

# GILCREASE EXPRESSWAY PROJECT



May 09, 2019





Driving Forward: Investing in Oklahoma's Future  
Gilcrease Expressway Update

## Agenda – Working Group Meeting

**Meeting Date / Time:**

Thursday, May 9, 2019 –1:00 pm to 2:30 pm

**Meeting Location:**

INCOG Conference Room  
Two West 2<sup>nd</sup> Street, Suite 800, Tulsa, OK 74103

Conference Calling: +1 (866) 213-1863, Access Code: 9235364

---

The purpose of this meeting is to inform and update the Working Group of the accomplishments and progress made since the March 2018 Working Group meeting and to discuss any necessary coordination or other needs of the project.

9

1. **Introduction** (Gene Wyckoff, Poe & Associates)
2. **Welcome** (Rich Brierre, INCOG)
3. **Project Development Progress** (Joe Echelle, OTA)
4. **Financing Plan Update** (Jordan Perdue, OTA)
5. **Closing Comments**
6. **Adjourn**



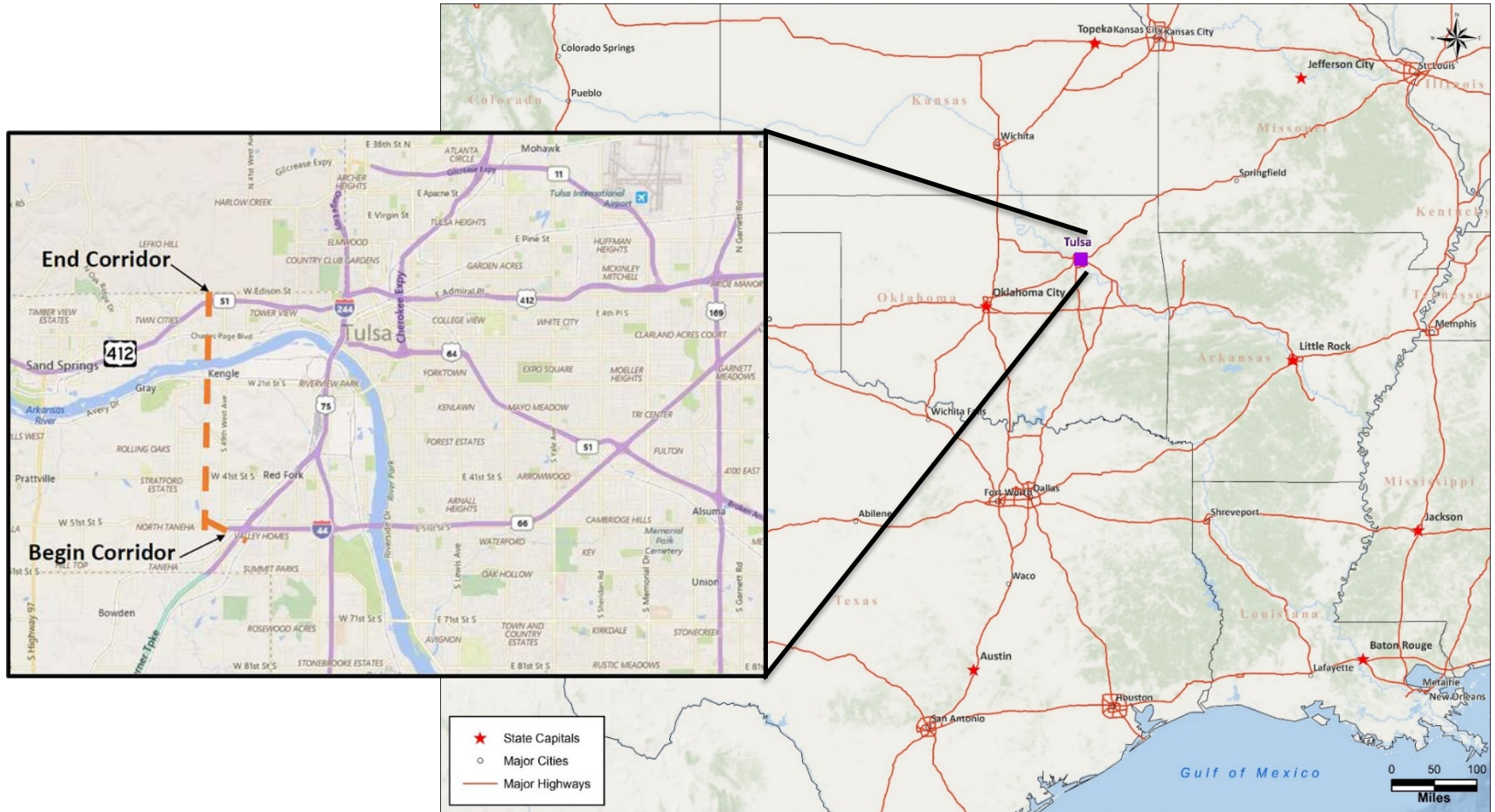
Program Manager:



