

Detroit River International Crossing

Presentation to Senate Appropriations Subcommittee on Transportation

March 25, 2009



Project Overview

- Background
- Update
- Next Steps

Background

- 2000 – International Border Partnership formed.
- 2004 – International Study found a need for additional border capacity.
- 2005 – Environmental Impact Process began.
- 2008 – U.S. Environmental Process Completed.
- 2008 – Canadian Environmental Document Completed.
- 2009 – Project approved by U.S. DOT/FHWA.
- 2009 – Canadian approval of project is expected Summer 2009.

Goal of the DRIC Project

- To provide additional capacity to facilitate international trade growth between the U.S. and Canada, the two largest trading partners in North America.

Objectives of the DRIC Project

- Provide increased long-term inspection and traffic capacity to meet increased long-term demand;
- Improve system connectivity between the U.S. Interstate highway system and the Canadian freeway network;
- Improve operations and processing capability at the plazas;
- Provide a redundant corridor to minimize delays/breakdowns caused by incidents, maintenance activities, traffic congestion, or other disruptions.

The Federal Highway Administration is the lead agency for implementing the DRIC Project. The following are cooperating agencies.

- U.S. Environmental Protection Agency
- U.S. General Services Administration
- U.S. Department of Homeland Security
- U.S. Army Corps of Engineers
- U.S. Fish & Wildlife Service
- U.S. Coast Guard
- U.S. Department of State



U.S. Government Involvement

- The U.S. government is the lead on the DRIC project and is responsible to ensure:
 - ✓ Safety and security of transportation users, the public, transportation infrastructure, and crossing operations;
 - ✓ Facilitation of legitimate movement of trade and people;
 - ✓ Protection of the national economy;
 - ✓ Maximized value and economic benefits over the life of the crossing;
 - ✓ Adequate, reliable, and sustainable capacity for the life of the crossing; and
 - ✓ A crossing system and chosen governance structures acceptable to the United States, Canada, Michigan, and Ontario.

U.S. Government Involvement

- ✓ U.S. Department of Transportation is the lead agency in implementing this important transportation project
- ✓ The Department of State is the lead agency for the DRIC Presidential Permitting process
- ✓ The Agencies work together to support the goals related to their respective responsibilities
- ✓ Cooperating Agencies have the opportunity to review and comment on issues related to the development of a DRIC governance structure to ensure compatibility with their roles and responsibility pertaining to the crossing.
- ✓ USDOT, in its capacity as group lead communicates with Transport Canada and the Michigan Department of Transportation.

MDOT Role

- USDOT/FHWA, building on its historic partnership with MDOT through the Federal-Aid Highway Program, has asked Michigan DOT to be its agent in the DRIC.

Project Schedule

- Design begins in 2009
- Property purchase begins in 2009
- Construction 2010 - 2015

Financing

- The interchange will be paid for with 80% federal / 20% state funds.
- The plaza will be the responsibility of the U.S. General Services Administration.
- The bridge will be paid for like all other international bridges – by tolls.

Governance Issues

- Ownership
 - ✓ Bridge & underlying lands will be owned by the Government of Canada & the State of Michigan
 - ✓ No foreign ownership
 - ✓ No private sector ownership

Governance Issues

- Procurement
 - ✓ Owners to engage in a Public Private Partnership (P3).
 - ✓ Long-term Concession (30 to 45 years).
 - ✓ Michigan will form a joint international board with Transport Canada to oversee the concession contract.
 - ✓ Land & bridge leased to private sector for operations.

Governance Issues

- Public Interest
 - ✓ Public interest will be protected through terms & conditions defined in P3 contract with private sector concessionaire.
 - ✓ Concessionaire will be evaluated on Good Neighbor policies during bid process.

Key Issues

- What are the next steps in the process?
 - ✓ Commence property purchase.
 - ✓ Begin design.
 - ✓ Continue coordination with community.
- What is MDOT expected to spend in FY 09?
 - ✓ \$9 million.

Comments/ Questions