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TAPPAN ZEE HUDSON RIVER CROSSING PROJECT

PROJECT OVERVIEW

PRE SOC MEETING

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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

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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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P R O C E E D I N G S

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

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2 of the New York State Thruway Authority.

3

4 My boss, Jon McDade, Division
Administrator for the Federal Highway

5

Administration.

6

7 And then on the team we have
Mike Anderson, who has been with the project for a

8

long time. Dave Capobianco from the Thruway

9

Authority. Marie Corrado. Ted Nadratowski. Bill

10

Ringwood. Did I miss anybody? I think I got

11

everybody.

12

13 So again, today is the
opportunity to solicit some meaningful input. We

14

can't make this as successful as it can be without

15

your input. This is our opportunity for you to

16

have meaningful dialogue, ask those questions,

17

those burning questions. And today we're going to

18

start with Karen Rae with some introductory remarks

19

and then turn it over.

20

21 MS. RAE: Well, good morning
and welcome. Greetings from Governor Andrew Cuomo,

22

who many of you know has made building this project

23

after decades of talking about building this

24

project one of his top priorities. He's a

25

supporter of the project and he has charged his

1

2 transportation team, much of which you see sitting
3 in front of you right now, with accomplishing this
4 task, working closely with an amazing amount of
5 support from our federal partners.

6

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

18

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

1

2 state.

3

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

12

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

22

23 But I'd also like to let you
24 know that based on much input and information you
25 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

1

2 this RFP is in fact the best we can put out on the
3 street when it goes out.

4

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

12

13 Again, I want to stress the
14 importance of your involvement to date. Tell you
15 that the success of this project is predicated on
16 all bringing our best constructive thoughts to the
17 table to ensure that we can really make this
18 happen. And I will let you know I've only worked
19 for about a month for Governor Andrew Cuomo, but we
20 will succeed making this project a reality.

21

22 Failure is not an option, and it's going to be with
23 the team up here and all of you that do make that
24 happen. So thank you very much for being here and
25 I appreciate the honor of your presence.

26

27 I'll pass on. We are pretty
28 good, I've got a baton at the table. I'm going to
29 pass to John, our federal partner, for a few

1

2 comments about the wonderful partnership that's
3 being created to help this at the federal level.

4

MR. MCDADE: Thank you, Karen.

5

I am John McDade, with the

6

Federal Highway Administration here in the New York

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division. And, as Karen said, this is a real

8

partner effort. It is a fast track project and we

9

are working in parallel on the environmental

10

process with the NEPA side as well as we are

11

working on the RFQ and RFP process and doing it as

12

a united team in working on it on many levels. In

13

fact, today there's a very important meeting going

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on in Boston, Massachusetts regarding the fisheries

15

and critical issues on the project as we move the

16

NEPA process forward.

17

This is a vital project. It's

18

a vital project not just to the state of New York

19

but to the region. And it also has a criticality

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at the national level. And the national focus was

21

really zeroed in and fine tuned on October 11th,

22

just two months ago, when the president announced

23

his selection of fourteen key infrastructure

24

projects across the country, and that is all types

25

of infrastructure projects. He had charged all

1

2 cabinet agencies with looking at potential
3 projects, key projects that would support jobs and
4 that would be moved through an expedited across the
5 country. And out of that list fourteen were
6 selected. Six were transportation projects, and
7 the Tappan Zee Bridge project was one of those
8 selected by the president. That came as a result
9 of a memorandum he put out to all federal agencies
10 in August. So parallel to all of the work that
11 we're doing here within the state, at the national
12 level it is attractive as well and extremely quick
13 pace.

14

15 As part of this presidential
16 identification, all of the agencies are really
17 directed to expedite the environmental reviews and
18 processes and permitting for these high priority
19 projects. And, as I mentioned, many simultaneous,
20 concurrent efforts are going on working with our
21 resource agencies to do that. In fact, just under
22 two months ago we had a resource agency summit with
23 the resource agencies, both federal and state, down
24 in New York City to bring them on board, get them
25 started early in the process because of the very
expedited time schedule that we are working with.