Designer:

# Gilcrease Expressway Project Location

- The Project is a planned extension of the existing expressway and transportation system in the Tulsa region and will complete a segment of the network between I-44 and US-412
- The Project is located in the I-44 corridor, a major east-west freight route and is close to the I-35 corridor connecting Dallas, Houston and the Gulf of Mexico





# Purpose and Benefits of the Gilcrease Expressway

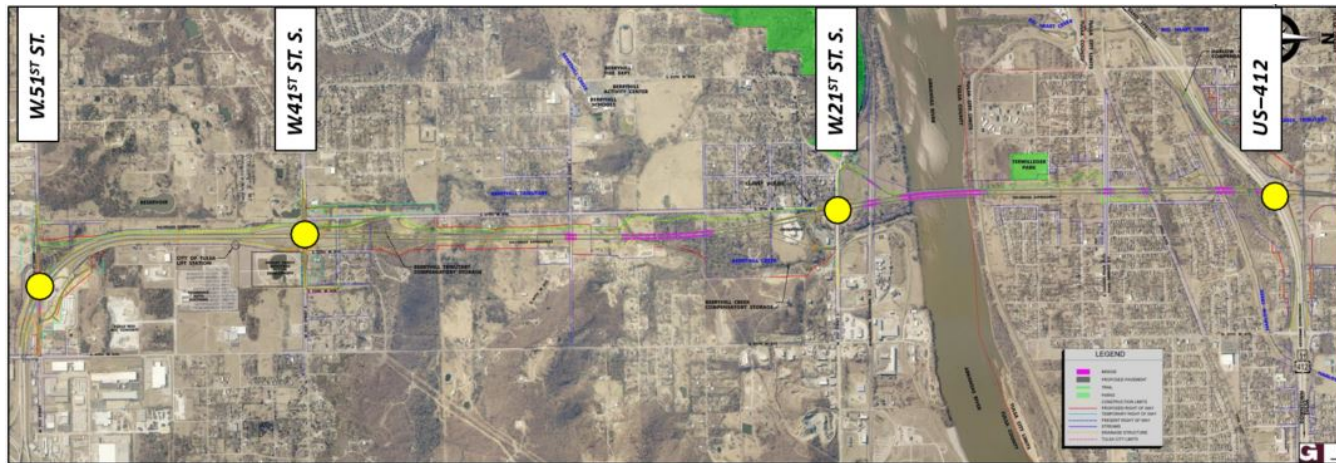
---

- Purpose
  - Completes west “beltway”- like north, east, and south transportation systems
  - The current transportation system is inadequate for balanced and efficient movement of goods, people and services in this area
  - Lack of highways and river crossings limit mobility
  - Insufficient multimodal access to employment centers
  
- Benefits
  - Better access to developments in the immediate vicinity
  - Better access to regional destinations
  - Improves public safety access for the region
  - Provides transportation choices for improved access
  - Promotes economic opportunity
  - Reduces load on inner dispersal loop
  - Utilizes resources efficiently (direct routes, “beltway”)

# Project Description

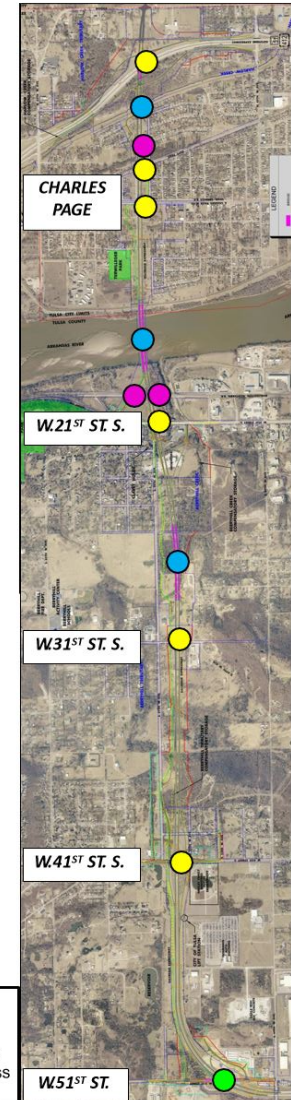
- The Project is an approximately 5 mile, fully functional four lane divided tolled highway connecting I-44 to US-412
- Design features include:
  - 22 bridges
  - Four interchanges on the tolled highway located at W 51<sup>st</sup> St S, W 41<sup>st</sup> St S, W 21<sup>st</sup> St S, & US-412

