TAPPAN ZEE HUDSON RIVER CROSSING PROJECT

PROJECT OVERVIEW

PRE SOC MEETING

County Center
198 Central Avenue
White Plains, New York

December 14, 2011
9:30 a.m.

MODERATOR:  MICHAEL DAVIES
Assistant Division Administrator,
Federal Highway Administration's
New York Division
PANELISTS

Karen Rae, Deputy Secretary of Transportation,
New York State DOT

Joan McDonald, Commissioner of Transportation,
New York State DOT

Tom Madison, Executive Director,
New York State Thruway Authority

Jon McDade, Division Administrator,
Federal Highway Administration

Michael Anderson, New York State DOT

David Capobianco, Thruway Authority

Marie Corrado, New York State DOT

Ted Nadratowski, New York State DOT

Bill Ringwood, Thruway Authority
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MR. DAVIES:  Good morning.  Welcome.  It's 9:30, I'm sure you're all interested in getting started.  We have a great turnout.  Welcome to the Pre SOC meeting.  This is our opportunity to solicit some meaningful input back from industry and those prospective proposers.

My name is Mike Davies. I'm the assistant division administrator for the Federal Highway Administration's New York Division, and I'm your MC today. We have a great panel that's ready and willing to answer your questions. We are looking forward to getting to the Q and A portion. They have some introductory remarks. I'd like to take a moment to introduce the panel.

Karen Rae, who is the Deputy Secretary of Transportation for the New York state department, works for the governor's office and is the direct liaison for our governor. Joan McDonald, Commissioner of Transportation, New York State Department of Transportation.  Tom Madison, Executive Director
of the New York State Thruway Authority.

My boss, Jon McDade, Division Administrator for the Federal Highway Administration.

And then on the team we have Mike Anderson, who has been with the project for a long time. Dave Capobianco from the Thruway Authority. Marie Corrado. Ted Nadratowski. Bill Ringwood. Did I miss anybody? I think I got everybody.

So again, today is the opportunity to solicit some meaningful input. We can't make this as successful as it can be without your input. This is our opportunity for you to have meaningful dialogue, ask those questions, those burning questions. And today we're going to start with Karen Rae with some introductory remarks and then turn it over.

MS. RAE: Well, good morning and welcome. Greetings from Governor Andrew Cuomo, who many of you know has made building this project after decades of talking about building this project one of his top priorities. He's a supporter of the project and he has charged his
transportation team, much of which you see sitting in front of you right now, with accomplishing this task, working closely with an amazing amount of support from our federal partners.

What we want to be here today talking about is first to thank those of you in the industry, both the industry themselves and the associations that represent the industry, for your thoughtful, constructive comments throughout our process to get here, talk about what has happened and some decisions that are literally hot off the press, and let you know how important your continued constructive feedback is to this process. We've got one chance to do this right and we are very much focused on that.

Major progress, many of you know that in the last extraordinary session as they called it, the special session that occurred literally a week ago, for the first time in history we were successful in passing design-build legislation through the state legislature in cooperation with both the house and the senate leadership. A very important critical point for this project and in fact projects across New York
state.

The second issue is within that legislation, which you can ask questions about if we go to future questions, it does include things like flexibility in bonding requirements, incentives, best value approaches to this procurement, all of which we heard were critical from the industry, and kept in the laws when we were negotiating the final design-build language.

But we also have some other good news that you may not have heard. We have brought on a financial advisor, Jeff Parker. Jeff is in the audience I'm sure. Jeff will be helping us coordinate and move quickly to consolidate all of the intelligence we have in our multiple transportation agencies and in the governor's office to develop our financial plan for this critical project.

But I'd also like to let you know that based on much input and information you have given us, we have decided to add a few weeks to the schedule between this phase and the RFP to put a draft RFP on the street, get feedback from qualified bidders so that we can make sure that
this RFP is in fact the best we can put out on the
downstreet when it goes out.

    We also are moving towards
stipends for qualified bidders subject to
comptroller approval, comptroller approval which we
expect in the very near future there will be talked
about stipends in the RFP as we go forward because
we understand what a huge commitment this is to all
of you as we do this.

    Again, I want to stress the
importance of your involvement to date. Tell you
that the success of this project is predicated on
all bringing our best constructive thoughts to the
table to ensure that we can really make this
happen. And I will let you know I've only worked
for about a month for Governor Andrew Cuomo, but we
will succeed making this project a reality.
Failure is not an option, and it's going to be with
the team up here and all of you that do make that
happen. So thank you very much for being here and
I appreciate the honor of your presence.

    I'll pass on. We are pretty
good, I've got a baton at the table. I'm going to
pass to John, our federal partner, for a few
comments about the wonderful partnership that's being created to help this at the federal level.

MR. McDADE: Thank you, Karen.

I am John McDade, with the Federal Highway Administration here in the New York division. And, as Karen said, this is a real partner effort. It is a fast track project and we are working in parallel on the environmental process with the NEPA side as well as we are working on the RFQ and RFP process and doing it as a united team in working on it on many levels. In fact, today there's a very important meeting going on in Boston, Massachusetts regarding the fisheries and critical issues on the project as we move the NEPA process forward.

This is a vital project. It's a vital project not just to the state of New York but to the region. And it also has a criticality at the national level. And the national focus was really zeroed in and fine tuned on October 11th, just two months ago, when the president announced his selection of fourteen key infrastructure projects across the country, and that is all types of infrastructure projects. He had charged all
cabinet agencies with looking at potential projects, key projects that would support jobs and that would be moved through an expedited across the country. And out of that list fourteen were selected. Six were transportation projects, and the Tappan Zee Bridge project was one of those selected by the president. That came as a result of a memorandum he put out to all federal agencies in August. So parallel to all of the work that we're doing here within the state, at the national level it is attractive as well and extremely quick pace.

As part of this presidential identification, all of the agencies are really directed to expedite the environmental reviews and processes and permitting for these high priority projects. And, as I mentioned, many simultaneous, concurrent efforts are going on working with our resource agencies to do that. In fact, just under two months ago we had a resource agency summit with the resource agencies, both federal and state, down in New York City to bring them on board, get them started early in the process because of the very expedited time schedule that we are working with.
As you know, the Tappan Zee has a pretty long history in terms of studies that have gone on. The bridge has been in existence since 1955. Back in 2000 the initial EIS was undertaken. But as that process moved forward during the early 2000s earlier this year, as they were working on the financial analysis, it was determined here in the state that the funding for the 30 year corridor which was being looked at at the time really, which involved a bridge replacement and various corridor improvements and some transit options and improvements was really not possible at that time from that entire project. But as many of you in the corridor looked at the project, the financing for the crossing alone, the actual bridge, was and is considered to be affordable. And so it was determined at that time to rescale the scope of the project and focus on the crossing itself, on the bridge.

So in October, on October the twelfth the Federal Highway Administration, along with our partners in the federal transit, rescinded the notice of intent toward the EIS that we had underway at that time for the corridors, and the
Federal Highway Administration, the lead federal agency in the NEPA process, issued a new notice of intent to begin the EIS process for the Tappan Zee river crossing, focusing just on the bridge. And that's the process we are underway with now. And we're really working to expedite that process.

One of the key things to keep in mind as we work through that is a very expedited project schedule for NEPA. We have already concluded the scoping for the project. That was completed a month ago. A summary of that will be posted on the website probably before the end of the month. We are looking to issue a draft Environmental Impact Statement on January 19th. That will be available. We'll be looking to get out a final EIS beginning in late June, early July. And we are looking for a record of decision by the beginning of August. So if you look at that schedule going from October, when we put out the notice of intent, to around August, this is a very expedited project. And we are working not only with the team here that you see, but our resource agency partners at the state and federal levels to work this through.
And part of the process that came as a result of presidential designation was the identification of what we call a rapid response team at the headquarters level in Washington. The rapid response team is chaired, co-chaired by the deputy secretary for the Department of Transportation and the Council on Environmental Quality for the transportation projects that have been identified. And they are there to provide support, assistance, and also if there are issues that need resolution that can be elevated to headquarters, that rapid response team has representation from the various agencies involved and the resource agencies and so on to help us quickly resolve those issues. So that is an added support level that we are getting because of the national attention to this.