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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

1

2 Federal Highway Administration, the lead federal
3 agency in the NEPA process, issued a new notice of
4 intent to begin the EIS process for the Tappan Zee
5 river crossing, focusing just on the bridge. And
6 that's the process we are underway with now. And
7 we're really working to expedite that process.

8 One of the key things to keep
9 in mind as we work through that is a very expedited
10 project schedule for NEPA. We have already
11 concluded the scoping for the project. That was
12 completed a month ago. A summary of that will be
13 posted on the website probably before the end of
14 the month. We are looking to issue a draft
15 Environmental Impact Statement on January 19th.
16 That will be available. We'll be looking to get
17 out a final EIS beginning in late June, early July.
18 And we are looking for a record of decision by the
19 beginning of August. So if you look at that
20 schedule going from October, when we put out the
21 notice of intent, to around August, this is a very
22 expedited project. And we are working not only
23 with the team here that you see, but our resource
24 agency partners at the state and federal levels to
25 work this through.

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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

1

2 hearing about some of the project details and how
3 we are moving forward on the project itself. So at
4 this time I'll turn it over to Commissioner Joan
5 McDonald from the New York State DOT.

6

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

13

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

1

2 are moving forward in a way that we can deliver the
3 project.

4

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

10

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

18

19 And last but not least before I
20 turn it over to Tom Madison, we will continue to
21 consult with the industry and with our elected
22 officials in this region and across the state as
23 the project progresses. This project can only
24 succeed with the support of everybody here in this
25 room and everybody that lives in these communities
going forward. It's a great project. I am excited

1

2 to be part of this team here at the table, and the
3 extended team in the Department of Transportation,
4 in the governor's office, at the Thruway Authority
5 and the USDOT. And it's going to be, it's going to
6 have its challenges but I think together we will
7 meet them all. Thanks.

8

Tom.

9

MR. MADISON: Thank you,

10

Commissioner.

11

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

16

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

1

2 this accelerated pace.

3

4 The Governor has essentially
5 right-sized the project, as Joan just described.

6

7 And the transit component isn't in play right now,

8

9 but of course we are not going to preclude that

10

11 option for the future on the new bridge structure.

12

13 So right now the project is oriented around serving

14

15 our immediate needs. As you heard, there's a very

16

17 aggressive time schedule. And so in order to start

18

19 to create jobs as soon as the fall of next year,

20

21 we'll be utilizing the newly minted design-build

22

23 procurement process that we'll now be able to use

24

25 on this bridge.

1

2 The reasons for the project,

3

4 again, have been well documented for a long time,

5

6 and most in this room are fully aware, but I'll

7

8 just touch on a few points.

9

10 We need a bridge that is built

11

12 for the demands of today's traffic situations, of

13

14 our engineering standards, which have been

15

16 dramatically modernized over the years, and we need

17

18 a bridge that addresses the vulnerabilities that we

19

20 face today on the existing structure. One of those

21

22 vulnerabilities is related to seismic activity,

1

2 which we really didn't think was a tremendous
3 concern until we saw an earthquake this past
4 September in Virginia that actually shook big
5 portions of New York state. So just one of the
6 many reasons that the project became even more
7 highlighted on everyone's attention.

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

22 A new crossing must be built
23 for the demands of today's safety, mobility, and
24 security requirements. It needs to meet the needs
25 of our public and our customers, but it also has to

1

2 ensure the best use of public money. To that end,
3 as Karen mentioned, we have engaged a financial
4 advisor specific to the project, and Jeff Parker
5 will be working with our own bankers and our own
6 financial professionals at the Thruway Authority
7 and DOT and the Federal Highway Administration to
8 develop a financial plan which will be put together
9 very soon.

10

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

24

25 The project team looks forward
to working with our industry partners, as Joan and

1

2 attract up to five world class teams to be short
3 listed, who will bring a wealth of creativity and
4 innovation to this effort.

5

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

15

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

18

19 I too would like to take a
20 moment just to extend my appreciation to the team,
21 the Federal Highway's appreciation to the team. It
22 is incredible how much time, energy, commitment
23 they have all put into this. Marie Corrado
24 especially, and Ted Nadratowski, Mike Anderson and
25 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

1

2 such a short period of time.