## Four interchanges



- 12 – Street Overpass
- 1 – Street Underpass
- 5 – Railroad Overpass
- 4 – Waterway Overpass

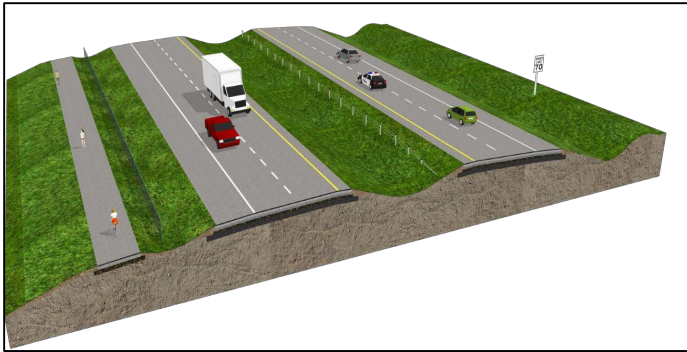
## 22 Bridges



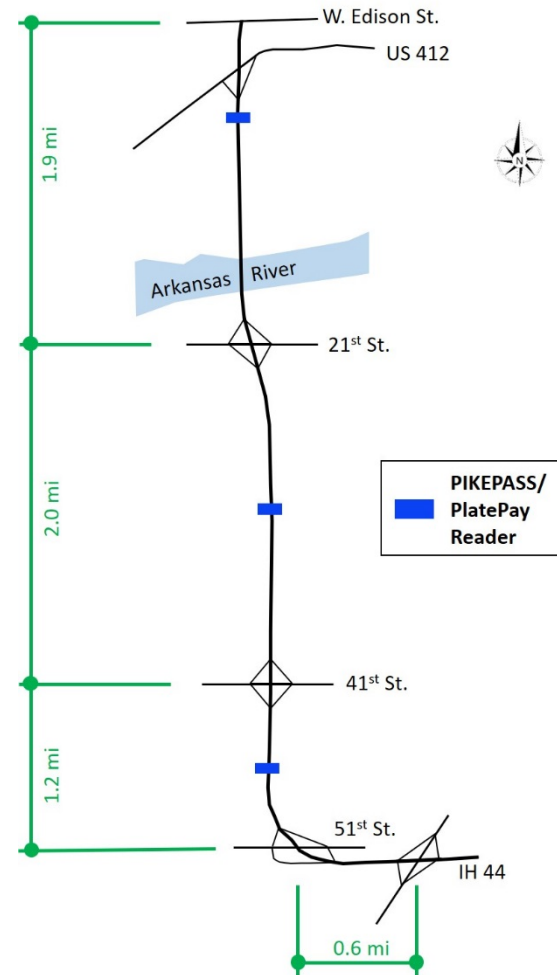
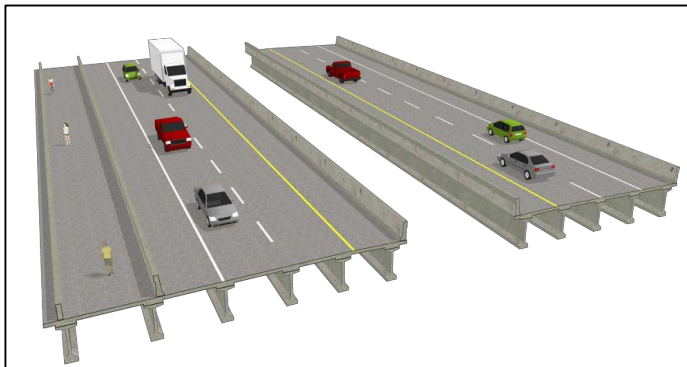
# Design Features

- Four lane divided toll road, design speed 70 mph
- 22 bridges including two bridges (one in each direction) over the Arkansas River
- Parallel 10ft wide multi-use trail
- All electronic tolling with 3 gantries accommodating PIKEPASS and PlatePay technology