So looking at the support we are getting from the governor's office on down from the White House to the Secretary of Transportation, Secretary LaHood, and down through our department, this is getting significant support and attention. And we are very excited about where we are headed with this. And I'm sure you are very interested in
hearing about some of the project details and how we are moving forward on the project itself. So at this time I'll turn it over to Commissioner Joan McDonald from the New York State DOT.

COMMISSIONER MCDONALD: Good morning, everybody. It is great to see so many partners in the industry here with us today. And I want to pick up on a few points that have been made today and have been made over the last several months both by our transportation team and all of you in the industry.

I think it's no secret and everybody understands that the bridge is central to our future. And I have, for those of you that don't know, a twenty year history with the bridge going back to my days as the director of capital and long range planning at Metro North Railroad. And one of the most important components of planning is the ability to deliver. And picking up on what Karen said, our direction from Governor Cuomo is what can you deliver. So we are moving forward with this project in a way that does not preclude transit in the future. The reality is, transit is not possible on the bridge today. So we
are moving forward in a way that we can deliver the project.

There are a couple of other points that I want to pick up on. First and foremost, this will be a publicly funded project. No P3 or private equity investment will be further contemplated. That's an issue that the contracting community does not have to concern themselves with.

We will hold additional forums on DBE and M/WBE aspects and expectations. The federal government has requirements for DBEs. Governor Cuomo has a very rigorous agenda for M/WBE participation. Our partnership with the federal government, we are going to sort through those issues and there will be additional forums on how we can address those issues moving forward.

And last but not least before I turn it over to Tom Madison, we will continue to consult with the industry and with our elected officials in this region and across the state as the project progresses. This project can only succeed with the support of everybody here in this room and everybody that lives in these communities going forward. It's a great project. I am excited
to be part of this team here at the table, and the extended team in the Department of Transportation, in the governor's office, at the Thruway Authority and the USDOT. And it's going to be, it's going to have its challenges but I think together we will meet them all. Thanks.

Tom.

MR. MADISON: Thank you, Commissioner.

Good morning, everyone. Thank you all for being here today. I want to join my colleagues in welcoming you to this rejuvenated effort to replace one of the most important bridges in the country.

I'd like to give you a little bit of the owner's perspective and maybe some of the needs that they talked about really for decades now. But as the owner of the Tappan Zee Bridge, the Thruway Authority is excited that this project has received none other than the focus and attention that you've heard from the President of United States in a special designation, and of course the focus and the very strong leadership from Governor Cuomo to move the project forward at
this accelerated pace.

The Governor has essentially right-sized the project, as Joan just described. And the transit component isn't in play right now, but of course we are not going to preclude that option for the future on the new bridge structure. So right now the project is oriented around serving our immediate needs. As you heard, there's a very aggressive time schedule. And so in order to start to create jobs as soon as the fall of next year, we'll be utilizing the newly minted design-build procurement process that we'll now be able to use on this bridge.

The reasons for the project, again, have been well documented for a long time, and most in this room are fully aware, but I'll just touch on a few points.

We need a bridge that is built for the demands of today's traffic situations, of our engineering standards, which have been dramatically modernized over the years, and we need a bridge that addresses the vulnerabilities that we face today on the existing structure. One of those vulnerabilities is related to seismic activity,
which we really didn't think was a tremendous concern until we saw an earthquake this past September in Virginia that actually shook big portions of New York state. So just one of the many reasons that the project became even more highlighted on everyone's attention.

We also need to deal with the operational deficiencies that are present on the existing bridge. As many of you probably know from traveling it many times and even driving over it this morning, we have no shoulders, no breakdown lanes on the bridge. So this turns even minor accidents or even a single car that is disabled into long traffic jams and backups. So we need a bridge with superior accident management capabilities as well to handle those situations, but also to decrease the emergency response times in the region and to reduce secondary incidents on the bridge, which is a pretty frequent occurrence too.

A new crossing must be built for the demands of today's safety, mobility, and security requirements. It needs to meet the needs of our public and our customers, but it also has to
ensure the best use of public money. To that end, as Karen mentioned, we have engaged a financial advisor specific to the project, and Jeff Parker will be working with our own bankers and our own financial professionals at the Thruway Authority and DOT and the Federal Highway Administration to develop a financial plan which will be put together very soon.

We must move forward swiftly to meet our scheduling goals, which, as pointed out, are very aggressive, but we also need to move forward in a very informed and deliberate manner. So in an effort to facilitate the completion of the proposal phase of this process and to reduce as much risk as possible, we will be advancing two major contracts in the coming months, a boring project, which will be started later this month, followed by a pile demonstration project shortly after. The results of these contracts will be provided in the electronic data room that's specific to our RFP, and the data room will be coming online in the near future as well.

The project team looks forward to working with our industry partners, as Joan and
Karen both mentioned, to develop creative approaches for this historic opportunity and replace a critical link in our state and nation's infrastructure.

And just a word about the team, because many of us in this room know the long history of this project and different machinations that it's taken. And since the acceleration took place really in October, this team has ramped up to I would say the next level but levels that I personally and professionally have never seen before. We're working very closely and collaboratively as a singular unit. So it's the Thruway Authority, DOT, and the Federal Highway Administration, which is a tremendously valuable partner for us in this process as we run the EIS and the design-build procurement phases in tandem. And I just can't stress enough how unified the team has become and how hard everyone is working, including some of the folks that you see here in the room with us today. So I just want to say a word of appreciation for our team, which is working diligently to hit those deadlines.

It is our hope that we will
attract up to five world class teams to be short listed, who will bring a wealth of creativity and innovation to this effort.

Again, I want to thank you for coming and echo my partners in saying that we will continue to welcome industry input. We appreciate your interest in this project, and we look forward to partnering with you to deliver what will be one of the most important projects in New York state's history. And it will provide economic benefits to our region and our country for generations to come. Thank you very much.

MR. DAVIES: Thank you. Thank you all for your great introduction and background.

I too would like to take a moment just to extend my appreciation to the team, the Federal Highway's appreciation to the team. It is incredible how much time, energy, commitment they have all put into this. Marie Corrado especially, and Ted Nadratowski, Mike Anderson and Dave Capobianco, Bill Ringwood, and from our office John Burns, who has spent his life on the train going back and forth to the city. It's very admirable the amount of work that's gotten done in
such a short period of time.

So we're at the point where
this is your opportunity to -- oh, we are going to
do a presentation.

MS. RAE: We are going to get
blinded again.

MR. DAVIES: Okay, you are
going to get blinded again. I thought you were
going to save the presentation to the end. All
right. Just a short ten, fifteen minutes.

MR. ANDERSON: Thank you very
much. I apologize for the technical glitches. I
appreciate being here this morning to spend a few
minutes to give you an overview of the project
scope and where we are with the EIS. I will be
followed by my colleague, David Capobianco, who
will speak to the RFP process.

As you are all aware, the prior
project was extremely ambitious in that it was
studying a 30 mile corridor from the village of
Suffern in Rockland County to the village of Port
Chester in Westchester County. Now we've put our
focus on the bridge itself. Accordingly, the
project limits now for the new Tappan Zee Bridge
replacement project are approximately four miles. It encompasses the 3.1 mile bridge itself, and approximately a half mile on each of the landing areas.

