responsibilities
- Create jobs and boost the economy

495 Express Lanes Partnership

- Nearly \$2 billion transportation improvement project
- 80-year partnership agreement
- Approximately \$1.5 billion in private equity and debt
- Key risks transferred to private partner
- State grant and use of innovative federal loan programs to finance project
- Partnership agreement includes key provisions to protect public interest
 - Revenue sharing
 - No non-compete
 - Transparency
 - Long-term performance requirements



Innovative Funding Structure

- Project funded through 4 sources:

Private Activity Bonds	\$589M	}	PRIVATE
Transportation Finance & Innovation Act (TIFIA)	\$589M		
Private equity	\$350M	}	PUBLIC
Virginia grant	\$409M		

- Fair and equitable risk allocation between consortium and Commonwealth allows for reasonable financing terms
- Open, transparent process: Commonwealth, Federal Government, Consortium
- All parties working together to achieve aggressive deadline

Achieving Public Benefits

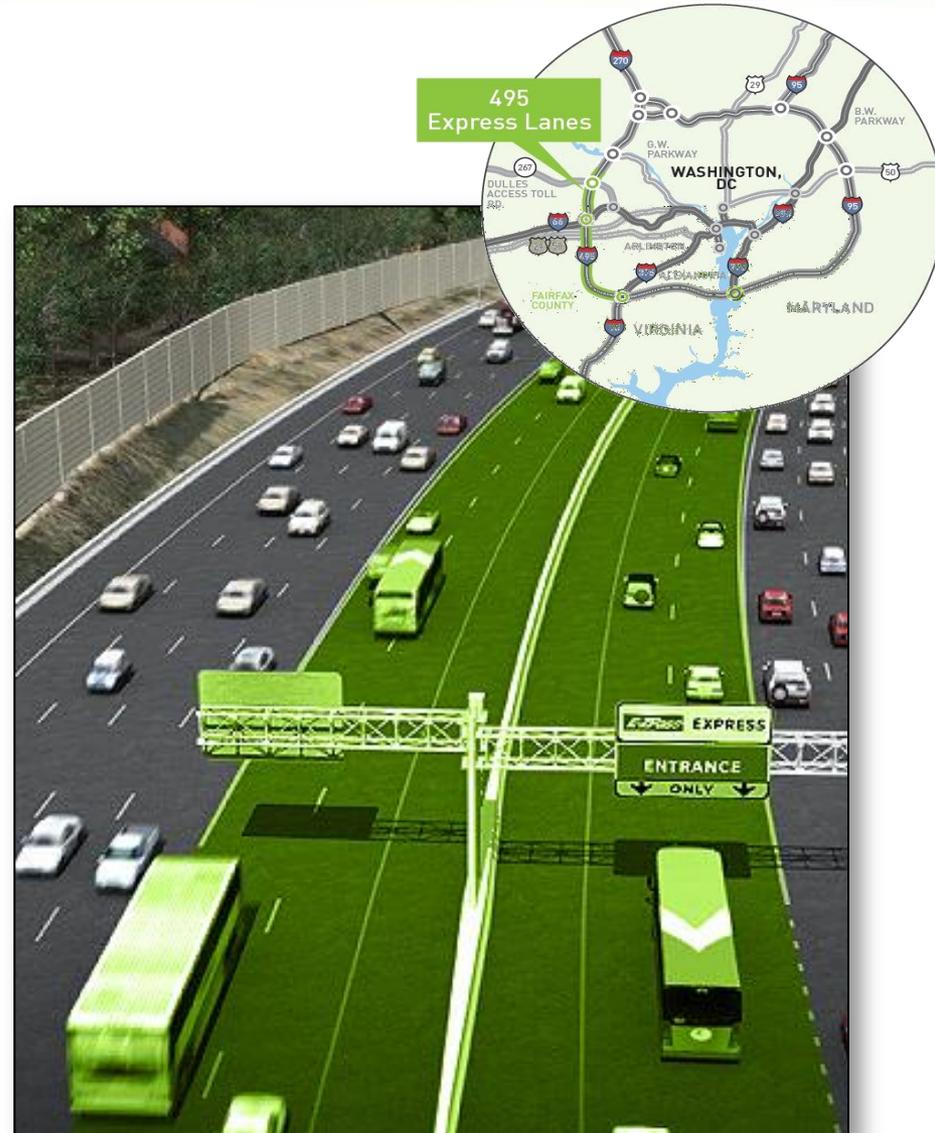


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- Added 50% capacity to manage congestion
- First major improvement to the Capital Beltway in a generation
- First-time opportunity for ride-sharing, carpooling and use of mass transit on Capital Beltway in Virginia
- Connects four major commuter routes to create seamless HOV and transit network
- Three new access points to major retail and employment centers including Tysons Corner and Merrifield

