

REQUEST FOR INFORMATION

OKLAHOMA TURNPIKE AUTHORITY

GILCREASE EXPRESSWAY

RFI Issue Date: January 2, 2018

RFI Response Due Date: January 31, 2018

The Oklahoma Turnpike Authority (“Authority”) is seeking information and ideas to assist the Authority, working in cooperation with local, state and federal governments, in developing a strategy for the procurement, financing alternatives and design/construction of the Gilcrease Expressway West (“Project”). This Request for Information (“RFI”) is being issued to obtain information only and does not constitute a Request for Qualifications (“RFQ”) or Request for Proposal (“RFP”) and does not guarantee the issuance of such solicitations in the future. The Authority will not pay for any costs incurred in submitting a response to this RFI. **Responses to the RFI are due January 31, 2018 by 3:00PM CDT.**

A. OVERVIEW

1. Purpose of RFI

The purpose of this RFI is to notify interested parties of the opportunity to construct and finance the Project and to solicit private sector interest and innovation in the delivery of the Project. In particular, the RFI seeks to communicate the Authority’s objectives for the development of the Project, provide an opportunity for respondents to signal their interest in participating and solicit input on a variety of issues including design/construction and financing alternatives.

The information gathered from this RFI will be used by the Authority to refine its approach to the procurement for the Project and assist in the development of any RFP that may be issued.

Please note that while a response to this RFI is not required for interested parties to participate in any resulting procurement process, the Authority encourages you to respond to this RFI.

2. The Authority

The Authority is a non-tax supported instrumentality of the State of Oklahoma (the “State”) and a body corporate and politic, created by statute in 1947 to provide an alternative means of constructing necessary State roadways without further straining limited State financial resources. The Authority is authorized to construct, maintain, repair and operate the Oklahoma Turnpike System, which presently consists of ten turnpikes covering approximately 605 miles (2,388.6 lane miles) and 806 bridge structures. No tax appropriations are received by the Authority; operations and debt service are funded by toll and concession revenues. Only the traveling public, approximately 37% of which include out-of-State travelers, who are utilizing the roadways pay the tolls.

The Oklahoma Legislature has sole discretion to authorize new turnpike projects and once authorized, the Authority has the sole authority to determine which projects are feasible and economically sound.

B. PROJECT INFORMATION

1. Project Background

The Gilcrease Expressway was envisioned as part of the original Tulsa region expressway master plan more than 50 years ago, recognizing the need for a segment of roadway to serve west and north Tulsa. Some engineering, environmental and right of way acquisition work has progressed over the years funded with very limited federal, state and local revenues. Completing this segment of the network between Interstate 44 and US Highway 412 is vital to providing access and connections for businesses and economic activity in the region and to provide a reliever route for growing congestion concerns for travel into downtown Tulsa. However, no single governmental entity is able to complete the Project in the near term without partnership and innovation.

After many years of discussion between the Authority, the City of Tulsa, Tulsa County, the Indian Nations Council of Governments (“INCOG”), the Oklahoma Department of Transportation (“ODOT”) and the Federal Highway Administration (“FHWA”), an innovative partnership has been conceived and the Authority will leverage work that has been accomplished to date to construct the Project as a toll facility.

