

# I-80 Corridor Unsolicited Proposal Transportation Board Meeting December 3, 2018



# UNSOLICITED PROPOSAL

## NDOT is actively addressing issues on I-80

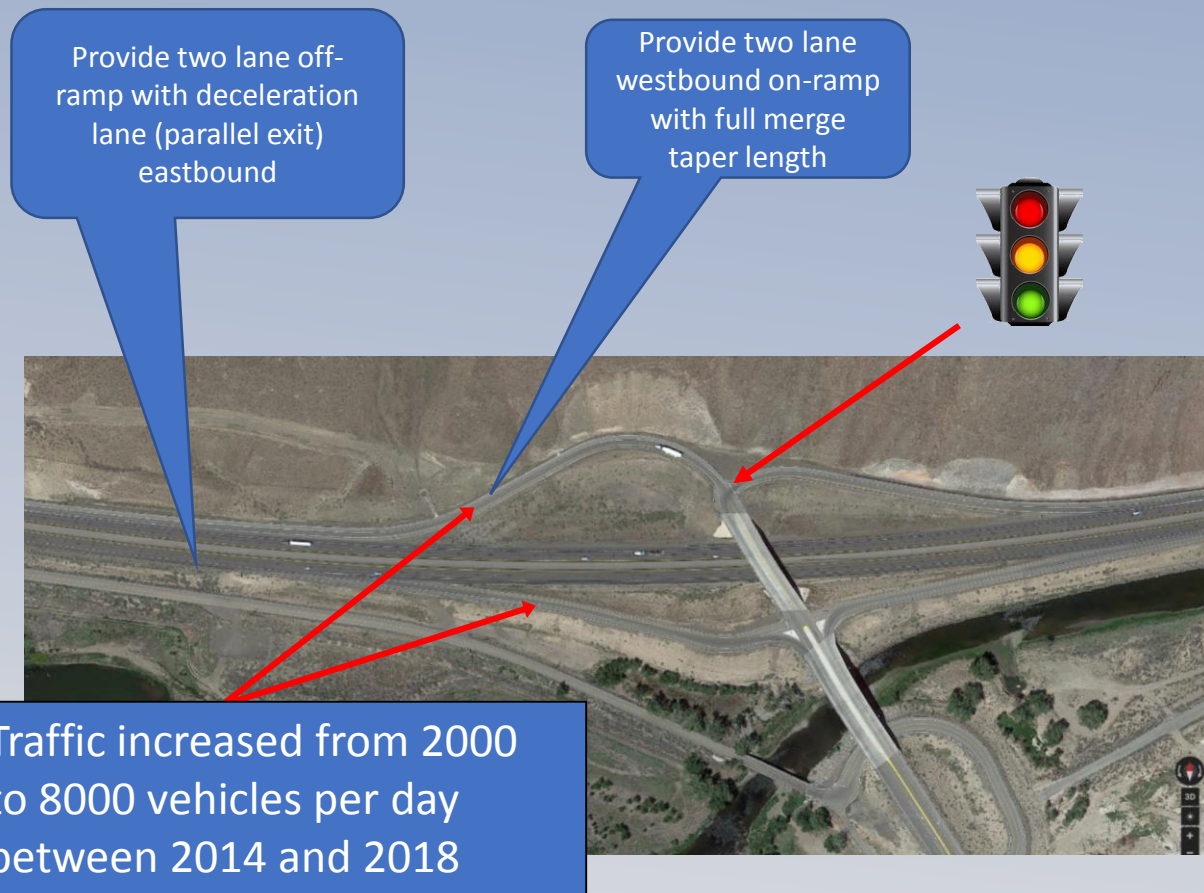
- **Reno-Sparks Traffic Study (Completed Spring 2018)**
  - **Identified key issues and improvement alternatives along the corridor and on USA Parkway**
- **I-80 Corridor Study – to evaluate critical needs and identify priorities**
- **Inter-County and Regional Transit Study - Reno (to and from) USA Parkway**
- **Autonomous Vehicle Feasibility Study**
- **USA Parkway Restriping Project at I-80 (Completed 2017)**
- **I-80 /USA Parkway Signal Interchange Project (Awarded November 2018)**

# UNSOLICITED PROPOSAL

## I-80/USA Parkway Signal Project

Further reduces interchange congestion by:

- **Widening of westbound on-ramp to provide two lanes with full standard merge onto I-80 mainline. Provides additional ramp capacity and safer merging.**
- **Widening of eastbound off-ramp to provide deceleration lane for two lane off-ramp (parallel exit). Reduces friction and slowing of traffic along eastbound I-80.**
- **Installation of traffic signal at westbound off-ramp and USA Parkway to provide gaps for westbound off-ramp traffic to USA Parkway.**



