

**REQUEST FOR EXPRESSIONS OF INTEREST
RELATED TO THE FUTURE ISSUANCE OF A REQUEST FOR QUALIFICATIONS AND SUBSEQUENT REQUEST
FOR PROPOSALS TO DESIGN/BUILD/FINANCE/OPERATE AND MAINTAIN A NEW LONG ISLAND SOUND
CROSSING TUNNEL**



**RFEI # 2018-01
JANUARY 25, 2018**

Long Island Crossing Tunnel Request for Expressions of Interest

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1.0 Introduction

The New York State Department Transportation (“NYSDOT”) hereby invites interested parties to respond to this Request for Expressions of Interest (“RFEI”) regarding a proposed future solicitation for a Long Island Crossing Tunnel (“Tunnel”). The RFEI invites comments on innovative project delivery and finance mechanisms, including but not limited to, design-build; operation and maintenance; and financing of the proposed project.

1.1 Purpose of this Request for Expressions of Interest

NYSDOT commissioned a preliminary study in 2017 to assess the feasibility of a new Long Island Sound crossing (<https://www.dot.ny.gov/programs/capital-plan/repository/LI%20Sound%20Report.pdf>). This initial assessment determined that construction of a Long Island Sound Tunnel is technically feasible. The goal of this RFEI is to solicit ideas that will advance public policy goals and maximize economic benefits to the State of New York (“State”) with the least economic and environmental risk to the State. This RFEI invites interested parties to provide input on engineering, environmental, operations and financial considerations that will be used to inform the development of a Request for Proposals (“RFP”). The RFEI also invites respondents to comment on how the proposed Tunnel would (1) be integrated into and improve the Long Island region’s overall mobility and connectivity; (2) promote regional economic growth and generate revenues to support the construction and annual operations and maintenance costs; and (3) minimize current and potential future environmental impacts.

1.2 Submission Requirements

NYSDOT welcomes responses to this RFEI from organizations meeting the following eligibility criteria (“Qualifying Organizations”): (a) lead contractors on bridge or tunnel projects of at least \$1 billion in size, including similar complexity or scale; and or (b) equity investors with a substantial development and investment track record in new-build transportation projects exceeding \$500 million individually. Organizations that do not meet the eligibility criteria for responding to this RFEI (e.g. providers of engineering, surveying, and specialty construction or maintenance services; and or lenders, legal or financial advisors, or other providers of professional services) are encouraged to participate in an RFEI submission as part of a team that includes a Qualifying Organization. Please see section 3.6 herein entitled “Organizational Conflicts of Interest” for additional limitations on entities and individuals who will not be eligible to participate in an RFEI submission. Organizations that do not respond to this RFEI shall not be precluded from participating in any future procurement for the project. Such participation would be subject to demonstrating satisfaction of the criteria stipulated in subsequent solicitation documents.

Qualifying Organizations are required to provide information specifically requested on the questionnaire (Appendix A). Qualifying Organizations responding to this RFEI may be invited to participate in an Industry Input Meeting with NYSDOT’s project team.

Available information regarding the project will be posted at <https://www.dot.ny.gov/doing-business/opportunities/const-highway>. You are therefore encouraged to monitor said site for any changes that may impact your submittal, as well as for any future solicitation information related to the project.

1.3 Submittals, Questions, and Comments

Respondents shall submit one (1) hard copies and two (2) electronic copies of the requested information on a flash drive in format that does not prevent NYSDOT from cutting and pasting content. Submissions shall be delivered to Mr. William Howe (contact information below), no later than 11:59PM on April 2, 2018.

Mr. William Howe
Director of Contracts
New York State Department of Transportation
50 Wolf Road
Albany, New York 12232

Your firm's name and the RFEI Number (RFEI #2018-01) must be clearly indicated on the outside package and on the submission cover letter. Late submittals may not be considered.