2. Project Description and Information

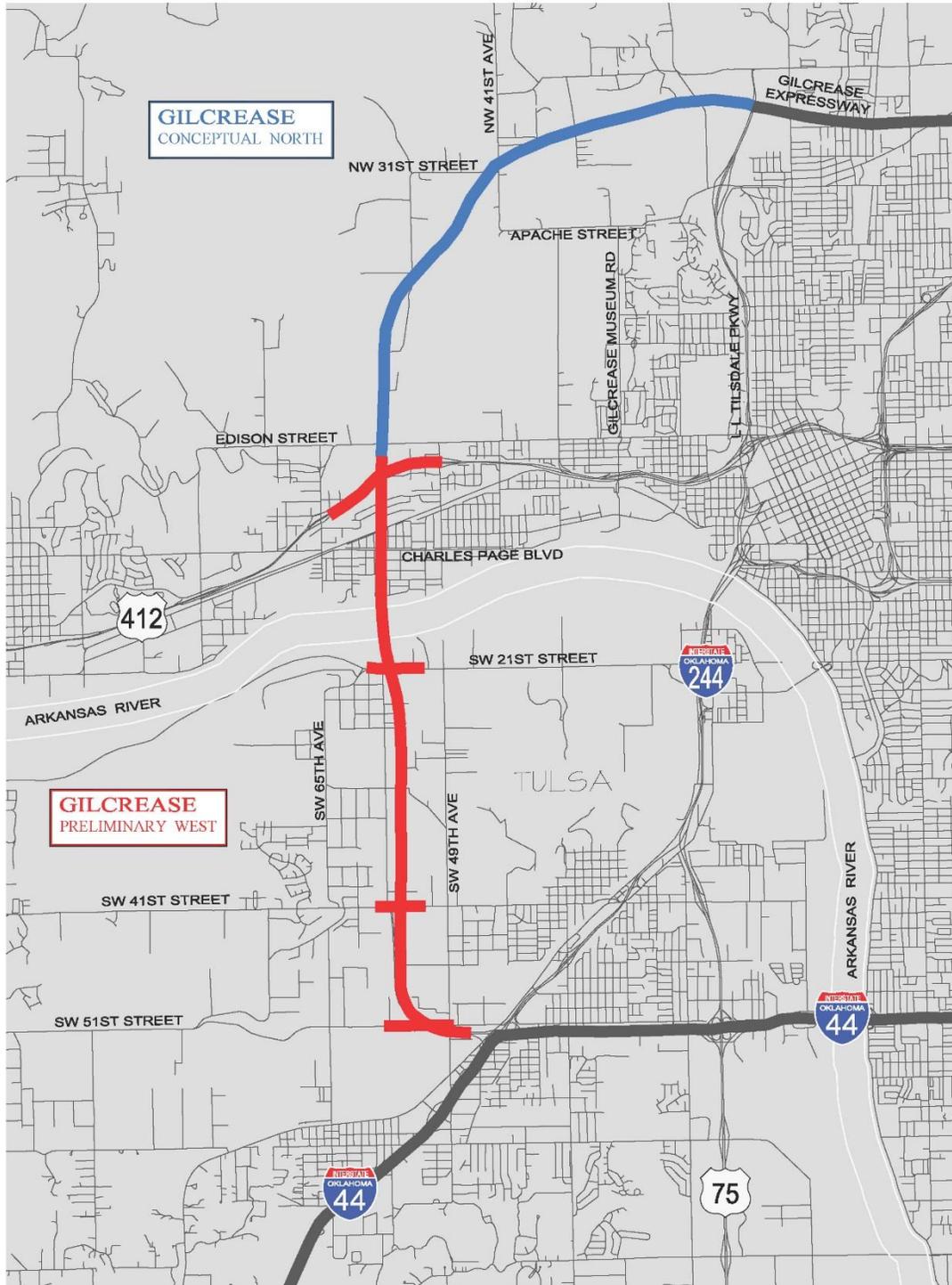
Respondents are encouraged to review Project information, including 50% design plans and maps, available on the Project website: www.pikepass.com.

The Project will consist of a fully functional four lane divided tolled highway including a bridge over the Arkansas River, an additional 21 bridges and interchanges at Interstate 44, W 51st Street S, W 41st Street S, W 21st Street S, US-412. The Project limits are from W 51st Street in the south to West Edison Street in the north (shown on the map as “Gilcrease Preliminary West”). The approximate length of the Project is 5 miles.

The Project will operate as an all-electronic or *PIKEPASS*-only tolled facility. The Authority will retain ownership of the Project at all times and will be responsible for toll rate setting, routine and major maintenance, and toll collection/back office operations for the Project.

The Authority will continue to progress the design of the Project with a goal of having 100% complete designs available before or during the procurement process.

Future expansion of the Gilcrease Expressway West project includes construction from the northern termini of the Project to Tisdale Parkway (shown on the map as “Gilcrease Conceptual North”). While this future expansion is not part of the Project, the City of Tulsa has acquired 100% of the right-of-way and has advanced design plans to 95%.



3. Status of Project Approvals and Agreements

Approvals

The Project has been authorized by the Oklahoma Legislature as a turnpike and was designated as corridor of economic significance by the Oklahoma Transportation Commission in April 2017.

Agreements

The Board of the Authority has adopted a resolution allowing it to accept contributions from any source, and other things of value to build, maintain and operate the Project. The resolution also authorizes the Director to initiate efforts to enter into an agreement with the necessary parties to advance the Project as a Turnpike Project.

To date, the Authority has adopted a resolution accepting right-of-way from the City of Tulsa needed for the construction of the Project.

Right-of-Way

The Authority has begun acquisition of right-of-way and there are approximately 21 remaining parcels to acquire. These acquisitions are expected to be complete prior to the commencement of construction of the Project.

Environmental

An Environmental Assessment was prepared and approved by the Federal Highway Administration in 2000 and reevaluations were completed in 2005 and 2014 to update information and request right-of-way acquisition. The Authority is in the process of updating the environmental documents again and expects to hold necessary public meetings in early 2018. The final environmental approvals are expected to be in place prior to the commencement of construction.

Section 404 and 408 Army Corp of Engineer permits are required for the Project and the Authority is currently anticipating that these permits will be in hand prior to the commencement of construction.

In addition, any necessary pre-construction permits or approvals from the City of Tulsa, Tulsa County or other governmental entities will be obtained by the Authority. Any permits or approvals normally initiated as a part of a construction contract will remain the responsibility of the successful private sector partner.