Provide two lane off-ramp with deceleration lane (parallel exit) eastbound

Provide two lane westbound on-ramp with full merge taper length





Traffic increased from 2000 to 8000 vehicles per day between 2014 and 2018

# UNSOLICITED PROPOSAL

## Background

- **On August 1, 2018 NDOT received an Unsolicited Proposal for improvements along I-80 between Vista Boulevard in Sparks and the USA Parkway Interchange**
- **Currently NDOT has the authority to deliver projects using Design-Bid-Build, Construction Manager At Risk, and Design-Build**
- **NDOT can only deliver projects through a Public Private Partnership method in Northern Nevada if it is submitted for evaluation through the Unsolicited Proposal process**

# I-80 CORRIDOR PROPOSAL OVERVIEW

-  6-LANE WIDENING + OPERATION & MAINTENANCE FROM VISTA BLVD TO USA PARKWAY (3+32 YEARS)
-  ROUTINE MAINTENANCE FROM USA PARKWAY TO PACIFIC PARKWAY (35 YEARS)



# UNSOLICITED PROPOSAL

## Scope of the Unsolicited Proposal

**The Unsolicited Proposal consists of:**

- **Widening I-80 from a 4-lane to 6-lane freeway to add a lane in each direction from Vista Boulevard to USA Parkway**
- **Operation and maintenance from Vista Boulevard to Nevada Pacific Parkway over a 35-year period**
- **Private financing for the project with reimbursement by NDOT through availability payments made over a 32-year period**
- **Because P3 projects can be complex, their evaluation requires multiple levels of review**

# UNSOLICITED PROPOSAL

## Evaluation of Project Need

- **Congestion and User Delay**
  - Without improvements, congestion and unexpected delay are expected
  - The potential reduction in user delay (due to the Project) is 70%
- **Frequency of Traffic Crashes**
  - Without improvements, crashes are expected to steadily rise with congestion
  - The potential reduction in crash frequency (due to the Project) is 26%
- **Economic Development**
  - TRIC is only 20% developed and already I-80 operations have been impacted

# UNSOLICITED PROPOSAL

## Pioneer Program – Levels of Evaluation

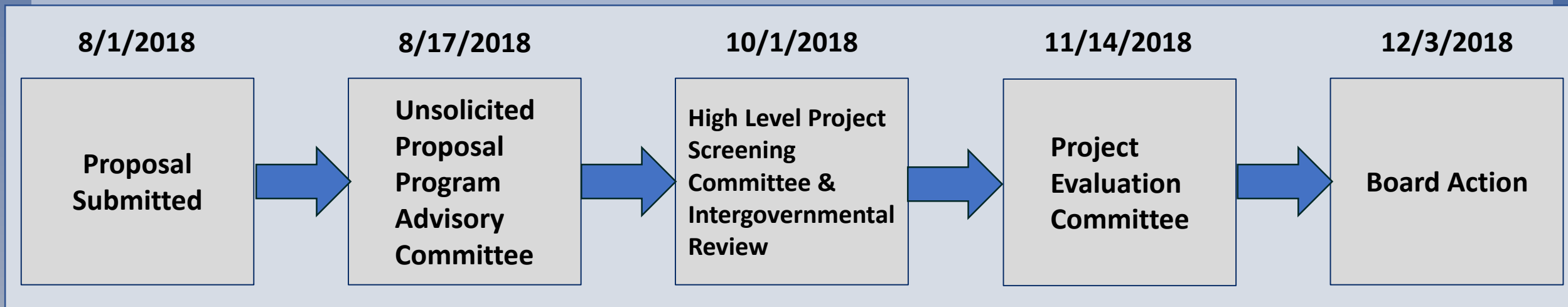
The UP evaluations consist of various levels of review:

- **Completeness Review**
- **Unsolicited Proposal Program Advisory Committee (UPPAC) Review**
- **High Level Project Screening Committee (HLPSC) Review**
- **Intergovernmental Review**
- **Project Evaluation Committee (PEC) Review**
- **The results of the evaluation require Board action to proceed**



# PROPOSAL AND PROJECT EVALUATION

## In accordance with Pioneer Program Guidelines



# BOARD DECISION

## Seeking Board Action

### One of three Options

1. **Accept P3 and proceed with sole source negotiations with the proposer**
2. **Compete P3 by issuing an RFP and begin the competitive procurement process**
3. **Reject P3 and direct staff to continue to develop the project to bring a recommendation to the Board for delivery .**

Recommended  
by Staff

# UNSOLICITED PROPOSAL

## What was Evaluated?

- **Risks and Benefits**
  - **Report/Summary table is included in the Board Packet**
- **Costs**
  - **Proposal costs to perform the scope of work they defined**
  - **NDOT costs to perform the scope of work defined**
    - **In addition, various scope and cost scenarios are identified**
- **Financial Feasibility**
  - **To determine NDOT's affordability**
  - **To determine impacts to the schedule of current planned projects**

