Detroit River
International Crossing Project

Response to
Michigan Public Act 116, Section 384
Purpose of the DRIC

- To provide for the safe, efficient and secure movement of people and goods across the Canadian-U.S. border in the Detroit River area to support the economies of Ontario, Michigan, Canada and the U.S.
- Support the mobility needs of national and civil defense to protect the homeland
Key Economic Impacts

• Support Michigan position as a logistics hub. Benefit auto manufacturers and other industries
• Bring $1.3 billion of construction investment in the US
• Create in Michigan 40,000 jobs during construction
• Once completed, retain 25,000 permanent jobs in Michigan and draw about 3,500 jobs in SE Michigan
• Generate additional income for Michigan through taxes and excess revenue from operation
DRIC – An End-to-End Solution
Cable Stay Bridge

Source: Parson Transportation Group
Suspension Bridge
View from Canada
View Entering U.S.
Detroit River
International Crossing Project

- All environmental clearances obtained in the U.S. and Canada
- Other stakeholders engaged
- Remaining approval needed ....

The Michigan Legislature
PA 116, Section 384

• Requirements
  ✓ Proposals from Public-Private Partnerships
  ✓ Investment Grade Traffic
Public-Private Partnerships

- Private investment, shared risk, public ownership
- Build new projects without jeopardizing funding for current ones
Potential P3 Projects

- Detroit River International Crossing
- I-75 Widening (Oakland County)
- Blue Water Bridge Plaza
- I-94 Widening (Jackson County)
- I-94 Widening (Detroit)
- U.S. 23 (Washtenaw County)
- M-31 Widening (Ottawa County)
- Detroit Intermodal Freight Terminal (DIFT)
- Ann Arbor-to-Detroit commuter rail
- Ann Arbor to Howell commuter rail
- Norfolk Southern Line
- M-59
Proposers on the DRIC

- Acciona
- ACS Dragados
- BMO Capital Markets
- Bouygues
- Citigroup Global Markets
- Cintra
- Coco Paving
- Daelim
- Fluor
- Global Via Infraestructuras
- Gowlings

- Hotchief
- Kiewit, Flatiron, TY Lin Inc., Buckland and Taylor, HNTB Co., MMM Group
- Macquarie
- Meridiam, AECOM
- Scott Associates Architects
- SNC Lavalin, American Bridge, Barton Marlow, Granite Construction, EllisDon, Scotia Capital FA
- Scotia Capital
- Walsh Construction Co., PCL, IHI, Parsons - Brinckerhoff, Chodai
- Walter Toebe, Edward Levy, P3 Development Co.
# Developer Profiles

<table>
<thead>
<tr>
<th>Developer</th>
<th># of Total Public-Private Partnerships</th>
<th># of Road/Bridge Projects</th>
<th>Miles under Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acciona</td>
<td>27</td>
<td>8</td>
<td>424</td>
</tr>
<tr>
<td>ACS Dragados</td>
<td>67</td>
<td>24</td>
<td>1460</td>
</tr>
<tr>
<td>Bouygues</td>
<td>15</td>
<td>6</td>
<td>726</td>
</tr>
<tr>
<td>Cintra</td>
<td>32</td>
<td>25</td>
<td>1900</td>
</tr>
<tr>
<td>Fluor</td>
<td>15</td>
<td>10</td>
<td>175</td>
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<tr>
<td>Global Via Infraestructuras</td>
<td>41</td>
<td>24</td>
<td>500</td>
</tr>
<tr>
<td>Hochtief</td>
<td>32</td>
<td>16</td>
<td>465</td>
</tr>
<tr>
<td>Macquarie</td>
<td>110</td>
<td>27</td>
<td>N/A</td>
</tr>
<tr>
<td>Meridiam / AECOM</td>
<td>26</td>
<td>14</td>
<td>500</td>
</tr>
<tr>
<td>SNC Lavalin</td>
<td>28</td>
<td>4</td>
<td>170</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>393</strong></td>
<td><strong>158</strong></td>
<td><strong>6,320+</strong></td>
</tr>
</tbody>
</table>
Observations from Responses