495 Express Lanes Overview

- \$2 Billion transportation project
- Four new high-occupancy toll lanes
- Active management, dynamic tolling to provide faster, more reliable travel
- Replacement of more than 50 bridges and overpasses
- Improved safety, driver information and incident response
- HOV and reliable transit service to Virginia's largest employment center, Tysons Corner



Complex Implementation

- Early, on-budget
- Heavily congested Beltway corridor – 200,000 vehicles per day
- Major impacts on region's key commuter routes
- Proximity to Dulles Metrorail
- Close interface with surrounding neighborhoods
- Entrance to largest shopping mall in the region



Construction Highlights

- 12 key interchanges rebuilt
- More than 50 new bridges and overpasses
- 1.4 million tons of asphalt
- 21,400 tons of steel
- 220+ pieces of heavy equipment
- 80,000 linear feet of sound walls
- 890,000 square feet of retaining walls
- Over 350 total overnight closures of I-495
- 3,000+ orange barrels used
- 204 new highway signs



Safety: A Top Priority

- More than 8.7 million hours worked with an incident rate significantly below industry standards
- 5.0 million safe work hours reached September 2012
- Fluor-Lane's "Zero Accident" Safety Culture and aggressive safety program largely contributed to top safety record including strict safety training for all employees and contractors
- VDOT provided dedicated resources throughout corridor to keep drivers and workers safe, and traffic moving during construction

In 2009, Transurban and Fluor partnered with AAA Mid-Atlantic to launch Orange Cones. No Phones. to curb distracted driving in the construction zone.

Driving Change: 2011 research showed that 65% of Beltway drivers report they have changed their use of cell phones in construction zones



Driving the Economy

During construction, this project:

- Supported more than 16,000 jobs in Virginia
- Generated nearly \$3.5 billion of economic impact statewide
- Awarded more than \$450 million in contracts to small and disadvantaged businesses
- Employed more than 250 contractors – more than 75% based in Virginia



“The 495 Express Lanes commitment to small, women and minority-owned businesses is the largest in Virginia’s history for a single transportation project.”

- Governor Robert F. McDonnell

Community Engagement

- Aggressive communications and outreach program
- More than 900 community meetings
- More than 215 lane closure bulletins reaching 70,000 weekly
- More than 265 traffic alerts/news releases reaching local media outlets
- More than 300,000 email providing project benefits and updates to stakeholders
- More than 40 groups from direct impact communities provided community grants from Transurban-Fluor



Tim Steinhilber

Transurban-Fluor
General Manager, 495/95 Express Lanes

Operations: Opened Nov. 17



Big Changes



Extensive Education

- Advertising
- Festivals & events
- Employer outreach
- Media outreach
- Social media
- Contests and incentives driving E-ZPass adoption
- Targeted special user groups, including HOV
- Continues through at least February 2013