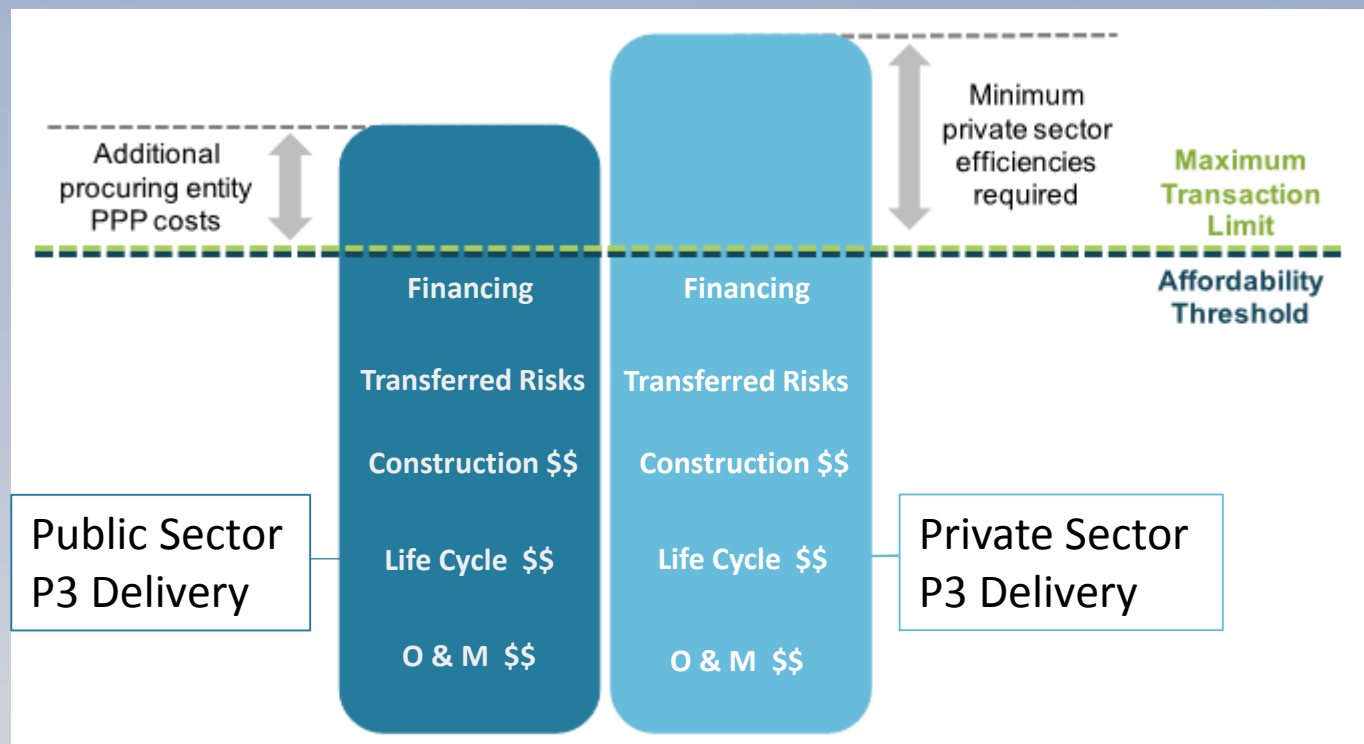
# UNSOLICITED PROPOSAL

## Limits of the Evaluation

- **Level of Detail**
  - **Content and detail provided was very high level**
  - **Broad assumptions were made to maintain a fair assessment**
- **Financial Modeling**
  - **Details of proposer's pricing were assumed using the Availability Payment offer**