3

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

6

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

8

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

12

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

19

20 As you are all aware, the prior
21 project was extremely ambitious in that it was
22 studying a 30 mile corridor from the village of
23 Suffern in Rockland County to the village of Port
24 Chester in Westchester County. Now we've put our
25 focus on the bridge itself. Accordingly, the
project limits now for the new Tappan Zee Bridge

1

2 replacement project are approximately four miles.

3 It encompasses the 3.1 mile bridge itself, and

4 approximately a half mile on each of the landing

5 areas.

6

7 In Rockland County the limits

8 of work will be the existing South Broadway bridge.

9 And that bridge needs to be replaced as part of the

10 project. The work will, however, stop short of

11 interchange ten. So it will not include

12

13 interchange ten in Rockland County.

14

15 In Westchester County, the

16 limit will be the existing Route 9 bridge, and that

17 bridge will remain intact.

18

19 Alternatives that have been

20 considered in the process included a wide range of

21 alternatives. Among those that were considered and

22 dismissed were the rehabilitation option and the

23 tunnel options. The rehabilitation option included

24 the replacement in all scenarios of the existing

25 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

1

2 span to the eastbound-westbound operation. So
3 taking that all into account, we have 80 percent of
4 the rehabilitated structure would be new and it
5 would retain those sections of the existing bridge,
6 the main span and the truss approach spans, which
7 are the most vulnerable and will remain problematic
8 for the life of the project. For those reasons
9 rehabilitation was considered not feasible.

10

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

21

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

25

In terms of the alignment, the

1

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

10

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

21

22 In terms of the profile, the
23 existing bridge has the flat causeway for over half
24 its length and then it breaks to a three percent
25 grade. That three percent grade has a deleterious
effect on truck traffic. In fact, heavy trucks

1

2 lose fifteen miles an hour from that climb. Not
3 only does that add to congestion, but it also
4 contributes to an inordinately high accident rate
5 on the Tappan Zee Bridge. The new bridge will
6 require a constant grade from the Rockland landing
7 to the clearance over the channel. This will
8 result in less congestion and better traffic flow
9 and reduced accidents.

10

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

15

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

20

What do we mean by not
21 precluding transit. The project will not preclude
22 the planning, design, construction or consideration
23 for future transit modes in the project area. Our
24 goal of the Tappan Zee Hudson River Crossing
25 project is to maximize the public investment in the

1

2 new crossing. Given that the life span of the new
3 crossing will extend into the next century, it is
4 prudent to design the new bridge to optimize the
5 flexibility for future transportation modes that
6 might not be feasible now but may very well be
7 feasible in the foreseeable future.

8

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

18

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

22

Since the notice of intent on
23 October 12th, we began and closed the scoping.
24 That traditionally takes three to nine months. In
25 this case we accomplished that in less than six

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2 weeks.

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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,

1

2 we have developed an advanced geotechnical testing
3 program. That could have taken up to nine months.
4 That was accomplished in less than two months.

5

6 We have advertised and are
about to award a \$3.5 million boring contract.

7

That was done in six weeks.

8

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

11

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

15

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

19

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

21

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

24

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

1

shooting for January 19th, 2012.

3

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

5

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

9

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.

13

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

15

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.

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25

Here's the procurement schedule. That's in section 2.2 of the RFQ. As

1

2 you know, the RFQ was released on November 21st,
3 and it is currently on the Thruway Authority
4 website. The final date for proposers' questions
5 was December 9th. However, in light of having this
6 meeting today, we are extending that to December
7 19th in order to give you an opportunity to ask
8 additional questions based on anything you may have
9 seen or heard at today's event.

10

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

20

Proposals will be due in June
21 of 2012. And we anticipate the selection of the
22 design-build team in July, with negotiations and
23 execution of contract in August. We currently
24 anticipate the design-build contract to be 60
25 months in duration. Now, we understand that this

1

2 is a progressive schedule; however, as you have
3 heard, we are fully committed to meeting it. We
4 need your help to enable this by continuing to ask
5 questions and provide input.

6

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

18

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

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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.

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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

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2 mentioned, we have listened and a stipend will be
3 provided subject to state comptroller approval.
4 The details of this will be provided when the RFP
5 is issued.