Any questions concerning this RFEI should be directed to Mr. Howe at Bill.Howe@dot.ny.gov. Neither Mr. Howe nor any employee of NYSDOT is authorized to interpret the RFEI or give additional information as to its requirements. Such interpretation or additional information will only be given by written addendum to this RFEI.

Respondents also shall submit a copy of the "Agreement on Terms of Discussion," signed by an authorized representative of the respondent. The Agreement is included as Appendix B and shall be submitted without any alterations or deviations.

2.0 Project Summary

The State of New York, subject to a future RFP, desires to cause to be constructed a tunnel from a point to be determined on the North Shore of Long Island to a point to be determined in Westchester County ("Western Alignment"). Considerations for the tunnel include: reducing travel times and congestion; improving air quality; providing access to expanded labor and business market opportunities; enhancing emergency evacuation egress; and improving regional freight movement. The fundamental predicate of the proposed project is economic development.

2.1 Design and Technical Considerations

At minimum, respondents to the RFEI are required to consider a single large diameter two-tiered tunnel with two lanes per level alternative. NYSDOT also strongly encourages comments on additional design alternatives that may mitigate project costs, accelerate construction schedules and that are sensitive to potential environmental impacts. NYSDOT requires that all tunnel alternatives provide innovative approaches to ventilation; artificial ventilation islands will not be considered for this project. NYSDOT also seeks proposals that minimize annual operations and maintenance costs. Respondents should assume that the proposed tunnel will connect with existing major interstate highways (e.g., Interstate 495; Interstate 95) and that revenues will be collected via all-electronic tolling. Respondents should also

address alternatives that optimize risk allocation between the parties and considerations for provision of a transit option in the future.

2.2 Right-of-Way

Respondents are encouraged to provide recommendations for designs that mitigate right-of-way (ROW) acquisition for tunnel portals.

2.3 Traffic and Revenues

The preliminary study made broad assumptions related to tolls, traffic, and revenues. Respondents are strongly encouraged to model and recommend optimal tolls, traffic, and revenues necessary to support project financing and annual operations and maintenance costs.

2.4 Private/Innovative Finance

NYSDOT is interested in any and all proposals that would maximize private financing to the greatest extent possible to advance this project. Respondents are strongly encouraged to recommend equity and debt mechanisms, including availability payments, for the long-term financing of the tunnel, including federal or State credit assistance and loan programs. NYSDOT recognizes that loan programs such as Private Activity Bonds or the Transportation Infrastructure Finance and Innovation Act (TIFIA) may be desirable mechanisms for lowering the cost of financing on the Project. With respect to tolling, NYSDOT encourages proposals for variable-price tolling with supporting analysis.

3.0 Changes to this RFEI

At any time, in its sole discretion, NYSDOT may by written addenda modify, amend, cancel or reissue this RFEI. If an addendum is issued prior to the date information is due, it will be made available on the following website <https://www.dot.ny.gov/doing-business/opportunities/const-highway>. If an addendum is issued after responses have been received, it may, at NYSDOT's discretion, be provided only to those proposers whose submittals may be impacted by such change/addendum.

3.1 Information Preparation Costs

NYSDOT shall not be liable for any costs incurred by the respondent in the preparation, submittal, presentation, or revision of its RFEI responses, or in any other aspect of the respondent's pre-information submittal activity. No respondent is entitled to any compensation except under an executed agreement signed by an authorized representative of NYSDOT, in accordance with Section 112 of State Finance Law, and approved by the New York State Office of the State Comptroller.

3.2 Disclosure of Information Contents/Use of Ideas and Materials

Information submitted in response to this RFEI is not generally considered confidential or proprietary. All information contained in the RFEI response is subject to the “Agreement on Terms of Discussion” attached hereto as Appendix B. It is incumbent upon the respondent to identify clearly, at the time of submittal, any and all confidential or proprietary information.

