

Detailed Proposal  
to



for the

## **I-95/395 BRT/HOT Lanes System**

Submitted by

**FLUOR**<sup>®</sup>

**transurban**

6767 Forest Hill Avenue, Suite 305  
Richmond, Virginia 23225

In association with:

- Air Survey Corporation
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- The Lane Construction Corporation
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- Research/Strategy/Management, Inc.
- Tidewater Skanska, Inc.
- VMS, Inc.
- Vollmer Associates, LLP
- Wetland Studies and Solutions, Inc.

Authorized Person: Herb Morgan  
Telephone: 804.304.6204  
Fax: 804.560.9381

June 3, 2005

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Fluor Enterprises, Inc.	Transurban Limited
6767 Forest Hill Avenue	Level 43 Rialto South Tower
Suite 305	525 Collins Street
Richmond, Virginia 23225	Melbourne, Victoria, Australia

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Fluor Virginia, Inc.  
6767 Forest Hill Avenue, Suite 305  
Richmond, Virginia 23225  
USA

804.304.6204 tel  
804.560.9381 fax

June 3, 2005

Mr. Malcolm T. Kerley, P.E.  
Chief Engineer for Program Development  
Virginia Department of Transportation  
1401 East Broad Street  
Richmond, Virginia 23219-2000

Dear Mr. Kerley:

**I-95/395 Bus Rapid Transit/HOT Lanes System Detailed Proposal –  
A Plan to Ease Regional Congestion**

Fluor Virginia, Inc. (Fluor) and Transurban USA Inc. (Transurban) are pleased to present our detailed proposal for the development, financing, design, construction, operations and maintenance of the Interstate I-95/395 Bus Rapid Transit/HOT Lanes System (BRT/HOT). This proposal has been prepared in response to, and in accordance with, your March 1, 2005, letter “Request for Detailed Proposal for Improvements to the Interstate 95 Corridor” and the Public Private Transportation Act of 1995.

As part of this submittal, we have enclosed a cashier’s check in the amount of \$40,000 along with 20 copies of the written proposal and one CD in Microsoft Word in a format suitable for publication on VDOT’s Web site. Copies of this proposal are being distributed to all local jurisdictions in the corridor affected by this proposal.

The Fluor-Transurban Team BRT/HOT Lane System plan has changed substantially since the submittal of our conceptual proposal. While it continues to offer a \$1 billion, 56-mile regional solution for the I-95/395 corridor, it now offers two plans of finance, tax-exempt and concession approaches, that will allow the project to be financed without the need for public tax dollars. The tax exempt plan anticipates generating a \$510 million subsidy available for BRT operations over the term of the Comprehensive Agreement, and the concession plan anticipates a concession payment of \$250 million at financial close that can be used for BRT or other VDOT purposes.

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Virginia Department of Transportation  
June 3, 2005  
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This detailed proposal offers significant improvements in the BRT and HOT Lane components. Fluor-Transurban has also opened a dialogue with the District of Columbia in order to provide transportation benefits that are truly regional.

The Fluor-Transurban Team appreciates the opportunity to present a plan that will ease the regional traffic congestion problem and promote environmental sustainability. We look forward to working with VDOT, the local community leaders and citizens of the areas affected by this project to advance the I-95/395 BRT/HOT Lane System plan through the environmental evaluation process. We believe that the plan proposed in this document will serve as the best means of increasing the transportation choices for the entire Northern Virginia region.

Sincerely,

Herbert W. Morgan  
Executive Sponsor, Fluor

Michael Kulper  
Executive Sponsor, Transurban

HWM:br  
Enclosure

cc: The Honorable William D. Euille, Mayor, City of Alexandria  
Mr. Jim Hartmann, City Manager, City of Alexandria  
The Honorable Jay Fisette, Chairman, County Board of Arlington  
Mr. Ron Carlee, Arlington County Manager  
Mr. Gerald E. Connolly, Chairman, Fairfax County Board of Supervisors  
Mr. Anthony H. Griffin, Fairfax County Executive  
Mr. Craig S. Gerhart, Prince William County Executive  
Mr. Sean T. Connaughton, Chairman-at-Large, Board of County Supervisors,  
Prince William County  
Mr. Melvin Bray, Mayor, Town of Dumfries  
Mr. John C. Barkley, Town Manager, Dumfries  
Mr. Gary Pash, Chairman Board of Supervisors, Stafford County  
Mr. Steve R. Crosby, County Administrator, Stafford County  
Thomas J. Tomzak, M.D., Mayor At-Large, City of Fredericksburg  
Mr. Phillip L. Rodenberg, Fredericksburg City Manager  
Mr. Robert F. Hagan, Chairman, Board of Supervisors, Spotsylvania County