• Significant interest from leading developers, financiers and contractors

• Ability and capacity to complete all elements as a single project; several suggest it as the best approach to the project;

• Feasible under a P3; and,

• Real toll, availability payment and hybrid approaches are options for the project. In current market, availability payment model might generate more value for money
# Funding per Project Component

<table>
<thead>
<tr>
<th>Project Components</th>
<th>Potential Funding Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main Bridge</td>
<td>Private Financing (i.e. toll revenue)</td>
</tr>
<tr>
<td>U.S. Approach Bridge</td>
<td>Private Financing (i.e. toll revenue)</td>
</tr>
<tr>
<td>Canadian Approach Bridge</td>
<td>Private Financing (i.e. toll revenue)</td>
</tr>
<tr>
<td>U.S. Toll Plaza</td>
<td>Canadian Federal Funds</td>
</tr>
<tr>
<td>Canadian Toll Plaza</td>
<td>Canadian Federal Funds</td>
</tr>
<tr>
<td>I-75 Interchange</td>
<td>Canadian Federal Funds</td>
</tr>
<tr>
<td>Duty Free, Customs Broker, Other (U.S. and Canada)</td>
<td>Private Financing or Lease Revenue</td>
</tr>
<tr>
<td>U.S. Inspection Plaza</td>
<td>U.S. General Services Administration</td>
</tr>
<tr>
<td>Canadian Inspection Plaza</td>
<td>Canadian Federal Funds</td>
</tr>
<tr>
<td>Canadian GBSA Headquarters</td>
<td>Canadian Federal Funds</td>
</tr>
</tbody>
</table>
Financial Analysis

• Maximum cost to MDOT
  ✓ $550 million of State and Federal Highway Formula funds
• Covered by Canada
• Repaid entirely from tolls on the DRIC bridge

A Solid Partnership
Project Governance

• Equal control between MDOT & TC including:
  ✓ Business model
  ✓ Technical specifications
  ✓ Tolling policy
  ✓ Contractual arrangements
  ✓ Management and project oversight Contract administration
## Investment Grade Traffic Study

<table>
<thead>
<tr>
<th>Document</th>
<th>Date</th>
<th>DRIC Average Weekday Traffic (Vehicles)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Final Environmental Impact Statement (FEIS)</td>
<td>Nov. 2008</td>
<td>38,218&lt;sup&gt;a&lt;/sup&gt;</td>
</tr>
<tr>
<td>Investment Grade Traffic Study for Legislature</td>
<td>Feb. 2010</td>
<td>34,600&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
<tr>
<td><strong>Change from FEIS</strong></td>
<td></td>
<td><strong>-9.47%</strong></td>
</tr>
</tbody>
</table>

*Notes: (a) FEIS Table 3-20, page 3-123, (35,657 extrapolated to 2035 Consistent with Procedures used in FEIS).  
(b) Comprehensive Traffic Study for the DRIC, Chapter 6, Table 6-10 page 6-22*
Long Term Trends

- **Ontario Turnover**
- **Amb/Bwb/Dwt Trucks**
- **Us Gdp**
- **Forecasted Ont. Turnover**
- **Forecasted C4se Trucks**
- **Forecasted Wsa Trucks**

Key Events:
- **Sept 11th 2001**
- **1990 Recession**
- **Nafta Enacted**
- **Latest Recession**

Axes:
Next Steps

- June 1, 2010, “Up or Down” vote of the Michigan Legislature
  - Enter into an agreement with Canada to build DRIC
  - Enter into a Public-Private Partnership
  - Charge Tolls
DRIC Benefits

• Ready to go
  ✓ U.S., Canadian and MDOT approved
  ✓ Start hiring 10,000 workers this year

• Broad base of Support
  ✓ Business and Labor
  ✓ U.S. and Canada
  ✓ City and Suburban
Thank you

Questions/Comments