In Rockland County the limits of work will be the existing South Broadway bridge. And that bridge needs to be replaced as part of the project. The work will, however, stop short of interchange ten. So it will not include interchange ten in Rockland County.

In Westchester County, the limit will be the existing Route 9 bridge, and that bridge will remain intact.

Alternatives that have been considered in the process included a wide range of alternatives. Among those that were considered and dismissed were the rehabilitation option and the tunnel options. The rehabilitation option included the replacement in all scenarios of the existing causeway, which is that level section of the bridge on the Rockland side. That was over one half of the existing bridge. And when you take into account the needs of the project, the need to provide shoulders, we also had to provide a sister
span to the eastbound-westbound operation. So taking that all into account, we have 80 percent of the rehabilitated structure would be new and it would retain those sections of the existing bridge, the main span and the truss approach spans, which are the most vulnerable and will remain problematic for the life of the project. For those reasons rehabilitation was considered not feasible.

In terms of the tunnel, if you look at the topography in Rockland County, take into account the Talleyrand Swamp in Westchester, we had to work on a profile and an alignment that was approaching seven miles. And in order to meet the demand we were looking at multiple tubes, four, perhaps five tubes, and over the seven miles that required a significant number of ventilation shafts. In the end, the tunnel option was very impactful environmentally in terms of properties, and very costly, and deemed not reasonable.

So we are moving forward with two alternatives. That is an every need for action, consideration of the future no build, plus a bridge replacement alternative.

In terms of the alignment, the
replacement will be situated parallel to and north of the existing bridge. In the landing areas, the touchdowns will be within the existing footprint and the existing right-of-way for the most part, in both Rockland and Westchester. The environmental impact study is taking into account the need for dredging to construct the bridge within these general limits.

In terms of the bridge itself, we're looking at a range of long span and short span bridges. Both will have different impacts in terms of the river ecology, in terms of the number and size of foundations, the number of piers, and in terms of constructibility there will be issues. It's the intent of the project to afford bidders maximum flexibility so that their design can work within these ranges. And all proposals must satisfy the requirements of the record of decision and permits.

In terms of the profile, the existing bridge has the flat causeway for over half its length and then it breaks to a three percent grade. That three percent grade has a deleterious effect on truck traffic. In fact, heavy trucks
lose fifteen miles an hour from that climb. Not only does that add to congestion, but it also contributes to an inordinately high accident rate on the Tappan Zee Bridge. The new bridge will require a constant grade from the Rockland landing to the clearance over the channel. This will result in less congestion and better traffic flow and reduced accidents.

In terms of the main span, the EIS is considering the impacts of a cable stay or arch solution. We will not stipulate the main span configuration in the RFP. That will be left to the bidder's discretion.

We're going to maintain the existing channel, and we are hoping to maintain the existing clearance, working through the Coast Guard permitting. We're actually meeting with them tomorrow on the issue.

What do we mean by not precluding transit. The project will not preclude the planning, design, construction or consideration for future transit modes in the project area. Our goal of the Tappan Zee Hudson River Crossing project is to maximize the public investment in the
new crossing. Given that the life span of the new crossing will extend into the next century, it is prudent to design the new bridge to optimize the flexibility for future transportation modes that might not be feasible now but may very well be feasible in the foreseeable future.

Certain transit provisions will be included in this project to maximize the public investment. For instance, we are going to stipulate that the width of the deck areas be big enough for future transit use or future transportation purpose. It will not require loss of lanes or widening of the bridge in the future. We are also providing a gap between the parallel structures, and we will be stipulating in the RFP foundation and tower design requirements.

I'd like to go over some accomplishments. You've heard that we've had some accomplishments. I'd like to go over some specifics.

Since the notice of intent on October 12th, we began and closed the scoping. That traditionally takes three to nine months. In this case we accomplished that in less than six
We convened a meeting of cooperating agencies and issued a cooperative agreement for those agencies to sign, to bring them all on board. That could take anywhere from three to six months, and that was accomplished in less than two weeks.

We secured the cooperative agreement from the cooperating agencies. Again, that could take a couple of months and again, within two weeks.

We revised the prior DEIS and submitted it for preliminary review to the cooperating agencies on November 29th. That could have taken anywhere from nine to twelve months. And when I say traditional, that's an optimum performance, nine to twelve months. We accomplished that in less than three months.

We traditionally engage agencies in earnest for permits after the record of decision, and that's an ongoing effort, has been since the cooperative agency meeting on October 24th. And as you heard mentioned, and David will get into a little bit more detail in a few minutes,
we have developed an advanced geotechnical testing program. That could have taken up to nine months. That was accomplished in less than two months.

We have advertised and are about to award a $3.5 million boring contract. That was done in six weeks.

We've advertised and taken bids for the procurement of piles on Friday. That was done in less than six weeks.

And we have prepared a PSE for pile installation. We expect to get that out at the end of the month, also within a six week time frame.

And as you also heard, we have solicited and designated a financial advisor. That could take up to nine months, and that was done in six weeks as well.

In terms of the EIS, the important milestones moving forward are:

The issuance of the scoping summary report. That will be done at the end of the month.

We are going to publish the Draft Environmental Impact Statement, we're

We will be holding public hearings a month later in February.

And we'll be publishing the Final Environmental Impact Statement in June. And that should lead to a record of decision in early August.

That's the very short explanation of what we are doing, what we have accomplished, and where we are headed. And David will now speak to the RFP process.

MR. CAPOBIANCO: Thank you, Michael. And good morning, everybody.

In this segment of today's program I'll give a review of the procurement schedule, talk about some of the most frequently asked questions we have received to date on the RFQ, provide some updates into those questions, and also discuss a couple of the major efforts that we are currently proceeding with to facilitate the completion of the proposals by the design-build teams.

Here's the procurement schedule. That's in section 2.2 of the RFQ. As
you know, the RFQ was released on November 21st, and it is currently on the Thruway Authority website. The final date for proposers' questions was December 9th. However, in light of having this meeting today, we are extending that to December 19th in order to give you an opportunity to ask additional questions based on anything you may have seen or heard at today's event.

The final addendum to the RFQ will be no later than January 3rd, and SOQs are due a week later, on January 10th. We anticipate announcing the short list of teams towards the end of January. And we will be issuing a draft RFP in February. As was mentioned, we will have a draft RFP to solicit additional input from the short listed teams, so that we can have a high quality RFP which will ensure high quality proposals in return.

Proposals will be due in June of 2012. And we anticipate the selection of the design-build team in July, with negotiations and execution of contract in August. We currently anticipate the design-build contract to be 60 months in duration. Now, we understand that this
is a progressive schedule; however, as you have heard, we are fully committed to meeting it. We need your help to enable this by continuing to ask questions and provide input.

Now, we did also initially consider the time period for a proposal development ranging anywhere from two to a six month period. We solicited input from major design-build firms. And while six months is preferable for this period for proposal development, we heard that in a four month time period we would get about 95 percent of what we would get for a six months. Now, two months is clearly not enough time, so we settled on the three -- on the four month time frame period, excuse me, which is the period that we have slated here between February and June.

The design-build schedule and process is intertwined and dependent upon the environmental process and schedule. The EIS will, the draft EIS, excuse me, will have only one build alternative, and this enables us to move forward in a concurrent manner. However, we must issue the draft EIS, which is currently anticipated on January 19th, in order to proceed with the issuance
of the RFP.

Another dependency has to do with record of decision. And that needs to be filed in advance of going forward with the design-build contract. The record of decision is scheduled for August of 2012.