Typical Section, Gilcrease Expressway West



Typical Section, Arkansas River Bridge



# Environmental Status

---

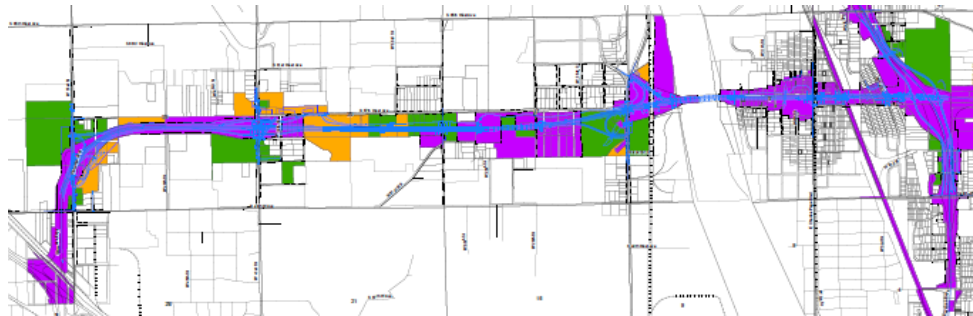
- An Environmental Assessment (EA) was prepared and approved by FHWA in 2000
- Reevaluations of the EA were completed in 2005 and 2014 to update information and request right-of-way authorization
- The Authority has completed an additional reevaluation of the EA to authorize construction which was approved in March 2019
  - Updated environmental studies
  - Additional public involvement
- OTA has submitted the Section 404 permit application to the US Army Corps of Engineers
  - Stream and wetland mitigation expected to come from existing mitigation banks and in-lieu fee programs
  - OTA is actively working with USACE to establish appropriate mitigation credits
  - Expected receipt of permit in Summer 2019

## Status of Right-of-Way and Utilities

- Right-of-Way Acquisition:
  - The City of Tulsa acquired significant amount of ROW, which will be conveyed to the Authority
  - The Authority is completing the acquisition of the remaining parcels



November 2018



May 2019

- 22 parcels still need to be acquired (shown in orange) representing approximately 5% of the total ROW required for the Project. OTA has acquired XX parcels to date.
- Right of way acquisition expected to be completed by mid-2019



# Status of Utilities

- Utilities:
  - The Authority will undertake necessary utility relocation activities
  - Most are expected to be complete by the end of 2019
  - Project Company will be responsible for relocation of certain City of Tulsa water & sewer utilities

Company	51st St	41st St	31st St	21st St	AR River	Ch Page	US-412	Grand Total	Status
AT&T	1	2		1		3	1	8	Partial Work Order
AT&T Legacy						1		1	Relocation Complete
Cox	4	5	2	3	1	4	1	20	Design In Progress
Energy Transfer	1							1	Work Order Issued
Explorer	1	1						2	Partial Work Order
Level3				1				1	Design In Progress
Magellan	2			1				3	Design In Progress
ONEOK GT				3			1	4	Partial Work Order
ONG	3	4	1	3	1	3	1	16	Design Review/URA
Phillips 66									N/A
Plains		1						1	Design In Progress
PSO Dist	4	2	4	1	1	2	2	16	Partial Work Order
PSO Trans		1		1		1		3	Partial Work Order
Verizon		1		1				2	Design In Progress
<b>Grand Total</b>	<b>16</b>	<b>17</b>	<b>7</b>	<b>15</b>	<b>3</b>	<b>14</b>	<b>6</b>	<b>78</b>	

**STATUS KEY:**

Initial Layout
Design In Progress
Design Review/URA
Partial Work Order
Work Order Issued
In Construction
Relocation Complete
N/A

## Key Milestone Dates

---

04/19/10	Gilcrease Expressway added to authorized Authority turnpikes by State Legislature
3/28/17	Authority adopts a resolution to complete the Project and accept right-of-way from City of Tulsa
4/10/17	Oklahoma Transportation Commission approves Project design route alignment
8/14/17	Authority/ODOT/FHWA MOU: Project meets federal toll eligibility requirements
5/22/18	Authority accepts Public Sector Comparator and authorizes Project to be procured as Build-Finance
5/30/18	ODOT GARVEEs issued
6/1/18	Authority submitted TIFIA Letter of Interest
6/22/18	Request for Qualifications issued
7/24/18	Authority Board approves TIFIA Bond parameters resolution
10/25/18	Draft Request for Proposals provided to shortlisted Proposers
1/29/19	Release of 100% PS&E Plans to shortlisted Proposers
3/12/19	Approval of Gilcrease NEPA Reevaluation
4/17/19	Final Request for Proposals with Draft Project Agreement issued to shortlisted Proposers
5/6/19	Authority received approval of \$125 million Private Bond Activity allocation