# P3 – VALUE FOR MONEY

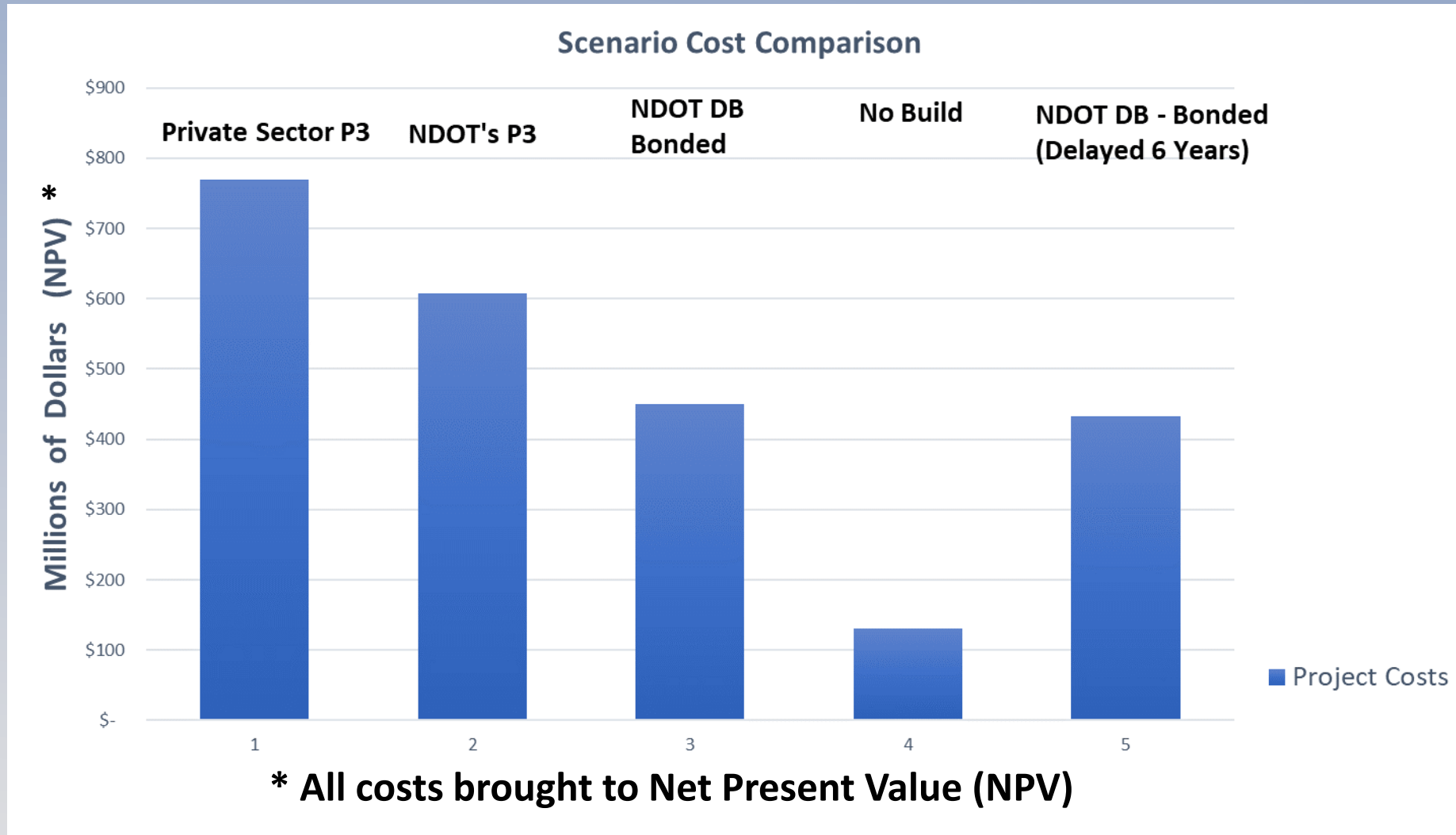
## What is the Public Sector Comparator?