As of last Friday we received over 130 questions through the website on the RFQ. I understand that we have received an additional 30 or so in the intermittent, intervening days, and we have currently posted two sets of responses to these questions. If you have not checked the website recently I encourage you to do so, as we did just post yesterday a number of questions and answers. The deadline, as I mentioned, for sending in questions has been extended to December 19th, next Monday.

To date the majority of questions have revolved around these themes:

Teaming and questions, are they applicable to the team as a whole or to individual entities within the team.

Schedule and the aggressiveness of the schedule.
How will DBE goals be determined.

Will there be a stipend.

Innovation as far as how will we treat confidentiality.

And, I'm sorry, and also the Buy America provision.

Two sets of replies have been issued on the website and all questions received by December 19 will be answered. In addition, we have met with industry on November 3rd and December 5th and will continue to seek feedback on these issues.

I'll now provide a brief update on these four major topics. As Ms. Rae mentioned, we now have enabling legislation in the Infrastructure Investment Act. Both the Thruway Authority and the Department of Transportation are listed as approved agencies. The legislation is for a three year period; however, any projects in progress within this three year period may continue beyond 2014 without any additional legislation.

Stipend. Again, we have heard loud and clear from the industry and again and have evaluated the merits and again, as Ms. Rae
mentioned, we have listened and a stipend will be provided subject to state comptroller approval. The details of this will be provided when the RFP is issued.

DBE goals. Again, a lot of industry input on this important topic. Clearly, the type of work for this project and the capacity of DBE firms are two factors which we must consider when establishing goals. As the commissioner mentioned, we will have a pre RFP, FHWA and New York state sponsored networking session for DBE firms and major participants to facilitate teaming. We also will be encouraging the use of M/WBE firms and will look at options to encourage their participation as well.

Number of short listed firms. Again, I think as Mr. Madison mentioned, we'll have a maximum of five teams. Only responsive teams deemed competent and capable of performing will be short listed. We will not short list to a predetermined number.

Finally, regarding two of the major efforts that we will be proceeding with shortly, we have a boring contract Mr. Anderson
As Mr. Anderson noted, we are currently advertising load tests, and static and dynamic loading applied. We are also advertising rock sockets, with lateral and vertical load tests, and static and dynamic loading applied.

We are currently advertising load tests, and static and dynamic loading applied. Bids for this work have been received and we do anticipate work beginning towards the end of this month. Results from this project will be posted in the RFP data room beginning this March.

Borings will be, generally will be to the north of the existing bridge along the general alignment of the proposed facility. We have selected representative locations to provide a general sampling of the riverbed conditions, knowing that the design-build will require supplemental investigation for foundation design.

Recognizing that the foundations are a significant element of risk for this project, we are advancing a pile demonstration project. The program will include multiple test piles ranging in diameter from four to ten feet in the differing geological conditions at this segment of the river, and will include driven pipe piles, as well as rock sockets, with lateral and vertical load tests, and static and dynamic loading applied.

As Mr. Anderson noted, we are currently advertising load tests, and static and dynamic loading applied.
for this and expect bids to be received this Friday. And we will go out for bid for the actual demonstration project later this month. Again, the results of this effort will be shared as they become available starting in April 2012 and included in the RFP data room.

At this point I’d like to introduce Mr. Bill Ringwood, who will talk a little bit about contract administration. Thank you.

MR. RINGWOOD: Good morning.

Thanks, Dave.

I want to congratulate all of you that were able to find the entrance to the parking in the front on the first try.

Unfortunately my partner and I will not be shortlisted.

My name is Bill Ringwood and I work in the contracts office for the New York State Thruway Authority. And in addition to providing administrative and contract support to the team and for this project, I am also the designated contact for this, so that all of your questions and comments come in to me through email. And it's my job to make sure that we circulate those questions
to the appropriate team members and, you know, get a response back to you in a timely fashion.

With that, that's pretty much my role. And the website is listed behind me for any questions. And I believe we're going to start accepting questions. Thank you.

MR. DAVIES: We'll take a moment to let the panel get reseated and then Marie Corrado and Ted Nadratowski both have some questions. I think there's some folks walking around, there's been cards handed out. I'd like to collect the cards, we will categorize the cards and Marie and Ted will help read the questions to the panels and direct them to the appropriate person who may answer them.

This is the opportunity, our goal is to answer as many questions as possible. Those that we are unable to answer we'll certainly do the research and follow through and go through Bill and get to the final answer.

MR. NADRATWOSKI: Good morning. My name is Ted Nadratowski and I'm the chief engineer for the Thruway Authority. There is a microphone set up in the corner for anyone who'd
like to -- oh, right in front of me, I'm sorry, in the center of the aisle, for anyone who would like to come up and ask a question. We have been requesting three by five cards be filled out for those who are interested in being anonymous about their questions. We have only a few of them. We are trying to break those questions up into categories.

So we had one question that's typical, and I'll read that to you. Will the RFP detail D and M/WBE participation, and I believe the answer to that is yes.

The second question, that same category, will you expect the same kind of innovative thinking when it comes to the D and M/WBE participation as you will in the engineering portion. And the answer to that is also yes.

So I invite anybody who's interested in asking a detailed question to come up, introduce yourself and ask a question.

(No response)

MR. NADRATOWSKI: Hearing no questions --

MR. DAVIES: I received a
question a little earlier before we started and I'd like to throw it out to any one of the panel members. With the new legislation, the design-build legislation, can you expand on that and what it means to this project?

MS. RAE: Well, first of all, I want to thank everybody that actually contributed, even though you may not have known how you contributed, you really did that whole extraordinary effort.

I would say the one thing that we're in the process as a team of doing, this is all about accelerating project delivery, but it's also about accelerating the innovation, that was mentioned in one of the previous questions. So we have really tried to build that into the legislation. But I will tell you that part of the reason we are going to do the draft RFP is because we are pivoting. We've had teams that have worked diligently on this project for years but who are really shifting much more to the performance based approach to this bid versus telling everyone exactly what we envision to be built, so that we encourage the innovation that the industry can
bring in. That is a shift from more traditional
design-bid-build, and you're going to see that
shift occurring in what we put out and talked to
you about.

That's actually the most
significant, the partnerships. We really have
three P's, not the 3P, 3P, by the way. We have --
we're really looking at the performance based,
criteria based document for the RFP. And I want to
take a moment to thank Dave Santel from FHWA who
worked on the Hoover Dam Bridge project and has
been here with us for a week. David, are you in
the room? Where did he go? He's at the back of
the room. He's been very helpful in us trying to
do this pivot that we're doing now that we were
successful in passing the legislation.

The other one is partnership,
how do we partner and find a creative way of being
more partners in making this a reality.

And the last one is that we
have a responsibility to protect the taxpayer. So
we do have to have some of those protections built
into this. But we do think that there's a brand
new way of doing business. This is by far the most
visible project, so we must get it right.

With that, as far as how we are going to actually move forward with training, et cetera, to make sure we are all on the same page, I'll hand it over to the commissioner.

COMMISSIONER MCDONALD: Picking up on what Karen said, we will be using a best value approach in determining who the ultimate selected team is. Key criteria will include past performance on complex projects, innovative techniques to get those projects designed and constructed, schedule, and price. We will be looking for team members, strong project managers, a strong QA/QC delivery and oversight process. And I think those of you that have experience in the design-build arena in other parts of the country, that will -- you're familiar with how those processes work. But it will be a best value. That is a remarkable and different change for those of us in the transportation agencies here in the state of New York.

MR. NADRATOWSKI: We do have a few questions that were just submitted. And I just want to let everyone know that if your question
isn't specifically read here today, it will be posted, as all questions are, on the website and answered on the website.

Let me pick one of the questions that is general in nature. This is another M/WBE. What are the M/WBE goals for design firms, are the goals to be met separately for the design and construction depending on their fee?

Anybody have an answer to that?