# Procurement Update

---

- The Board approved delivering the Project as a Build-Finance
  - The Authority has completed 100% design for the Project
  - Project Company will construct the Project and provide interim financing equal to 50% of the construction price
- Procurement process is continuing:
  - The Request for Qualifications resulted in a shortlist of qualified Proposers in September 2018
  - The Request for Proposals was issued to two shortlisted Proposers
    - AECOM Energy and Construction / Duit Construction / National Bank Canada Financial, Inc.
    - Manhattan Road and Bridge / Sherwood Construction / RBC Capital Markets
  - Several Alternative Technical Concepts (ATCs) have been submitted and are under review by the Authority
    - If accepted, ATCs are expected to provide cost savings and project performance enhancements
  - The Draft Project Agreement has continued to be developed in dialogue with the Proposers and is in near final form
    - The RFP and the Draft Project Agreement are the basis upon which bids will be submitted and evaluated
- Proposals will be evaluated on a Best Value basis

# Project Budget and Funding

---

- The Project is anticipated to be funded from a combination of the following:
  - Interim construction financing (50% of construction costs) to be provided by the Project Company
  - Public Funds
    - Proceeds of GARVEEs issued by ODOT on May 30, 2018
    - Authority funds
    - TIFIA loan proceeds
    - Cash contributions already committed or received from other public stakeholders
- Subject to the requirements set forth in the RFP and the Project Agreement, the Project Company will receive progress payments from the public funds noted above
- The Authority has received a Private Activity Bond allocation of \$125 million from US DOT
  - Enables Proposers to issue lower cost tax-exempt debt for the interim financing
  - ODFA will act as the conduit issuer
- Authority staff continues to work with the TIFIA office as it conducts its review of the Project and the proposed financing structure
  - The TIFIA Loan amount will be 33% of eligible project costs, estimated at approximately \$108 million
  - It is anticipated that the TIFIA Loan will repay a portion of the interim financing and provide permanent financing for the Project
  - The current TIFIA Loan interest rate is 2.90%
  - TIFIA Loan is expected to close within 90 days after the Authority Board approves the selection of the Project Company



# Financial Commitments to the Project

---

- City of Tulsa
  - Purchased \$17.2 million in ROW which will be conveyed to the Authority
  - \$4.9 million in preliminary engineering costs (costs already incurred)
- Oklahoma Department of Transportation
  - Issued GARVEE bonds with approximately \$71 million of proceeds available for Project costs
  - ODOT and the Authority have entered into an MOU which provides a process by which GARVEE proceeds are advanced to the Authority for Project costs
  - Approximately \$15.7million expended from GARVEE bond proceeds through May 1, 2019
- Indian Nations Council of Governments
  - Committed to transfer \$6 million annually to pay the debt service on GARVEEs issued by ODOT through their 15 years maturity
- The Authority
  - The Authority's contributions to the Project are limited to Public Funds and legally available moneys on deposit in the System General Fund
  - Approximately \$11.2 million contributed through May 1, 2019 for preliminary project costs such as ROW acquisition, environmental and design
  - Up to an additional \$130 million contribution during construction to fully fund Project development and construction costs
  - Additional limited contributions in the future from legally available funds in the System General Fund as needed to pay debt service, operating and maintenance costs and remedy any deficiencies in reserves

## Estimated Sources and Uses of Funds\*

---

### Sources of Funds

Authority Contribution	\$124,958,733
ODOT GARVEE Proceeds <sup>(1)</sup>	71,614,027
Private Sector Interim Financing <sup>(2)</sup>	<u>115,368,500</u>
Total Sources	\$311,941,260

### Uses of Funds

Design	\$4,590,050
Environmental/Permitting	3,992,800
Right-of-Way	17,798,119
Utilities	13,032,897
Construction, Toll Equipment, Oversight	250,437,000
Program Management	3,675,557
Interim Financing Take-Out <sup>(3)</sup>	17,214,838
Costs of Issuance	<u>1,200,000</u>
Total Uses	\$311,941,260

\* Preliminary, subject to change

(1) Includes estimated interest earnings on GARVEE proceeds

(2) Anticipated to be repaid from the proceeds of the TIFIA Loan and Authority funds

(3) Amount of Interim Financing costs in excess of TIFIA Loan proceeds

## Projected Schedule (Updated 05/2019)

---

Date	Activity
May 17, 2019	ATC Response Date
June 6, 2019	Proposals Due
June 26, 2019	Property Conveyance Agreement Completion
July 23, 2019	OTA Board Approval of Preferred Proposer
July through November	Project Company Agreements & TIFIA Close
November 2019	Construction Start
November 2022	Estimated date of Substantial Completion

# GILCREASE EXPRESSWAY PROJECT



May 09, 2019

