



Design Build Finance and Unsolicited Proposals

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Design/Build (D/B)

- Design/Build combines into a single contract the design and construction services.
- All in accordance with standard Florida Department of Transportation (FDOT) Design Standards and criteria, specifications, and contract administration practices.

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D/B

- FDOT has extensive experience in D/B
- FDOT has completed over 100 D/B projects to date
- FDOT has developed D/B Guidelines, Procedures, RFP Boilerplate documents, and Specifications
- All types of D/B projects completed

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D/B Finance

- Is a vehicle that allows an agency to advance project completion earlier in its fiscal program than planned.
- D/B Request For Proposal (RFP) is basically the same for a D/B Finance project except that D/B Finance method of compensation and funding language is added to the RFP.

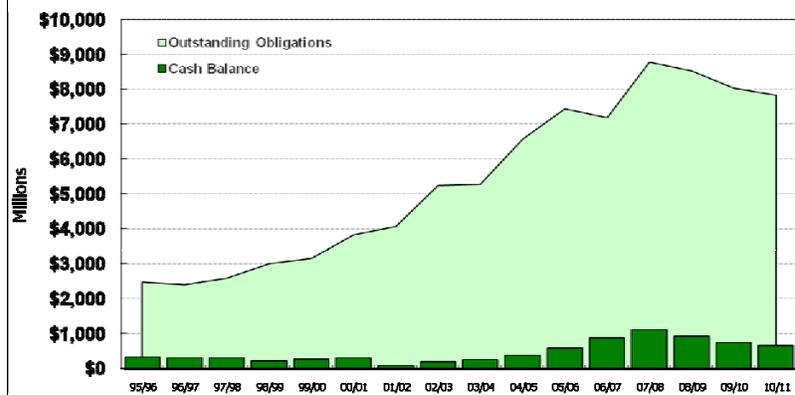
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D/B Finance

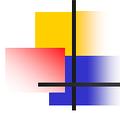
- Maximization of Work Program
 - Built on cash flow – Commitment Basis
 - Managed through a comprehensive Financial Management System.
 - Finance Plan/Cash Forecast
 - Historical Payout Trends
 - Flow of Revenue Streams

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ANNUAL LOW POINT CASH BALANCE & CONTRACTUAL OBLIGATIONS



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MAJOR ASSUMPTIONS

- Revenue Estimating Conference (Quarterly)/Federal Forecast - forecast of revenues
- Lapse Rates
- Letting Schedules
- **Cash Payout Rates**
- Federal Effective Rates
- Participation by other partners
- Impact of Significant Events
 - Hurricanes

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AVERAGE PROJECT PAYOUT RATES

Average Rates subject to change



Program Area	Year 1 Percent	Year 2 Percent	Year 3 Percent	Year 4 Percent	Year 5 Percent	Year 6 Percent	TOTAL Percent
IN-HOUSE SUPPORT	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100%
CONSULTANT SUPPORT	13.70%	39.13%	35.40%	11.60%	0.17%	0.00%	100%
CONSTRUCTION	3.43%	42.43%	35.03%	15.94%	3.17%	0.00%	100%
PUBLIC TRANSPORTATION	11.07%	42.10%	27.20%	14.40%	4.73%	0.00%	100%
RIGHT OF WAY	10.80%	20.00%	20.00%	20.00%	20.00%	9.2%	100%

Example Construction Project

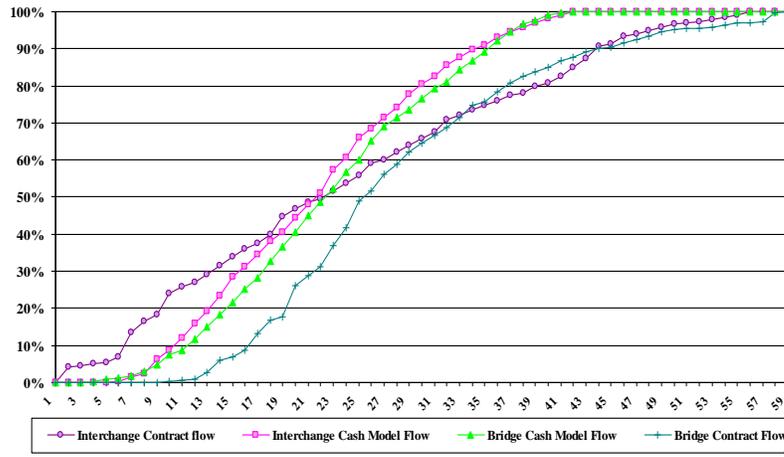
Work Program FY 2008 Project Flow
(dollars in millions)



COMMITMENT	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	TOTAL
\$100	\$3.43	\$42.43	\$35.03	\$15.94	\$3.17	\$0.0	\$100

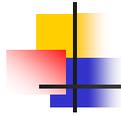
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CASH MODEL FLOW VS ACTUAL CONTRACT FLOW



METHOD OF COMPENSATION

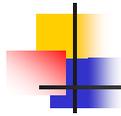
- Lump Sum Contract
- Schedule of Values Basis for Compensation Earned
 - Schedule of Values must be approved prior to first Monthly Progress Estimate
- Invoice Monthly - Lesser of
 - Compensation Earned
 - Funds Available



PROMPT PAYMENT

- Section 215.422, Florida Statutes
- Timeframe for Approving Goods/Services – 10 days
- Invoices Reduced, if Funds not Earned

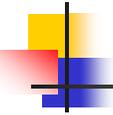
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OTHER FUNDING REQUIREMENTS