MS. RAE: I think, I'm not going to answer it, I'm going to defer the answer, but I want to talk about an exercise that's underway right now at the governor's office. And it's to match up the DBE firms that are potential bidders and the M/WBE firms and aggressively pursue those that have one but not both certifications, to increase the pool of candidates that will actually help both goals be met. That's being undertaken by another deputy secretary with our close collaboration. We hope to have something done in the next several weeks that would help us frame that. Because our real goal is hopefully be able to talk to you about a universe that meets both goals instead of having to cherry pick between the
two. So how we set that and how aggressive we are, which we will be aggressive, but setting how that's going to play out is really dependent on how and what we see when we finish that analysis.

COMMISSIONER MCDONALD: This is a big project. And I think everybody in this room recognizes that. And it is, as Karen and Tom mentioned, the biggest project for bridge and highway construction in the metropolitan area. And an issue that we all need to grapple with, both on the public side and on the industry side, is capacity, both from the prime contractors, from the design engineering firms, and from the M/WBE community. So part of the experiences, some of the experiences that we've used in the past have been very successful. What we did on the Alexander Hamilton Bridge, New York State DOT and Federal Highway where we had partnering sessions in coordination with GCA, CIC, those are the things that we are contemplating. Because, picking up on Karen's point when she reiterated that our direction from the governor, failure is not an option. And to move this project forward successfully, making sure that the capacity is
there, and working in partnership with the contractors, with the engineering firms, with organized labor is going to be critical to the success of this project. And that is why the dialogue will be ongoing.

        Tom.

        MR. MADISON: Yeah. I would just add, apart from the capacity issues that Joan describes, there's some technical issues between the two programs that we're working through, and maybe Jon McDade could speak to that. But it's another example of how valuable this partnership has been, particularly having the Federal Highway folks right at the table with us in the room on all these decisions, because they have been able to flag out some potential pitfalls as we even went through the RFQ process development. And this is one area where there's some -- we want maximum innovation here, there's some innovative thinking on how we can be sure that we're pursuing the governor's M/WBE goals while at the same time we are in compliance with the federal programs.

        And to that end we had hoped today to accomplish this, but we just weren't able
to logistically facilitate it. But there will be a workshop in the coming weeks to bring the M/WBE and DBEs, once we do this cross walking effort that Karen mentioned, to see who's in the overlap zone, but also inviting all others to participate. We will have a workshop where we can go through some of those issues in more detail.

Jon, do you want to say a word?

MR. MCDADE: I guess just a brief follow up. One, part of this is broken into how to finance the plan for the project is all put together and so on, but as projects like this with federal funding in them we are only -- we may have two goals, there's the DBE goal, but there's still the governor's desire to work through the DBE and M/WBE goal and priorities as well. So that's where the collaboration between the governor's office and with Federal Highway and USDOT will be working with. And this crosswalk piece will be very important of how we can do some innovation and work through and satisfy the goal process that we have in terms of our requirements and the governor's desires and his priorities. And so that's where we are working with to identify that framework and how
that will be put together and have that information available prior to the RFPs. It is a collaborative effort and again, another aspect of the innovation to be able to achieve the multiple level desires.

MR. NADRATOWSKI: Do you have another comment on that, do you have anything further on that? Okay.

There's one question here that might be appropriate for contractors. Please explain Buy America and how it relates to this project.

MR. McDADE: The Buy America provisions, as stipulated in the statute of regulations, will apply to the project. There is as far as any type of a blanket waiver, you know, due to the emphasis particularly in this project, both from the governor's office and from the White House in looking at this project as a key job creating project, there, you know, the order and the discussions we've had, there will be no blanket type waivers. There is a statutory waiver permitted in the Buy America provisions in terms of the difference in costs that can be met in terms of between the use of domestic and foreign steel.
That is statutorily provided. Other than that we will work with and through the Buy America provisions as they are stated. So there will be no type of special provisions for a waiver will be included.

MS. RAE: I also want to note, because I know that it is something that people are struggling with, with the governor's office leadership and especially the economic side of the house as well as the manufacturing extension partnership, I guess my hat's just moving out of the federal role and into my new state role, we are looking for opportunities between much of what the commissioner and Tom Madison are talking about about the backlog of bridge repairs across the state as well as this bridge. We are really going to reach out and look at opportunities for manufacturing in the state and region and trying to find a very obvious linkage that's been missing for a long time. So that's another effort that's underway, which is there's construction jobs, but those construction jobs also drive very critical manufacturing jobs. And how do we harness the energy of both in this endeavor.
MR. NADRATOWSKI: Okay, thank you.

One other question here is will the RFP cover the demolition of the existing structure. And yes, it will.

Ross, your question.


First, I want to congratulate all of you for the expedited process. It is refreshing. I've been involved in this issue for the past 15 to 20 years, sat on many panels, and have struggled to try to come up with a process that will get us to a new bridge and it seems like we are finally on the way. I hope it continues at the pace that it is. And also for your willingness to listen to the industry and meet with us to talk about important issues that we have been able to raise at meetings.

Back in 1994 when the Tappan Zee Bridge major improvements first started, the Thruway Authority hired counsel and began to
negotiate a project labor agreement with labor for the work that took place not only on the Tappan Zee Bridge but ultimately across Route 287, well over a billion dollars. It was an important agreement to have in place for the coordination of labor to deal with the aggressive schedules that were involved. And obviously here we are stepping it up a number of paces and we are going to need something similar to that going forward here. So I just would like to hear if there is any discussion yet underway with labor or when that will start. And when that happens, and I have to express that in '94 I sat in an advisor capacity with then the departments or the Thruway Authority and the counsel, because obviously we as local bargaining agents have concerns about a major project and what the impact is going to be to labor in our areas if not much of the other work that will continue hopefully. So I'd like to be knowledgeable and involved and just engaged in the process of the project labor agreement because it is going to be so vital to getting this project done in the schedule you have set.

MS. RAE: Both at the federal
level and at the state level I think we can say we recognize PLAs as a valuable tool where they actually represent the ability, and especially complex projects, to cut through a lot of the issues that create risk for projects such as the Tappan Zee. It is -- even the design-build legislation uses existing laws when it comes to project labor agreements. We believe that, just as the federal government I think has communicated, there are definitely certain settings that really lend themselves and should have a hard exploration of a PLA. This will clearly be the case in this project. That has to actually generate the improvements and be part of the deal. So at the end of the day there's both first doing the analysis to justify that you should go forward, and I think that's already being looked at, I know it's already being looked at, and the second is actually the negotiations with the trades to ensure that those benefits can be realized. So, you know, we need to -- that's another parallel path process that needs to get jump started as soon as possible.

MR. McDADE: And we are working with the state, I mean with the process and on
other major projects, and now we're tailoring I
guess to the design-build world. So we are working
together on an analysis and that process moving
forward. So there is a specified process we work
through with our attorneys and with the state, and
that is underway.

MR. NADRATOWSKI: Thank you.

Getting back to the question I
asked just a second ago, will the RFP cover
demolition of the existing structure, the answer is
yes. The existing structure is anticipated to be
demolished at the end of this project.

I'm going to turn some of the
questions over to Marie Corrado, from the New York
State Department of Transportation.

MS. CORRADO: Good morning,
everyone. We've got lots and lots of questions but
I kind of grouped them. There's much concern or
much interest in how we are going to fund the
project. And I think Karen and rest of the panel
have already addressed our financial advisor, but
if you want to add a little more detail. I think
what we have said here today for the first time
people have heard for sure we are not expecting
private equity in the project, and that has led to a whole pile of questions saying well, then how are we going to fund the project. And I think you have addressed it, but maybe given the interest in it you could address it again a little bit for the audience.