4. Estimated Project Costs and Funding Sources

The Project will be financed as a standalone toll facility and will not have access to revenues of the Authority's Turnpike System.

The estimated costs for the Project are as follows:

Engineering / environmental	\$21,000,000
Right-of-way	35,000,000
Utility relocation	4,000,000
<u>Construction*</u>	<u>240,000,000</u>
Total Project Cost	\$300,000,000

*Includes toll equipment, CE/inspection and water, sewer, utility work

ODOT has received approval from the Council on Bond Oversight to issue up to \$70 million of GARVEE bonds with the proceeds being contributed to the Project. ODOT and INCOG have entered into an agreement under which INCOG will pay up to \$6 million to ODOT annually for 15 years to satisfy debt service on the GARVEE bonds issued by ODOT.

The Authority has committed to provide up to approximately \$90 million of funds to the Project.

The Authority has also commenced preliminary discussions with the TIFIA office of the Build America Bureau to determine whether the Project would be eligible to receive TIFIA credit assistance.

5. Procurement / Financing Structures

The Authority anticipates entering into a Build-Finance Agreement with a private sector partner under which the private sector will construct the Project and provide the funding necessary to complete the Project, in addition to the sources of public funding indicated above. The funding provided by the private sector partner may be interim or long term. The exact terms of the agreement and plan for financing the Project will be developed based, in part, on input received from this RFI.

6. Current Schedule

The Authority currently anticipates the following schedule:

DATE*	EVENT
January 2, 2018	Issue Request for Information (RFI)
January 31, 2018	Receive and review RFI responses
April 2018	Issue Request for Qualifications (RFQ)
June 2018	Receive RFQs, evaluate and shortlist
July 2018	Issue Request for Proposals (RFP)
August 2018	Receive and evaluate RFPs
September 2018	Board of the Authority approves selection of Preferred Proposer

*Preliminary, subject to change

C. INFORMATION REQUESTED

Please provide your contact information and brief information on your area of expertise and the role you would propose to play in the Project (no more than one page). More detailed information on your qualifications is not required but may be provided in an appendix. Such information may not be reviewed by the Authority.

Please respond to as many of the following questions as possible. Each response should indicate the applicable question number.

1. Based on the information provided on the Project website and your general knowledge of the Project and its location, do you see any potential preliminary value engineering opportunities for the Project?
2. Given that the Authority intends to advance design to 100% prior to submission of bids, provide your thoughts on how innovative design and engineering concepts may be incorporated into the procurement and design process.
3. Provide your preliminary views on the financing tools and structure that you believe would be appropriate for the Project given the schedule and activities proposed by the Authority for delivery of the Project.
4. What impediments, if any, do you foresee in the Authority's proposed approach to delivering the Project as a Build-Finance?
5. As noted above, the Authority has initiated discussions with TIFIA regarding the potential for TIFIA credit assistance for the Project. Please comment on the suitability of TIFIA as a financing tool for the Project and provide your views on how it may be effectively incorporated into a financing structure.
6. Please provide your preliminary views with respect to the terms and conditions of private sector funding for either or both interim and long-term financing, including but not limited to, maximum maturity date, amortization, an appropriate interest rate index and spreads to that index, refinancing etc.
7. If the Authority requires long term financing to be provided by the private sector, what mechanism(s) do you believe would be appropriate to compensate the developer for long term financing risk?
8. Provide any additional information you believe would be helpful to the Authority in developing the Project.

D. CONFIDENTIALITY

Respondents are hereby notified that information submitted in response to this RFI is subject to the Oklahoma Open Records Act, 51 O.S. §24A.1 et seq. and will be handled in accordance with applicable laws, regulations, and policies of the Authority. Should your response contain confidential information, such information should be clearly marked as confidential as well as your asserted basis for the claim of confidence. The Authority will make the final determination as to whether information is indeed confidential. Marking an entire response as confidential does not exempt it from the Open Records Act. Copies of the responses, confidential information redacted, will be available for public inspection following the deadline for submission, under supervision of the Administrative Services Division from 8:30 A.M. to 4:30 P.M. Monday through Friday at the Oklahoma Turnpike Authority, 3500 Martin Luther King, Oklahoma City, Oklahoma 73111.

E. GENERAL

Response Due Date: January 31, 2018 by 3:00PM CDT.

Page Limit: 10 pages including the requested one page summary of your firm's experience but excluding appendices.

Format: Please provide your response via email to the Contact listed below. Email size must not exceed 50MB.

Project Website: www.pikepass.com

Questions: Questions regarding this RFI should be emailed to the Contacts listed below. Questions should be submitted on or before **January 12, 2018 by 3:00PM CDT**. On or about January 16, 2018, the Authority will post responses to questions on the Project website without identifying the party submitting the question.

Contacts: Wendy Smith
Director of Finance and Revenue
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At its option, the Authority may elect to follow up directly with respondents with more detailed questions or to clarify responses.