**Note: All costs brought to Net Present Value (NPV)**

# PSC & COSTS OF SCENARIOS

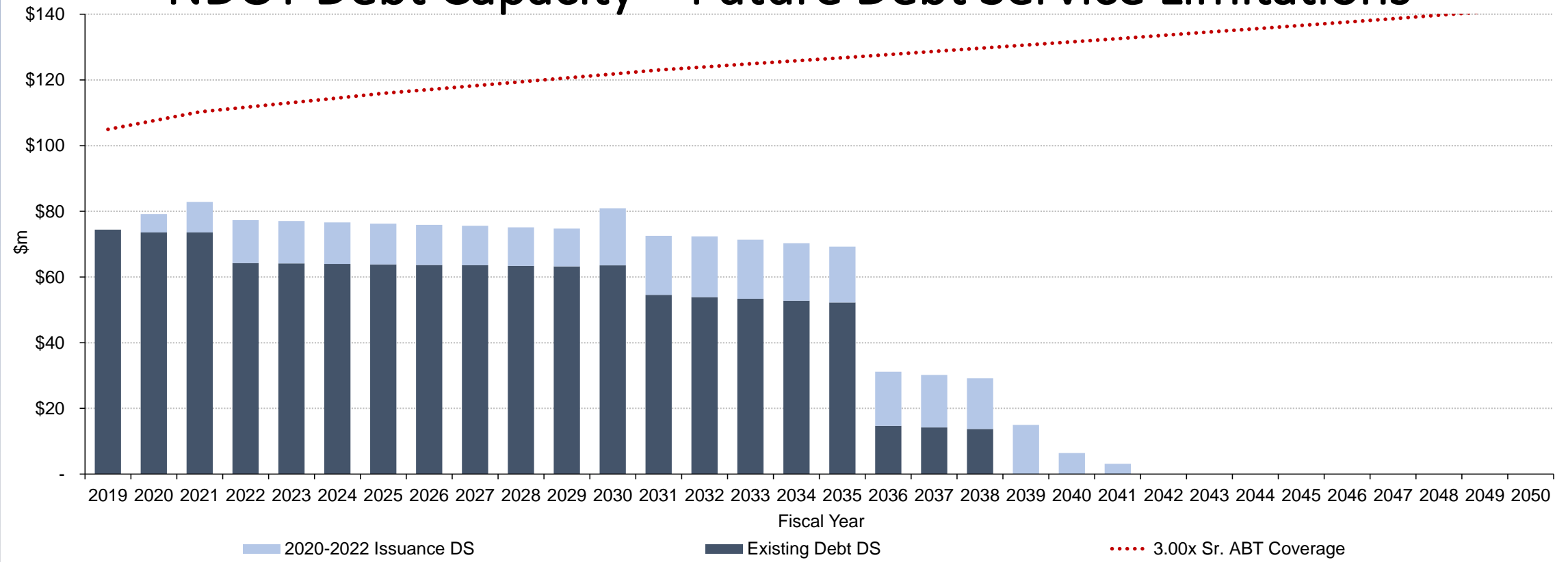
## Key Scenarios Project Cost



# FINANCIAL FEASIBILITY

## Affordability – Substantial Debt Capacity Exists

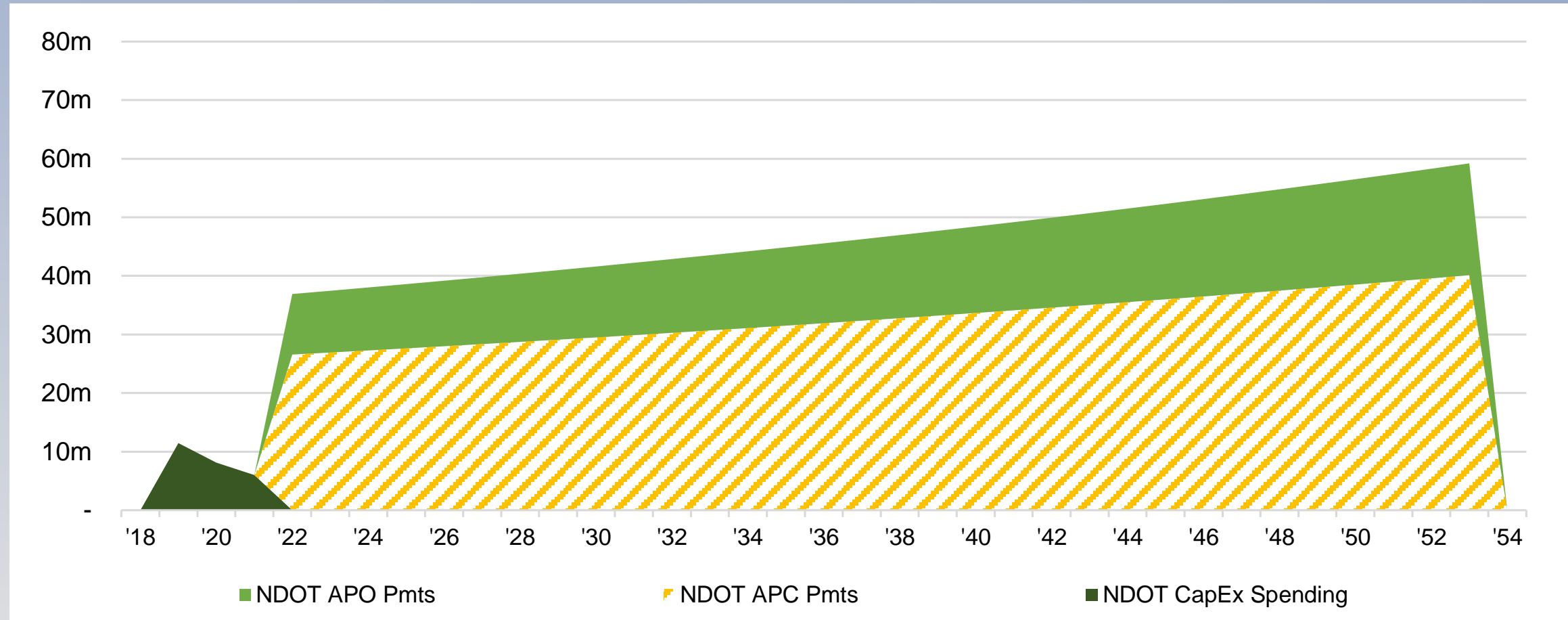
### NDOT Debt Capacity – Future Debt Service Limitations