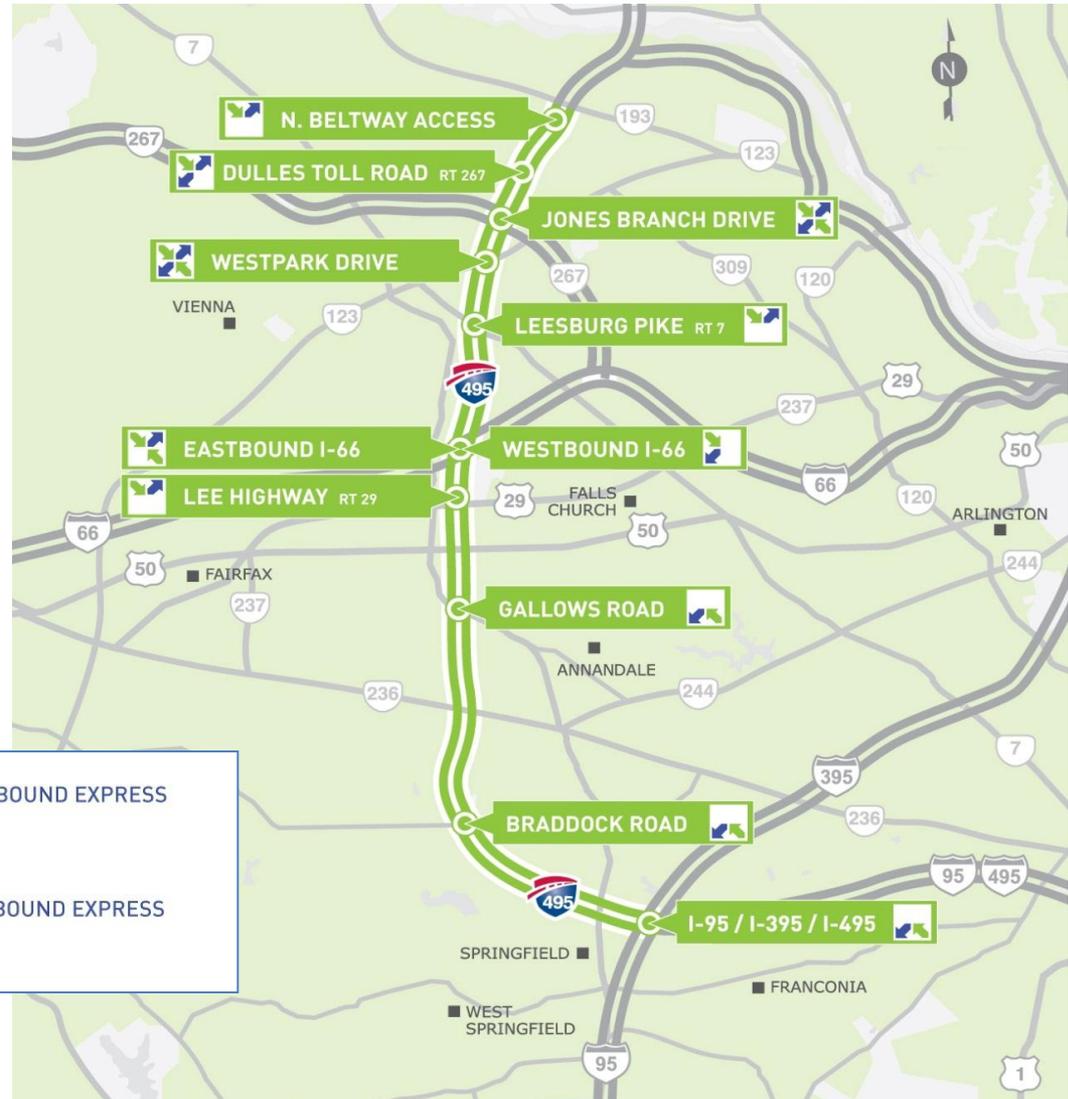
Keeping Traffic Moving

- Dynamic toll rates adjust to keep lanes free flowing
- Mandatory E-ZPass: all-electronic with no toll booths or options to pay cash
- Enhanced incident response
- Improved driver information
- Express Assist to aid disabled drivers
- Unlike current HOV, in effect 24/7



Accessing the Express Lanes

- Not available from every Beltway entry/exit
- Entry and exit points to and from highways and major side routes



 NORTHBOUND EXPRESS ENTRY	 NORTHBOUND EXPRESS EXIT
 SOUTHBOUND EXPRESS ENTRY	 SOUTHBOUND EXPRESS EXIT

On-Road Signage



White banner, purple = Express

The first two exits and prices will show the cost to travel to two popular destinations from your entry point

The final exit and price you see will show the cost to travel to the furthest point you can go in the Express Lanes from that entry point