- Construction Engineering Inspection
 - Programmed in Year Project to Begin
 - Design Build Finance Firm Advances
 - FDOT Contracts
 - Reimbursement Begins in Year Originally Programmed
- Bonus/Incentive/Stipend Payments
 - Programmed in Year the Payments Become Earnable
 - Approvals Required

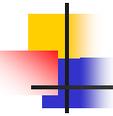
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OTHER ITEMS

- Unsolicited Proposals
 - Federal Authorization (As AC)
 - Cash Availability Schedule
- Financial Language
 - Approval By Comptroller
 - Modifications to Standard RFP
 - Method of Compensation and Funding
 - Schedule of Values
 - Prompt Payment Law
 - Standardization of Language

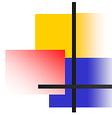
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D/B Finance Projects

- D/B Finance Projects
 - I-75, District 1
 - I-95 Widening/Pineda Causeway Interchange, District 5
 - US 1 (Unsolicited Proposal), District 6
 - Others: I-95 Express Lanes, Palmetto Expressway Section 2, I-595, First Coast Outer Beltway

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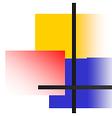


Design Build Finance

- I-75

- Widens 30 miles of I-75 from 4 to 6 lanes in Lee and Collier Counties
- Includes bridge work and interchange work
- 1st Design Build Finance in Florida
- Approximately \$430 million construction cost, total cost approximately \$486 million
- Construction in 3 years, payment over 7 years
- Allowed to begin as many as five years sooner than planned
- To be completed by late 2010

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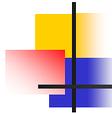


Design Build Finance

- I-95

- Widens I-95 from 4 to 6 lanes for 18 miles in Brevard County
- Includes Pineda Causeway Interchange
- Approximately \$200 million construction cost
- Construction in 3 years, payment over 6 years
- Completion in mid 2011

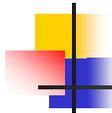
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Unsolicited Proposals

- Two Triggers for Public Private Partnerships
 - Solicited Proposals
 - Unsolicited Proposals

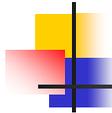
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Unsolicited Proposals

- Per Florida Statute 334.30(1), the Department may receive or solicit proposals. There is a public need for the rapid construction of safe and efficient facilities for travel within the state.
 - Projects must be in the adopted 5 year Work Program
- or
- Projects increasing capacity and greater than \$500 million must be in the 10 year Strategic Intermodal Plan

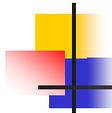
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Unsolicited Proposal

- Please talk with FDOT prior to a submittal of an unsolicited proposal (i.e. District Secretary)
- May submit a concept proposal, provided FDOT can determine the project being proposed or may submit a full blown proposal

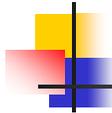
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Unsolicited Proposal Process

- FDOT receives unsolicited proposal – Proposer must provide a \$50,000 fee accompanied with the proposal, per the Florida Administrative Code 14-107.0011
- The \$50,000 fee is for the FDOT to evaluate the proposal.

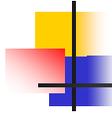
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Unsolicited Proposal Process

- Proposers should be aware that the information in their Proposals will become public record. Concept proposals are allowed.

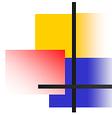
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Unsolicited Proposal Process

- Department may reject all or any proposals at anytime at its sole discretion
- Teams submitting proposals must meet minimum qualifications as outlined in the Department's procedures.

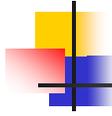
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Unsolicited Proposal Process

- FDOT will accept other proposals for the same project purpose for 120 days after the initial date of publication, under Florida Statute 334.30(6)
- For 120 day advertisement, the FDOT shall publish a notice in the Florida Administrative Weekly AND a newspaper of general circulation at least once a week for two weeks. FDOT will also advertise on the FDOT Procurement and Contract websites

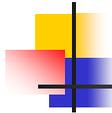
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Unsolicited Proposal Process

- Team (Proposer) must be pre-qualified prior to submitting a proposal.
- FDOT will evaluate the submitted information
- Any substantial deviations from project purpose requires permission

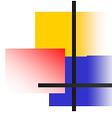
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Unsolicited Proposal Process

- Clear, transparent, open process
 - Where is the money coming from?
- Sunshine Law applies immediately
- FDOT shall rank proposals and may begin negotiations with the top ranked Proposer

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Unsolicited Proposal Process

- Proposal Financial Review Criteria
 - Is this in the public's best interest?
 - Will not require state funds unless on the State Highway System
 - Has adequate safeguards in place to ensure no additional costs or service disruptions in the event of default or cancellation of the agreement. What financial instrument is being used? Bank? Surety?

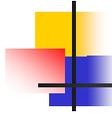
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Unsolicited Proposal Process

- Proposal Financial Review Criteria (continued)
 - Has adequate safeguards in place to add capacity; and
 - Will be owned by the Department
- Independent analysis must conclude cost effectiveness and overall public benefit

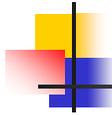
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Unsolicited Proposal Process

- Other Considerations
 - Applicant Organization (i.e. the players), Transportation Facility Development Concept, Environmental Impacts , Transportation Facility Management and Operations (i.e. skills and experience), Finance Plan, Procurement Contract Provisions, Use of Tolls

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Unsolicited Proposal Process

- Other Considerations
 - Project Decisions – permits, utilities, right-of-way, Contractor-Engineer-Owner Relations, Proposal time frames, Associated In-house Costs