**Note: All costs expressed in Net Present Value (NPV)**

# FINANCIAL FEASIBILITY

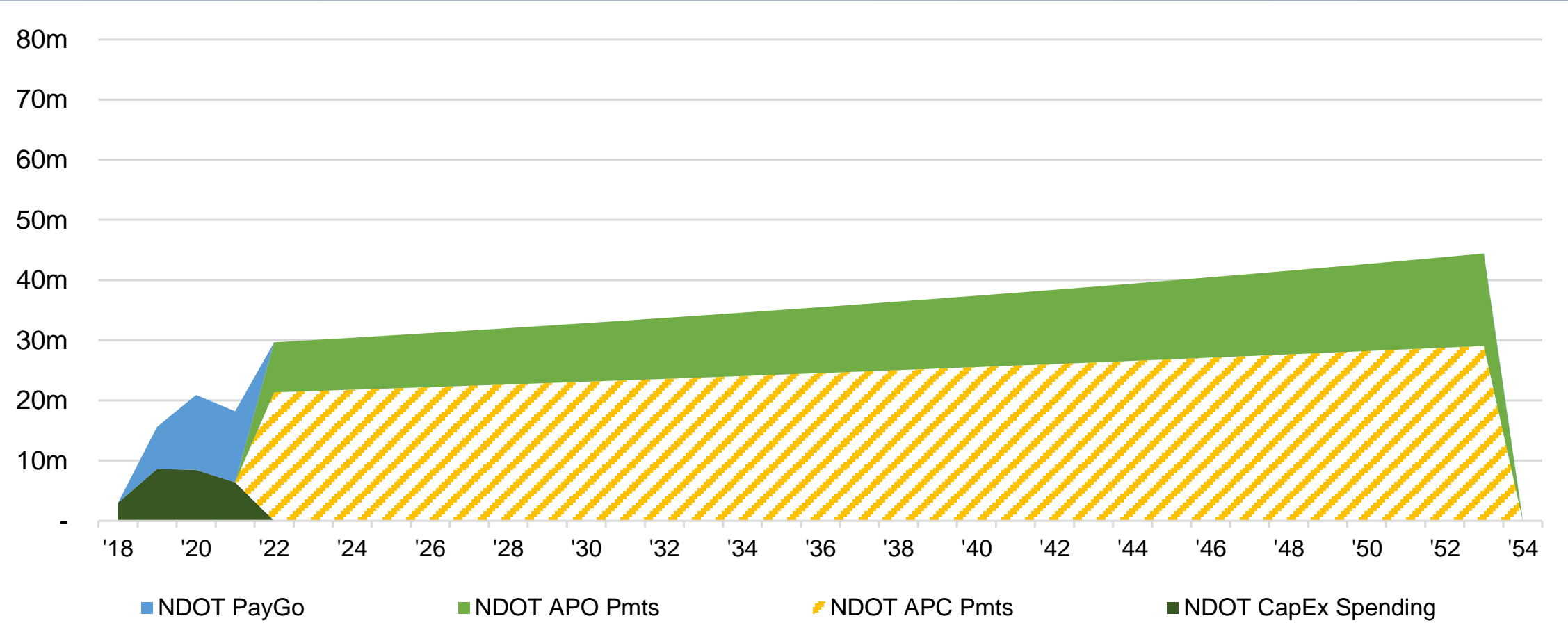
## Private P3 – Scenario 1 – NDOT Cost Profile