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Mr. Richard Goss, Planning Director, Spotsylvania County  
Mr. J. Randall Wheeler, County Administrator, Spotsylvania County  
Mr. Mark B. Taylor, County Attorney, Spotsylvania County  
Ms. Karen J. Rae, Director, Virginia Department of Rail & Public Transportation  
Mr. Dan Tangherlini, Director, District Department of Transportation,  
Government of the District of Columbia  
Mr. Alfred H. Harf, Executive Director, Potomac and Rappahannock  
Transportation Commission  
Mr. Shiva Pant, Government Relations Officer, Washington Metropolitan Area  
Transit Authority  
Mr. Dale Zehner, Chief Executive Officer, Virginia Railway Express  
Ms. Kathleen M. Beck, Transit Manager, Fredericksburg Regional Transit  
Mr. Ronald Kirby, Director, Department of Transportation Planning  
Mr. Henry Connors, Jr., Vice Chairman, Spotsylvania County Board of Supervisors  
Mr. G. Mark Gibb, Executive Director, Northern Virginia Regional Commission  
Mr. Stephen H. Manster, Executive Director, Rappahannock Area Development  
Commission  
Mr. David F. Snyder, Chairman, Northern Virginia Transportation Authority  
Mr. Charles M. Badger, Director of Public Transportation, Virginia Department  
of Rail and Public Transportation  
Mr. Tom Jennings, Transportation Management Engineer, Federal Highway  
Administration  
Ms. Brigid Hayne, Federal Transit Administration  
Mr. Fred Williams, Federal Transit Administration  
Ms. Patricia Kampf, Federal Transit Administration  
Mr. John Marykan, Virginia State Police, Area 48 Office  
Mr. James Deford, Virginia State Police, Area 45 Office  
Mr. Roger Clifton, Virginia State Police, Area 11 Office



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# BRT/HOT Lanes System executive summary

The Fluor-Transurban Team proposes to assume total responsibility for the development, design, financing, construction, operation and maintenance of the I-95/395 BRT/HOT Lanes System Project to reduce the level of congestion and increase transportation choices in this important corridor. Building on the success of the relationship developed with VDOT during the Capital Beltway Comprehensive Agreement negotiations, Fluor Virginia has formed a partnership with Transurban USA to bring a new level of innovative thinking to the I-95/395 BRT/HOT Lanes proposal. By combining the talents of these two international transportation firms as well as Virginia-based design and construction contractors into the Fluor-Transurban Team, we are able to deliver solutions to the transportation issues of the I-95/395 Corridor that no other team can provide. These solutions are outlined below and then presented in detail in the proposal.

## **The Fluor-Transurban I-95/395 BRT/HOT Lane System Plan**

The Fluor-Transurban Team continued to search for the best possible corridor-wide transportation solution, even after its Conceptual Proposal was submitted in March 2004. For the past 15 months, our team has been refining the original concept plan. Fluor-Transurban proposes to plan, design, construct, operate and maintain a multi-modal transportation facility that will both address Northern Virginia's transportation needs while improving operations and providing greater benefits to current HOV lane users. The proposed plan offers increased capacity, an integrated transit component, and more choices for both commuters and transportation providers than are previously available. When combined with Fluor-Transurban's Beltway HOT lanes project, the result is a regional system that greatly expands mobility. Figure ES-1 shows the location of BRT/HOT Lanes System, Figure ES-2 illustrates the appearance of the BRT/HOT Lane concept, and Figure ES-3 provides a detailed view of a typical off-line BRT transit station. The unique features of this plan are on page ES-3:

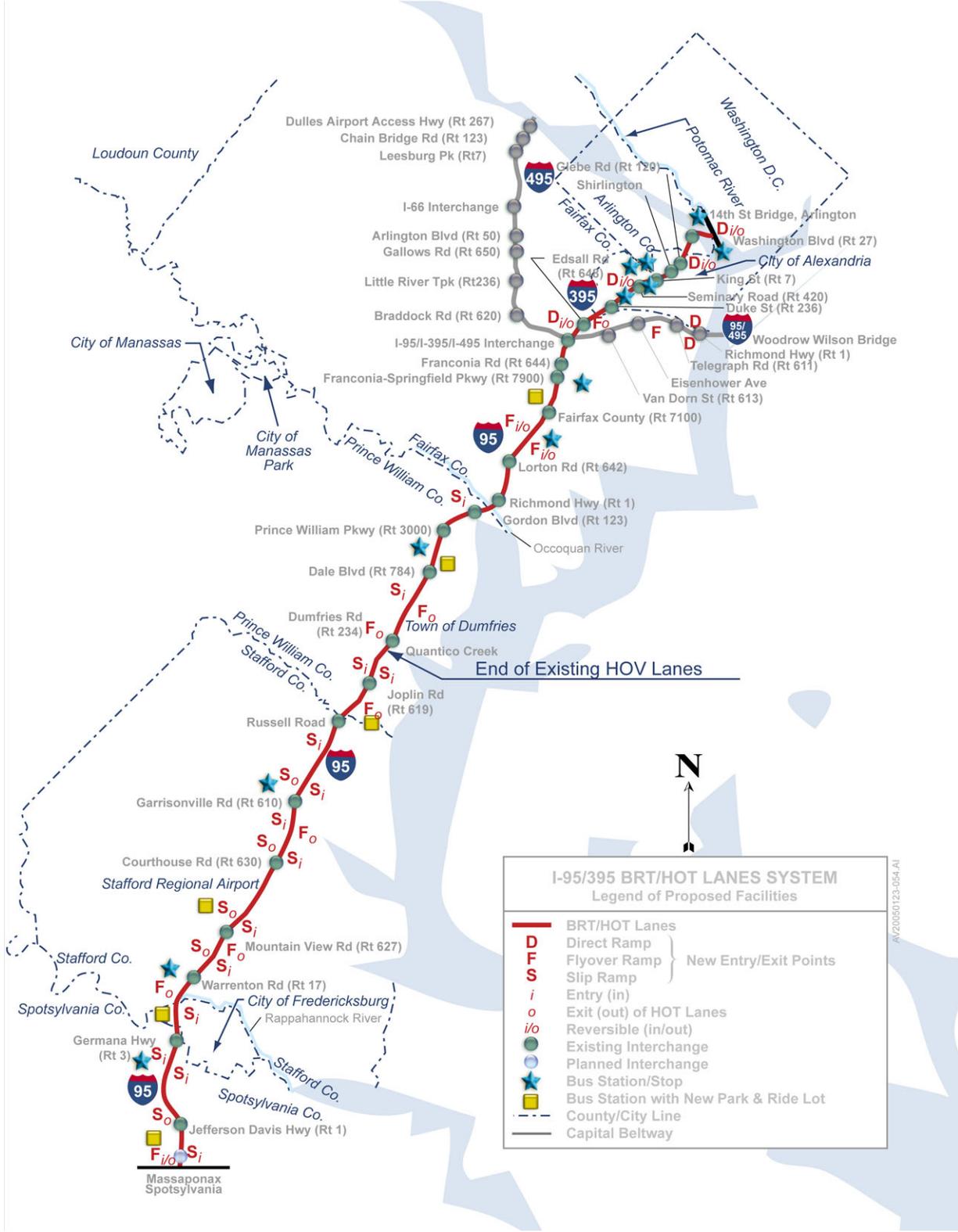


Figure ES-1. BRT/HOT Lanes System Plan



- **Single point of responsibility** – The Fluor-Transurban Team provides clear, single points of responsibility. Fluor would serve as a proven, single point of responsibility for completion of design and construction of the project. While Transurban would be an experienced owner/operator, as a single point of responsibility upon completion.
- **Achieves long-standing regional goals** – The plan will establish a BRT/HOV system that will increase HOV lane capacity and will connect these lanes to new regional employment centers.
- **Creates a 56 mile system** – By adding a third lane to the existing HOV system, and extending the BRT/HOT/HOV benefits an additional 25 miles further to the south, the project will serve as the backbone of a regional BRT/HOT Lanes System. When connected with the Beltway HOT lanes, by way of Phase VIII of the Springfield Interchange, this plan will expand the system, thereby providing improved levels of service and access not currently available in either of the existing corridors.
- **The BRT/HOT concept and plan are environmentally friendly** – The plan will reduce, to a minimum, any negative impacts traditionally associated with major highway improvements and will ultimately move more people in fewer cars.
- **Integrates a BRT/transit component** – The BRT component will provide transit service to many areas currently underserved in both the Capital Beltway and I-95/395 Corridors.
- **Privately finances a project that approaches \$1 billion** – Fluor-Transurban is acutely aware of the funding issues currently facing VDOT and our solution provides a much needed facility without requiring public revenue. Our plan is self-financed and, by making a substantial investment in the project, continuing a trend set with the Capital Beltway HOT lanes, it creates a true public private partnership whereby the risks are shared equally.
- **Offers financing plan alternatives** – We offer VDOT the alternatives of either a Tax Exempt or Concession Plan of Finance. Both plans provide for toll system and roadway operations and maintenance to be paid from tolls, thereby relieving VDOT of this responsibility. Both plans provide for excess revenue sharing with VDOT after payment of operating and financing costs.
- **Transit subsidy** – Our Tax Exempt Plan of Finance allocates a projected \$510 million over the term of the Comprehensive Agreement. Our Concession Approach Plan of Finance proposes a concession fee at closing of \$250 million or an annual concession fee at VDOT's option.
- **Synergy with the Beltway Project** – Fluor-Transurban is in the unique position of being able to integrate the I-95/395 BRT/HOT Lanes with the Capital Beltway HOT Lanes Project into a single system and deliver seamless, customer-focused service and operations support.
- **All electronic toll collection system** – Using Smart Tags or an E-ZPass administered by Transurban, an experienced developer and operator of efficient and customer-friendly tolling systems, will allow use without the need for toll booths.
- **Will provide faster and more reliable service for current HOV and future HOT users** – The system will operate 24/7 and offer the commuter travel-time savings while offering more travel choices.
- **HOV 3+ rides free** – Everyone will ride free within a large truck-free environment unless they choose to ride with only one or two persons in a vehicle, which will require a toll that varies with the level of congestion and distance traveled.
- **Everyone benefits** – The beneficiaries of this project will include those individuals who pay to use the BRT/HOT Lanes, carpoolers, vanpoolers, sluggers, BRT/express bus riders, employers and employees, general-purpose lane users, as well as the entire regional transportation network.