MR. MADISON: I'll take it, which is going to be a weak shot. But I think the big news is that the decision has been made to go with an exclusive publicly financed project. Things are underway. Even today even as we speak there are meetings going on with components of our financial team. We've all mentioned the addition of a financial advisor specific to the project, and he literally I think was named through that procurement process and then hours later was in the office working with us.

MS. RAE: Right, right.

MR. MADISON: So we have got a collaborative set of activities going on right now that involve the financial team at the Thruway Authority and the DOT, some folks in the governor's office that have been very involved in broader financial and budgetary issues; the division of
budget, and our own bankers from the Thruway Authority. And the discussions have been going well. Nothing beyond what has been announced today is ready for prime time, but we expect to have a financial plan I'd say in the near future.

MS. RAE: The other part of just we are trying to keep as many options. We are issuing, we are sending in a letter of intent to be a participant in the TIFIA program at the federal level. That's being finalized even as we speak. There's a deadline for the end of the year. So that we have one of that financing tool available to us potentially as well. Again, because this has such high federal priority, we're hoping that to the extent that it's a useful tool in our tool box, and I'm going to let the financial folks put it together.

The other issue is the Governor has made a clear commitment about infrastructure overall across the state. A very powerful statement, working through the details of division of budget and others as well, there's different options, is something that is going to be fast tracked here in the next several weeks. So we'll
be back to you. I believe you'll have much more
idea of what that looks like before we ask you to
spend a huge amount of time and money that you
spend into putting an RFP in if you are one of our
qualified firms. We owe you that.

MS. CORRADO: Thank you all.

There's another category of
questions I would frame as timeline questions.
Questions that go to well, if the state team cannot
produce X by the date that you think you can, what
happens to our timeline. And I think that's also
been answered, asked and answered by the panel, but
maybe you'll want to elaborate a little on that,
along the lines of failure is not an option.

COMMISSIONER MCDONALD: Yeah.
And I think, you know, the presentation will be up
on the website, and I think one of the statements
we have been making to our industry association
partners and that we make here today loud and
clear, there was a reason that we went through the
accomplishments to date, and that is to prove to
you that when we have been given a direction and we
set our mind to it and there's a collaborative
effort among the parties, we will meet the dates
that we put out there. So the dates that we put out there are the dates that we have met, from scoping, to RFQ, to moving forward on design-build legislation. I know when we had our first meeting with the industry associations, many of the questions that are answered today were questions. And we heard the industry loud and clear. And New York state government with our partners at USDOT are meeting those commitments.

The resource agency commitment is a huge thing. Moving the permits along now, as opposed to after a record of decision, will bring more certainty to the project. And we know that that is the environment that you all operate in. We are not going to eliminate all risk, we are not going to eliminate all questions. But we are going to continue to do everything in our power to resolve issues and meet the deadlines and dates that we have put out. And we believe that our track record so far is superior.

MS. CORRADO: Another category would be in contract clauses I would say. Many questions on will there be an incentive clause, a liquidated damage clause, will there be, what's the
level of stipends, what's the DBE goals, all of which are in development right now, and this meeting and your questions and input are continually being folded in. So I don't think at this point we should or have the exact answers to any of those questions, as you have said over and over in your presentation. So but that, those questions, those specific questions will be on the website and we'll respond to them, unless you'd like to add anything to that.

MS. RAE: No. I just think that the design-build legislation, as I mentioned earlier, did build in our ability to do some things that we haven't had the capacity to do. Since that just passed last week, we are now trying to make sure that some of the things you've asked for be thoughtfully and appropriately reflect what design-build legislation allows us to do now. And several of those questions will be answered. I don't -- some of them will be answered before the RFQ. Many of them will be further refined and will be part of the RFP as we go forward.

MS. CORRADO: There's a category, program administration. Questions have
been raised will we have a separate construction
suspension contract, will we have a program manager
brought on board also very much in the works and
being thought of on every level of the team from
the designers to the people developing the RFP for
this team and others. So that also we'd like your
input, we need your input on that. Lots of other
references to the Alexander Hamilton Bridge and the
Port Authority's projects, all of which we are
examining very closely and learning from. But
unless anyone wants to add anything on that. No.

And then following up on
housekeeping, will this presentation and the
attendees be published. So I guess the idea would
be to facilitate teaming. Can we publish the list
of people who have attended here. And the answer
will be yes, that will be on the website.

And we, as the panel has also
said, we will be structuring a DBE proposers
networking meeting or several, depending on the
timing, which is also hanging together as our
desire to bring you all together to put together
the strongest teams. Anybody want to add anything
on that?
and then go out and do this. That will not move processing, we could wait until all this is done but we thought, again, parallel thinking. We assume you will want more information. We are going to set up a format for that. That's going to be your call. We want your good thinking. We assume you will want more information. We are going to set up a format for how that can happen.

(No response)

MS. CORRADO: Oh, and one last category was lots of you had questions on exactly where the bore holes are going to be and how deep, all the testing. That I think is best left to the technical professionals, which will be -- and I don't think this is the right forum for that, because Mike Anderson can and will go on about that for hours.

(Laughter)

MS. RAE: No, but I think that actually gives us a change to reinforce this pivot that we're doing right now. Part of the reason we are going ahead with some of the bore work is to get some information that you will need to successfully put a proposal together. We are not going to tell you what to do with that data. That's going to be your call. We want your good thinking. We assume you will want more information. We are going to set up a format for how that can happen.

But we thought, again, parallel processing, we could wait until all this is done and then go out and do this. That will not move
the project on the timeline we have delivered. So we're trying to do some smart early work that at least begins to give you information and data, but it is not intended to tell you exactly what innovation you can bring based on this knowledge. And we also expect that many of you, before you make this kind of commitment, will be looking for additional information over what we will find in our initial work.

COMMISSIONER MCDONALD: And I just want to reemphasize Karen's point. We've identified the need to help you build your team, build your competitive proposal. And raising these issues through your industry associations has been a huge help. And they will continue to be our partners. So any additional information that will be helpful to the industry on both the design and construction side as we work through and we go from DEIS to final that can be helpful and does not violate the environmental process, we're happy to do so. So any issue that you want us to explore, we will be -- we will do that and get back to you.

MR. DAVIES: Thank you. That's quite a few meaningful questions Ted and Marie were
scrambling here to categorize them. They seem to involve common themes like the QC/QA questions. I'm sure Bill has some detailed responses that will be posted. I want to assure you all that every question, I appreciate the time that you've taken to write them out, and each question will be captured, written up, and a formal response will be posted through Bill Ringwood, Bill's efforts at the Thruway Authority.

We have one more question about will there be a small business goal or a component for small business in the M or W, they wrote it DBE goals. I think you --

MS. RAE: I'm going to make a statement that's more of a policy statement because setting them is, we are absolutely committed I think, and I won't speak for the federal, but I believe at the federal level and at the state level to ensure that the diversity that is available to help support this job in every sense of the word is brought in. Everyone has to see that there is an opportunity. But we're looking for qualified, innovative partnerships that will deliver the project. So we have to very carefully craft and
set these goals with the intention to totally
ensure that everyone has a fair shot at this very
important mega project. But we're going to be
looking for the best teams that can find a way to
put that package together. So we'll be back to you
with the actual goal numbers and methodologies in
the very near future. But philosophically we feel
very strongly on both levels about the importance
of having all parts of the community engaged in
this process.

MR. DAVIES: Our federal
program, just to expand on what Karen was saying,
the latest ruling on DBE is that we encourage small
business participation. We don't establish
specific goals. I'm sure that this project will
have a similar course of action. I know New York's
had great success with the Alexander Hamilton in
bringing in a lot of the small business from the
local area and has been very successful, and we are
encouraging them to take that model and apply it to
this project as well.