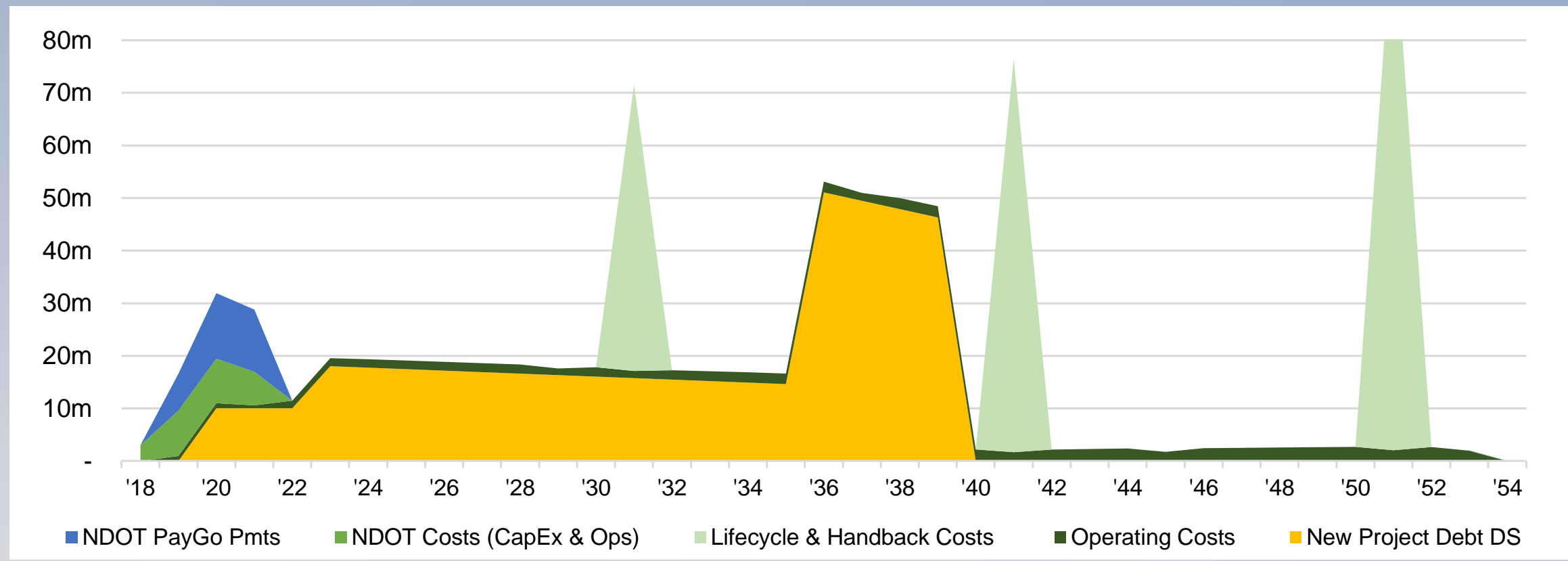
# FINANCIAL FEASIBILITY

## NDOT's P3 – Scenario 2 – NDOT Cost Profile



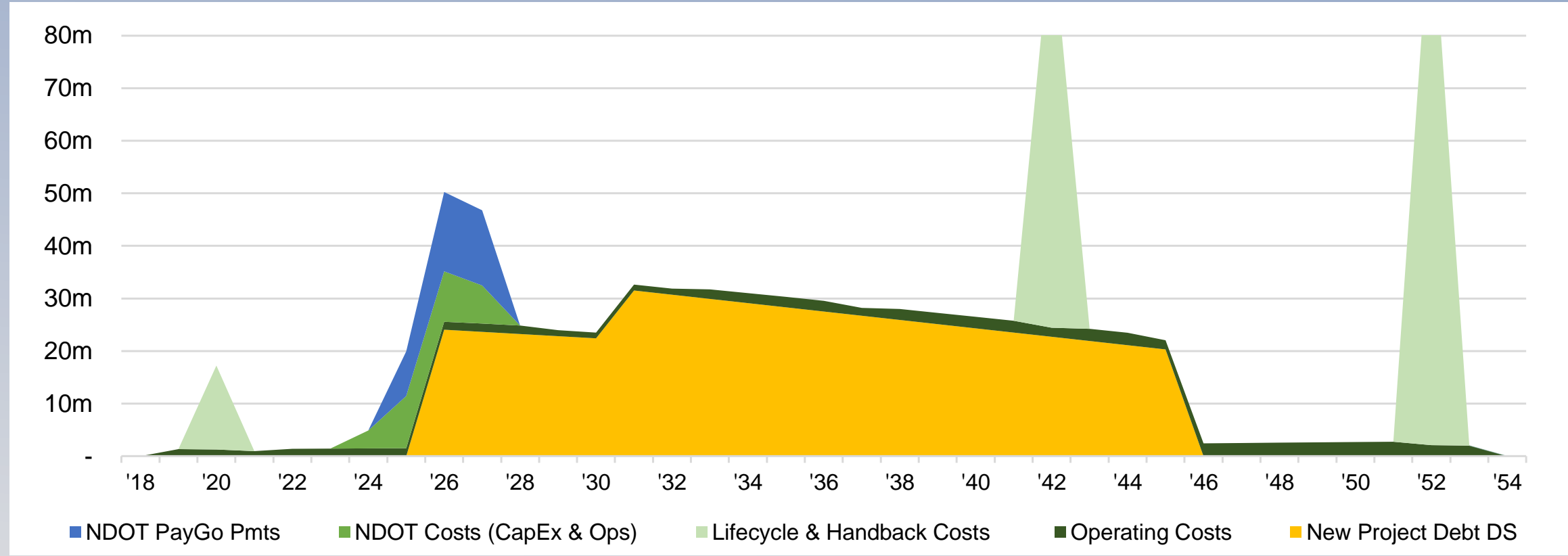
# FINANCIAL FEASIBILITY

## NDOT's DB – Scenario 3 – NDOT Cost Profile

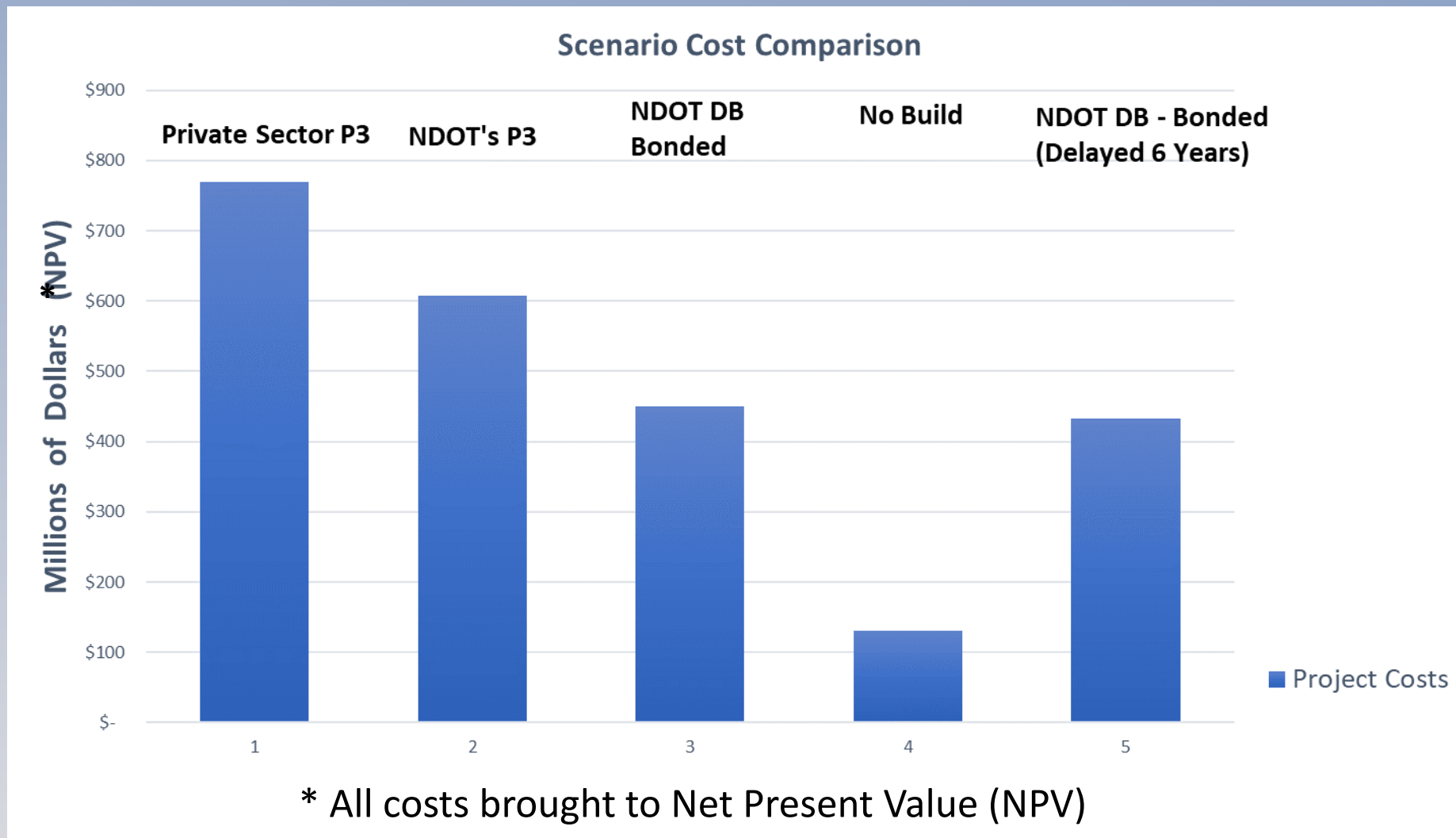


# FINANCIAL FEASIBILITY

## NDOT's DB – Scenario 5 – NDOT Cost Profile



# PSC & COSTS OF SCENARIOS



# STAFF RECOMMENDATION

Option 3: Reject P3 and direct staff to continue to develop the project to bring a recommendation to the Board for delivery

- Lower Financing Costs
- Project Costs Eligible for Federal Reimbursement
- Due Diligence Can be Undertaken to Further Evaluate:
  - Environmental Clearance & Permitting
  - ROW Impacts
  - Construction Risks
- Additional Due Diligence Can be Undertaken to Optimize
  - Project Scope
  - Congestion Relief
  - Safety Benefits

# Questions?

