



Florida Department of Transportation-D-6 News Clip Port of Miami Tunnel Project

From: *P-3 Americas*, Wednesday, February 15, 2006
Subject: **Miami Tunnel RFQ Hits the Market**

The RFQ for the Miami Tunnel Project will be released this Friday, says Bill Thorp, CFO of Florida Department of Transportation (FDOT). Thorp announced the launch of the \$US2.4bn project at the **P3Americas US Toll Road Market Preview 2006** held yesterday in New York where the US project finance market assembled in full force.

The proposed tunnel will link Interstate 395 / MacArthur Causeway on Watson Island with Port of Miami facilities on Dodge Island.



Other information that was released at the meeting included:

- FDOT will be the contracting entity, and the tunnel will eventually become part of the Florida State Highway system. The contract will be with the state and payments to the partner are solely the obligation of FDOT.

- It is no longer an option on how the project will be built (either sunken or bored), it has been confirmed that the project will be procured as a bored tunnel.

- FDOT is working towards a 35 - 50 year concession. However, FDOT is understood to be flexible on this and is looking for input from the private sector on the length of the concession.

- The project will not be tolled, instead the project will be procured with an availability payment structure. It has not been determined how the availability payment will be indexed.

- Approx US\$300m of the state's money will be put towards a contingency reserve for construction risks. The private sector will have the opportunity to access this money based on certain criteria if unforeseen conditions occur.

- FDOT will facilitate the use of private activity bonds (PABS) and TIFIA loans.

- FDOT is offering a stipend for shortlisted teams of US\$1m as a commitment to the

private sector that the project will move forward.

Tentative Timeline for the project:

Early 2006: Release Request for Statements of Qualifications (SOQs)

Spring 2006: Statements of Qualifications due

Spring 2006: Short-listing of Qualified Proposers

Early Summer 2006: Release Request for Proposals (RFP)

Fall 2006: Proposals due

Late 2006: Selection and Award of Franchise or Concession

Further information on the project and procurement details are available on the new website: <http://www.portofmiamitunnel.com/>.