3.3 Ownership of Submitted Materials

All materials submitted in response to or in connection with this RFEI shall become the property of the NYSDOT and the State of New York.

3.4 Rights of the New York State Department of Transportation

NYSDOT reserves all its rights at law and equity with respect to this RFEI including, but not limited to, the unqualified right, at any time and in its sole discretion, to change or modify this RFEI, to reject any and all response, to waive defects or irregularities in information received, to seek clarification of information, to request additional information, to request any or all respondents to make a presentation, to undertake discussions and modifications with one or more respondents, who, at any time subsequent to the deadline for submissions to this RFEI, may express an interest in the subject matter hereof. No respondent shall have any rights against NYSDOT or the State of New York arising from the contents of this RFEI, the receipt of information, or the incorporation in or rejection of information contained in any response or in any other document. NYSDOT and the State of New York makes any representations, warranties, or guarantees that neither the information contained herein, or in any addenda hereto, is accurate, complete, or timely, or that such information accurately represents the conditions that would be encountered during the performance of any subsequent contract issued from a separate RFP. The furnishing of such information by NYSDOT shall not create or be deemed to create any obligation or liability upon it for any reason whatsoever and each respondent, by submitting its response, expressly agrees that it has not relied upon the foregoing information, and that it shall not hold NYSDOT liable or responsible therefore in any manner whatsoever.

3.5 Personal Liability

Neither the Commissioner of Transportation nor any officer, agent or employee thereof shall be charged personally with any liability by a respondent or another or held liable to a respondent or another under any term or provision of this RFEI or any statements made herein or because of the submission or attempted submission of information or other response hereto or otherwise.

3.6 Organizational Conflicts of Interest

Respondents are advised that the following entities and individuals are precluded from submitting a response to this RFEI and from participating on a Qualifying Organization’s team, unless otherwise authorized by NYSDOT: (a) any consultant firm that has or may be retained by NYSDOT to provide expert review of the responses in connection with this RFEI; (b) any entity that is a parent, affiliate, or subsidiary of any of the foregoing entities, or that is under common ownership, control or management with any of

the foregoing entities; and; (c) any employee or former employee of any of the foregoing entities who was involved with the RFEI while serving as an employee of such entity.

Appendix A - Questionnaire

Respondents meeting the requirements set forth in this RFEI are invited to return the following questionnaire, in addition to directly addressing the technical and financial requirements detailed above, and a short cover letter. NYSDOT is not interested in receiving detailed corporate or team experience and capability at this stage.

1. Provide a concise description of the name and principal business of the organization, and a contact person with a phone number, address and e-mail. If already teamed with other organizations that have assisted in the preparation of this your response, please provide brief details, and an organization chart showing as applicable: (a) lead construction contractor; (b) equity investors; (c) operations/maintenance contractor; (d) designer.
2. Provide examples of comparable large scale/complex bridge or tunnel projects in which your firm/team has played a significant role, and describe that role.
3. Describe your firm's/team's experience with undertaking infrastructure projects in major metropolitan markets with strong labor, permitting and regulatory requirements.
4. Please provide a brief description of your proposals. In doing so, please identify which element of the project your proposal relates (i.e., Design, Construction, Financing, Operations, and/or Maintenance of the Tunnel. Please also describe the key elements and provide a high-level timeline for execution of your proposal, to the extent you have this information.
5. New York State is working to develop a contractual approach to finance this project; NYSDOT welcomes comments on projects that you have worked on that included innovative financing mechanisms and how they may be applied to a project of this scale/complexity.
6. Identify important factors that NYSDOT should consider in determining the ideal length of any proposed public-private concession.
7. At this time, NYSDOT anticipates the project will not be federalized unless there is TIFIA or other federal grant participation. How essential do you expect TIFIA credit assistance or a similar future program to be to the project's financing and overall delivery costs and do you believe the costs of federalizing the project could outweigh the benefits of TIFIA or other financing?
8. Please address the Design and Technical Considerations set forth in Sections 2.1, as relevant to your proposal. In doing so, please identify any innovative methods, strategies, or processes that could be applied to the project, and address mitigation of future risks.
 - a. Proposals for Design and/or Construction of the Tunnel should provide recommendations addressing the challenges of constructing a single large diameter, two-tiered tunnel with two lanes per level alternative from the North Shore of Long Island to Westchester County, and provide innovative approaches to ventilation.
 - b. Proposals for Financing the Tunnel should provide recommendations concerning the project's overall financing structure.