## Responses to VDOT Questions

For ease of reading the proposal, each of the five tabs in the proposal has been structured in two parts. The first section, which is easily located by the blue dividers, provides a summary of changes made to that section of our March 2004 Conceptual Plan and our response to the 37 questions included in VDOT's March 1, 2005, letter "Request for Detailed Proposal for Improvements to the Interstate 95 Corridor." The VDOT questions are grouped by the Tab designations provided in VDOT's letter. The second section, following the green dividers, provides a detailed description of the Fluor-Transurban Plan.

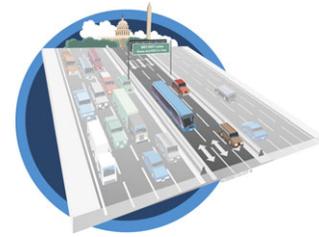


Figure ES-2. The BRT/HOT Lane Concept

Since most answers are technical and often long, we have not attempted to summarize them in this section. However, Fluor-Transurban's response to Question 27 "Identify any known government support or opposition, or general public support or opposition for the project" is worth highlighting. It documents that Fluor-Transurban's more visionary conceptual proposal has already been favorably received by several affected communities, transit agencies and the media. All of these groups are key to determining the receptiveness and ultimately the feasibility of the Fluor-Transurban concept or any other plan. Following are several letters in support of our plan.

The Mayor of, and the Council for, the Town of Dumfries, one of the affected jurisdictions, have endorsed Fluor-Transurban's Plan in a December 2, 2004, letter. In part the letter states "...we believe that the plan, in concept, offers a viable alternative to the current offering of transportation options in the Washington D.C. metropolitan area" and "Dumfries is bordered by U.S. 1 and I-95, and we are well aware of the need for further congestion management options in Northern Virginia. We also know this problem is not particular to Dumfries."

The Potomac Rappahannock Transportation Commission (PRTC), comprised of representatives of five affected jurisdictions, provided "qualified support" for Fluor-Transurban's Plan in a May 6, 2004, letter to the VDOT Commissioner, adding "Following a careful examination of both proposals, the Commission believes the Fluor Daniel proposal is decidedly superior for a number of reasons highlighted in this letter."

The Spotsylvania County Administrator, in a May 20, 2004, letter, expressed interest in Fluor-Transurban's idea for providing an intermodal transportation terminal at the end of the BRT/HOT Lane System stating "We feel that your I-95/395 Bus Rapid Transit/HOT Lanes System Conceptual Proposal would benefit this area and could be incorporated into the plan that is being developed for this area."

In addition to these local government letters, two nationally recognized groups, Environmental Defense and the Breakthrough Technologies Institute, have sent a letter to VDOT which provides "qualified support" for selecting the Fluor-Transurban Plan. In that letter, they stated "...we believe the Fluor plan is superior." They also suggested that "Moreover, as the likely builder of the HOT lanes on the Capital Beltway, Fluor is in a unique position to ensure that HOT lanes in both corridors are optimized for transit."



In summary, the Fluor-Transurban Team is the proven choice for delivery of “first of their kind” transportation projects in Virginia. Fluor delivered the first project under the 1995 PPTA legislation, the Pocahontas Parkway. Then, by teaming with Transurban, we became the first team to deliver a PPTA project with substantial private investment, the Capital Beltway. Now, we are in the position to be able to deliver the next generation of PPTAs by providing a project that not only does not require public funds and has private investment, but which also provides for a transit subsidy for the corridor.



Figure ES-3. Typical Off-Line BRT Stations