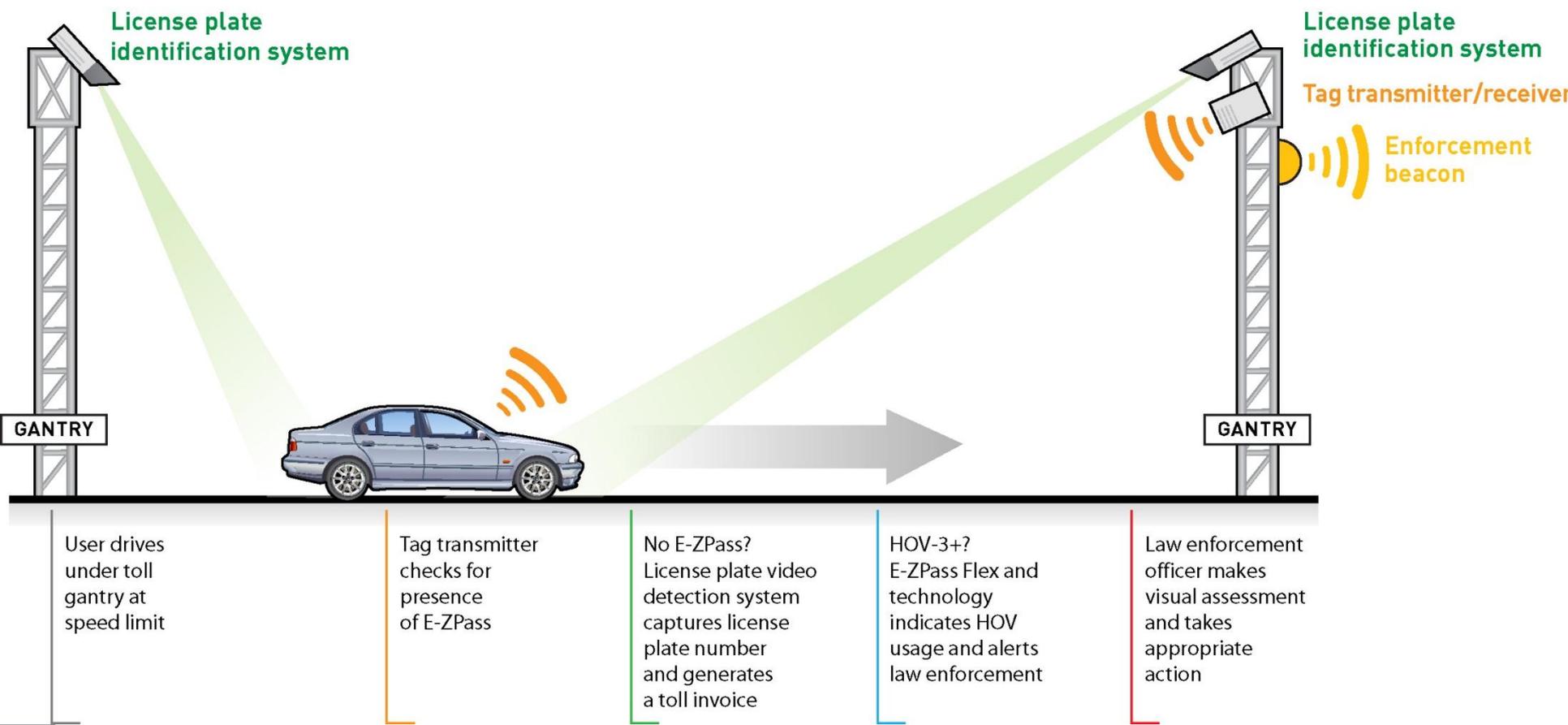
Drivers will always see the maximum toll they could pay

HOV-3+ Travel Toll

- HOV-3+ toll-free travel with E-ZPass Flex
- E-ZPass Flex operates as standard E-ZPass on all other toll roads
- Flip before your trip
- Limit one E-ZPass per vehicle



Enforcement of the Lanes



Partnership in Action Safety Case Study

Partnership in Action



Transurban, VDOT and the Virginia State Police worked collaboratively in the first days of operations to implement additional strategies to help drivers stay alert and adjust to major traffic changes.

Next step:
95 Express Lanes

95 Express Lanes

- Next stage in regional network
- \$1 billion, 29-mile upgrade and expansion of existing HOV facility
- Free access for HOV-3+, transit
- \$940 million private investment
- New or improved access to and from HOV/HOT network at key interchange
- Will support more than 8,000 jobs and generate \$2 billion of economic activity
- Began construction in August 2012; expected completion late 2014



Conclusion

- 495 and 95 Express Lanes Projects made possible due to public-private partnership between VDOT, Transurban and Fluor
- Reducing congestion on the nation's busiest highways by offering people safe transportation choices
- Providing network of Express Lanes that will provide new travel benefits and choices to greater region



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