So any other cards? We
categorized them, I assure you they will all be
captured on the website with a more detailed
response in writing. If there's no more cards we can move to an open mike for those who are brave enough to step up and say it out loud.

MR. SCHWARTZ: I am brave but the mind isn't. I'm just going to go back.

MR. DAVIES: Could you state your name, please?

MR. SCHWARTZ: Oh, my name is Frederic Schwartz. I'm an architect and planner in New York, New Orleans, India, China, et cetera.

There just seems, there seems to be a very specific DBE, the disadvantaged business, minority and women, but there does not seem to be a small business goal. I know you just answered that question partially, but unless I missed something, there are thousands of young, small firms in the metro area or all over the country that are doing incredible work, but they are overrun by the mega international firms. They may be the most innovative firms. They are certainly some of the most innovative firms in the country. Yesterday one of the smallest innovative firms in the country won the firm of the year award, one of the smaller architects won the gold
So I just urge that to be a specific or part of the RFP as MBE or WBE or DBE. So I know you address it and I know the governor is trying to create jobs, but there are young people who are out of work. We're a small firm. Every single day we have emails from all over the world of young people wanting to work in this state, this city, this country, and this is another opportunity.

MR. DAVIES: Thank you, Frederic.

Karen, do you want to comment on the governor's commitment to the project?

MS. RAE: I think the small business is really very focused at the federal, and so we're piggybacking on the federal, so I think I'm going to defer to my partner. I can't keep speaking as if I was one.

MR. McDADE: As Mike had mentioned earlier, the small business community is something we are very much supportive of. And I think one of the ways we are going to try to encourage and build that is through the outreach
efforts that we'll be setting up. One of our targets after the first of the year on January is to have forums, and I guess we kind of internally we have been nicknaming it kind of a speed dating kind of environment to try to match up the innovation and bring opportunity to match up with some of the prospective offers and so on to bring that creativity there and expose both these larger firms to these innovative small businesses and DBEs and other types of firms to do that in. And so there's going to be some information, outreach in that area to encourage that type of engagement, whether it's in the design side or on the construction side in various components to the project. So we're very intent upon being able to tap that creativity and bring the small business forums into the dialogue and hopefully into the project. And, as Karen mentioned, we are looking for the best qualified and innovative firms. So that's going to be a partnership we have with you all as you engage in these various firms out there to tap that creativity and bring it into the project.

MR. DAVIES: Thanks, Jon.
I think we have another.

MR. HARRIS: I'm Scott Harris with Delcan Corporation. And I was wondering, will the design-build team's quality program need to be ISO registered or just compliant, and if the latter, who will decide compliance?

MR. DAVIES: That's a very good question.

(Laughter)

MR. DAVIES: I'm going to turn this over to David Capobianco to answer your question. I know there's a team together working on the QC/QA elements of it.

MR. CAPOBIANCO: Yeah. I think that's a question that has come up and we are looking into that. We understand there are some concerns in that regard. But we need to further evaluate that specific issue.

MR. HARRIS: Thank you.

MR. DAVIES: I guess we don't have a straight answer for you, but we are looking into it.

MR. SAHANI: My name is Parmjit Sahani. I don't want to bore everybody with
another DBE question.

(Inaudible)

MR. SAHANI: Parmjit Sahani.

S-a-h-a-n-i.

I don't want to bore everybody with another DBE question, but I just wanted to give an example. If we are given a finite $5 million project construction cost, and the ten percent goals will be continuing and the contractor will have to continue in DBE participation through the back door, you know, the back door would be the $50 million. Well, the design fee, if the goal is paying through the back door, you know, the $50 million, but at design phase the 50 million and the goals would be like $5 million, which would be the design is up front. So I just wanted to consider maybe the design and the construction costs, the DBE goals would protect everyone, the design-build, the design phase, two different DBE, the goal to be, you know, do the design parts separately and the construction parts separately.

MR. DAVIES: I believe Sahani's question is are there two different goals established for the design side and the
construction side, the professional services side versus the construction side. Is that another way of capturing what you are asking?

MR. SAHANI: Right, right. But I'm giving you an example. Because the $500 million construction cost for the DBE goals say to any goal is ten percent. This is $50 million. The contractor then can put a bid together, but the design firms will not get anything because it's very easy to put the design contract at $50 million, which will be a sort of a $5 million design DBE goal. If it's not separated in the beginning, the design firms will not get a chance to participate.

MS. CORRADO: If I could just add something, I think the question is going to our usual standard, traditional goal setting methodologies, which doesn't generally apply here. We are going to have one entity, a design-build entity. The design isn't going to be done a hundred percent and then handed over to a construction contractor. That's part of the beauty of the design-build entity. So our secondary goals will be different. I don't think you're going to
phase, I'm sure we're not going to phase the potential of the DBE being relegated to the last year of the five year project. That's not what we are looking for. But we are open to this kind of discussion with you continually so that we can set the goals or set the program up to maximize the participation of everybody in this mega project. So thank you for your comment.

MR. SAHANI: Thank you.

MR. DAVIES: That was a very good question. Any other questions you'd like to present? Denise.

MS. RICHARDSON: Denise Richardson. I'm with the General Contractors Association.

A lot of the contractors here today were not as familiar with the EIS process as other people in the room. And you made a statement at the beginning of your presentation that the final proposal has to be fully compliant with the record of decision. But on your schedule the two are almost finished, the contract is almost executed at the same time as the record of decision comes out. And for those of us that are not all
that familiar where what is in a record of
decision, would there be any possibility of things
that are in the record of decision that would
substantially change the proposer's proposal, and
how are we going to accommodate for that in this
very ambitious schedule. So if you could just
explain to the contractors in the room what the
record of decision will contain, that might
alleviate some of that concern.

COMMISSIONER MCDONALD: That's
an excellent point. And I think it is something
that we -- it is our hope and our expectation that
a lot of the issues will come to light in January
when we release the Draft Environmental Impact
Statement. So it is our expectation to very
quickly address any of those issues between draft
and final that would influence and would impact a
proposal that a team, a short listed team is going
to submit.

To that end, which is why what
I said a little earlier, you know, we identified
the pile testing, the boring. Any additional
information that you need to construct a
competitive proposal we will be looking at. And as
long as it doesn't violate the NEPA process, the federal environmental review process, we will provide that information to all of the teams in a confidential manner because we know those issues are very important and proprietary questions come up after the teams have been short listed. We don't know all the answers today, but we will continue to address them going forward.

MR. CAPOBIANCO: I think also maybe just to add that the record of decision, as you say, has to be filed before we execute the contract. So certainly whoever is selected, the design-bidder-builder will be, will be in negotiations for the contract and could adjust to any last minute changes that may result between the FEIS and the record of decision.

MS. RAE: And also back to the pivoting of the approach for this next RFP, the idea that we would set criteria and parameters based on what's already coming in is the way of not predetermining a specific treatment and to get innovative ways. You know, we have a fairly narrow window that we have to do landings in and how that's going to work and things like that. So by
setting criteria and bringing in the brain power of
the contractors. So I think these are all -- by
the way, this will be -- this could easily stretch
out another three or four years if we weren't
trying to do parallel processes. And it's, I know
it's created some questions. We'll try to get you
information as it becomes available. Again, the
draft EIS out is going to be a major step forward
for this project. And it will help start people
understanding where we are now and what those
criteria are, and we'll try to build them in as we
go forward with a constant ability to update you.

MR. McDADE: One of the other
keys to this parallel process, and Mike may have
some other comments on it as well, during the
presentation it was mentioned we have already begun
engaging the resource agencies regarding the permit
requirements and so on, and defining the parameters
with the resource agencies and what will be
involved. So having that information very early on
even with a final EIS out, with the scheduling,
having the idea of what the resource agencies will
be -- what we are working on with them, what the
expectations will be and how to meet those permit
requirements with the information gathered much earlier in the process than we'd ever get. And so there's going to be a lot of that information coming in as we'll be in that RFP process to provide information as well.