- c. Proposals for Operating and/or Maintaining the Tunnel should provide recommendations that minimize annual operations and maintenance costs, and maximize future revenue.
9. If your proposal relates to Design and/or Construction of the Tunnel, please provide recommendations for designs that mitigate the need to acquire rights-of-way (ROW's) for tunnel portals, as requested in Section 2.2.
10. If your proposal relates to Financing of the Tunnel, please provide recommendations that would maximize private financing to the greatest extent possible to advance this project, as requested in Section 2.4. Please elaborate with any relevant examples based on your experience.
11. NYSDOT anticipates that equity investors and major subcontractors will be required to be exclusive to each proposer team. However, in the interest of facilitating fair competition, are there any types of entities that you believe NYSDOT should allow to form a relationship with more than one proposer team, and if so, why?
12. Are there specific risks typically borne by the public sector that you would consider taking on or sharing with the NYSDOT? NYSDOT is particularly interested to learn of your experiences in assuming ROW acquisition, environmental assessment, and geotechnical risks and responsibilities. Are there specific risks you would not consider taking on? Are there permit concerns?
13. Given the limited public awareness, design and environmental process to date, where do you consider that there may be significant opportunity to employ innovative design, construction methods, maintenance regimes and materials to acquire efficiencies in cost and schedule?
14. What are the most important decisions NYSDOT could make to encourage innovation and efficiency without compromising safety and without raising or changing environmental considerations and risking unexpected service life issues?
15. Do you have any comments on the future procurement process based on your experience with other procurements for DBFOM/DBFM projects? What are key lessons learned or case studies that NYSDOT should consider to help ensure a successful outcome?
16. We welcome any other comments, concerns or suggestions you wish to offer.

17. Appendix B – Agreement on Terms of Discussion

The New York State Department of Transportation’s (“NYSDOT”) receipt or discussion of any information (including information contained in any proposal, vendor qualification, ideas, models, drawings, or other material communicated or exhibited by us or on our behalf) shall not impose any obligations whatsoever on NYSDOT or entitle us to any compensation therefore (except to the extent specifically provided in such written agreement, if any, as may be entered into between NYSDOT and us). Any such information given to NYSDOT before, with or after this Agreement on Terms of Discussion (“Agreement”), either orally or in writing, is not given in confidence. Such information may be used, or disclosed to others, for any purpose at any time without obligation or compensation and without liability of any kind whatsoever. Any statement which is inconsistent with this Agreement, whether made as part of or in connection with this Agreement, shall be void and of no effect. This Agreement is not intended, however, to grant to the NYSDOT to any matter, which is the subject of valid existing or potential letters patent. The foregoing applies to any information, whether or not given at the invitation of NYSDOT.

Notwithstanding the above, and without assuming any legal obligation, NYSDOT will employ reasonable efforts, subject to the provisions of the State’s Freedom of Information Law, which may be found on the NYSDOT’s website at <https://www.dot.ny.gov/main/foil-form-challenge>, not to disclose to any competitor of the undersigned, information submitted which are trade secrets or is maintained for the regulation or supervision of commercial enterprise which, if disclosed, would cause substantial injury to the competitive position of the enterprise, and which information is identified by the respondent as proprietary at time of submission which may be disclosed by the undersigned to NYSDOT as part of or in connection with the submission of information.

(Company)

(Signature)

(Title)

(Date)