MR. DAVIES: Denise, you have a very good question and I honestly, I'd like to just expand. You know, the design-build arena allows the teams to bring that innovation and creativity to the table while the NEPA process is moving forward and the team is studying a range of alternatives that will fulfill the permitting requirements and fulfill our record of decision. Under a traditional design-bid-build environment we would narrow that normally down to one preferred alternative. But in the arena of design-build, we want to leave those options open for the teams to give them as much creativity and latitude as possible, and to bring that creativity that industry has to offer. If there's something unique that arises through the RFP process, the NEPA team will scramble and adjust and make any last minute adjustments. I hope that answered your question.

MS. RICHARDSON: Yes.
MR. COLUMBO: Hello. My name is Bob Columbo. I'm with Stokes Creative Group. And I first want to thank you for having this forum. This is excellent information.

You may not have an answer to this question but something to consider is doing to a visual documentation on the project, a documentary type of video. You know, we have been doing this in New Jersey now for quite a few years and, you know, a project of this magnitude, you would hate to go through this and not have something at the end to be able to show the legacy of the project, the legacy of the people.

And I don't think I'd have an opportunity to have this many viewers that I just wanted to bring it up now, and we are a WBE, DBE SBE, and if we can get any other BEs, I'd --

(Laughter)

MR. COLUMBO: Thank you.

MR. DAVIES: So the question was, or was it just a statement, about capturing the legacy?

MR. COLUMBO: I did put it on one of the forums, it wasn't answered. I assumed
there wasn't -- there may not be an answer yet. So I just wanted to put that out there that there be consideration for that. Because it is something that sometimes gets missed. We do a lot of work with the New Jersey DOT, and we're on practically every major project that they have right now. And whenever I meet with them, they're always sorry that there was a project in the past that they didn't kind of, you know, capture it from the design phase. Well, you're doing design-build. But from the design phase, you know, what is entailed with that and the obstacles they're doing, you know, big obstacles they have to overcome.

And this is such a -- on such a fast track too that, you know, the time to start is now. And I would start with existing conditions, you know, aerials, you know, meetings and through construction and through the final ribbon cutting. So it is a question that if you have an answer, great. If you don't have an answer, I'd like the answer to be yes.

(Laughter)

MR. MADISON: We'll take it as an outstanding suggestion.
MR. DAVIES: Very good suggestions.

MR. COLUMBO: Thank you.

MR. DAVIES: We learn from you.

Here's your opportunity. Any other questions?

(No response)

MR. DAVIES: The last group of questions that came in is will there be an addendum issued by January the third. Bill?

MR. CAPOBIANCO: There would be an addendum issued prior to that, hopefully next week we'll take care of some of the issues to bring us up to date. Not to say there might not be another one after that, but we'll have one definitely next week.

MS. RAE: That's the importance of you being here. Between we've heard already and what you've brought to us today, it really allows us to focus that addendum instead of doing many, many of them.

MR. DAVIES: This by far is one of the most exciting projects today in the country. It's moving at a record pace. As the panel has said numerous times, there is a will to deliver
this project. And with your help and assistance we will be successful for New York and for the region.


MS. RAE: I think I want to just close out with a few just to kind of remind you of a few things that have been woven through our comments. First of all, clearly this is a project that Governor Andrew Cuomo and all the elected officials in the legislature in New York and in Washington feel strongly about. The presidential declaration to elevate this project and have a rapid response team to help through environmental and early permitting is unheard of and something that will become I'm sure a best practice. But it's critical to the success of the project.

The interagency team you see up here represented, we're going to continue to build on that team as we're moving into actually moving this project forward. We know we have a great base, but we also need to bring in some additional resources to ensure we have the strongest project team possible to get us through EIS and actually
get into the design-build procurement process.

Getting the design-build law in place after 30 years was a sign of what happens when the governor and the leadership in the state decide they're going to work together on something. So that was a very positive note. We took a risk actually putting the RFQ out, assuming we would get design-build. Some of us kind of looked at each other and said, but we knew we were going to make every effort. We've hired a financial advisor. We are taking very seriously our responsibility to come up with a financial plan for this project.

It is a publicly funded project, not a P3. There was conversation about that, but we needed to get design-build through as a first priority. You will hear more about 3Ps, but they will not apply to this project.

We are again increasing the number of up to five qualified teams that could be short listed in the RFP process. Again, it must be the high quality that we are looking for for this major project.

We support the stipends for each non selected short list team pending some
finalization with the state comptroller we expect to happen very soon.

We've added a few weeks and we do have to go back and adjust, because literally it was yesterday's meeting that caused us to add a few weeks for the draft RFP to go through. So you'll see a slight revision, maybe not the beginning of August but the end of August, because we know you need at least four months to put together a proposal. So understand that we will reflect that time. It's so critical that we get your input to have the best RFP out.

Buy America waivers are very difficult to get, so we are really going to try to work here to make sure that we have as much of this made in America. These are American jobs. We care about that.

The contractor, I don't think this has been mentioned, is not going to be, this will be clearly defined, is not going to be expected to provide long term maintenance on this facility. I think that's one issue that we didn't raise in our conversation today. We will be looking for life cycle costing and understanding
clearly how treatments will affect that. But we are not going to require this be a long term maintenance agreement that will go with it. MBE, DBE, or we're now calling them BE issues I think, we will get back to you very soon.

Accelerating projects is the lynch pin of everything you have heard from the governor last week, outside of his tax restructuring. It's about accelerating this project, it's about accelerating projects across the state. Because it's important to both the economy, this is a great time to be doing good infrastructure projects, and it's creating very critical jobs, both short term and long term, in this region and in the state.

We're here to take full advantage of your knowledge. And again, we want to thank you, and I personally will thank you on behalf of the governor for taking time to spend time with us today continuing to engage with us. We are listening. We can't incorporate everything, we've done our best to incorporate significantly what you've given us to date. And I thank you from
the governor, Andrew Cuomo did things that we couldn't do with design-build legislation in hours literally last week. So it's really important I recognize that this is a governor who's about making things happen. He will continue to challenge our transportation team to ensure that we meet this goal, and we will.

So thank you all. I appreciate your time and energy. And thank you to my partners, our partners at the FHWA.

(Applause)

MR. MCDADE: I'd just make one comment, one last item here. You know, we are working to expedite this and really having the innovation involved in the project. And from our agency we are bringing in not just our division folks but from all around the country wherever we have that resource to help us with the contracting end to procuring, interagency, but also we really need your input into that as well. And that's the collaborative effort here, the opportunity that we have here today. The decision to go with a draft RFP to get more input from you, the opportunities to engage with the industry representatives, the
associations, is all key to having as much innovation and creativity in this project as quickly as we can. So we are continuing to look for your input into it in many creative ways. So thank you.

MR. DAVIES: Thank you for taking the time to attend. Stay engaged, stay involved. Thank you.

(Time noted: 11:15 a.m.)
CERTIFICATE

STATE OF NEW YORK        )
COUNTY OF ORANGE         )  SS:

I, KARI L. REED, a Registered Professional Reporter (Stenotype) and Notary Public with and for the State of New York, do hereby certify:

I reported the proceedings in the within-entitled matter and that the within transcript is a true record of such proceedings.

I further certify that I am not related, by blood or marriage, to any of the parties in this matter and that I am in no way interested in the outcome of this matter.

IN WITNESS WHEREOF, I have hereunto set my hand this 14th day of December, 2011.

_________________________
KARI L. REED, RPR