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

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

23 Finally, regarding two of the
24 major efforts that we will be proceeding with
25 shortly, we have a boring contract Mr. Anderson

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2 mentioned. It will include 68 borings and 30 cone
3 penetration tests with depths ranging from 60 to
4 400 feet, and include laboratory and field testing.
5 Bids for this work have been received and we do
6 anticipate work beginning towards the end of this
7 month. Results from this project will be posted in
8 the RFP data room beginning this March.

9

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

16

17 Recognizing that the
18 foundations are a significant element of risk for
19 this project, we are advancing a pile demonstration
20 project. The program will include multiple test
21 piles ranging in diameter from four to ten feet in
22 the differing geological conditions at this segment
23 of the river, and will include driven pipe piles,
24 as well as rock sockets, with lateral and vertical
25 load tests, and static and dynamic loading applied.
As Mr. Anderson noted, we are currently advertising

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2 for this and expect bids to be received this
3 Friday. And we will go out for bid for the actual
4 demonstration project later this month. Again, the
5 results of this effort will be shared as they
6 become available starting in April 2012 and
7 included in the RFP data room.

8

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

11

MR. RINGWOOD: Good morning.

12

Thanks, Dave.

13

I want to congratulate all of
14 you that were able to find the entrance to the
15 parking in the front on the first try.
16 Unfortunately my partner and I will not be short
17 listed.

18

My name is Bill Ringwood and I
19 work in the contracts office for the New York State
20 Thruway Authority. And in addition to providing
21 administrative and contract support to the team and
22 for this project, I am also the designated contact
23 for this, so that all of your questions and
24 comments come in to me through email. And it's my
25 job to make sure that we circulate those questions

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2 to the appropriate team members and, you know, get
3 a response back to you in a timely fashion.

4

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

8

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

17

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

22

MR. NADRATWOSKI: Good morning.
23 My name is Ted Nadratowski and I'm the chief
24 engineer for the Thruway Authority. There is a
25 microphone set up in the corner for anyone who'd

1

2 like to -- oh, right in front of me, I'm sorry, in
3 the center of the aisle, for anyone who would like
4 to come up and ask a question. We have been
5 requesting three by five cards be filled out for
6 those who are interested in being anonymous about
7 their questions. We have only a few of them. We
8 are trying to break those questions up into
9 categories.

10

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

14

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

19

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

22

(No response)

23

MR. NADRATOWSKI: Hearing no

24

questions --

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MR. DAVIES: I received a

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

7

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

12

I would say the one thing that
13 we're in the process as a team of doing, this is
14 all about accelerating project delivery, but it's
15 also about accelerating the innovation, that was
16 mentioned in one of the previous questions. So we
17 have really tried to build that into the
18 legislation. But I will tell you that part of the
19 reason we are going to do the draft RFP is because
20 we are pivoting. We've had teams that have worked
21 diligently on this project for years but who are
22 really shifting much more to the performance based
23 approach to this bid versus telling everyone
24 exactly what we envision to be built, so that we
25 encourage the innovation that the industry can

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2 bring in. That is a shift from more traditional
3 design-bid-build, and you're going to see that
4 shift occurring in what we put out and talked to
5 you about.

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

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

21 And the last one is that we
22 have a responsibility to protect the taxpayer. So
23 we do have to have some of those protections built
24 into this. But we do think that there's a brand
25 new way of doing business. This is by far the most

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2 visible project, so we must get it right.

3

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

7

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

23

24 MR. NADRATOWSKI: We do have a
25 few questions that were just submitted. And I just
want to let everyone know that if your question

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2 isn't specifically read here today, it will be
3 posted, as all questions are, on the website and
4 answered on the website.

5

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

11

Anybody have an answer to that?

12

13 MS. RAE: I think, I'm not
14 going to answer it, I'm going to defer the answer,
15 but I want to talk about an exercise that's
16 underway right now at the governor's office. And
17 it's to match up the DBE firms that are potential
18 bidders and the M/WBE firms and aggressively pursue
19 those that have one but not both certifications, to
20 increase the pool of candidates that will actually
21 help both goals be met. That's being undertaken by
22 another deputy secretary with our close
23 collaboration. We hope to have something done in
24 the next several weeks that would help us frame
25 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

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2 two. So how we set that and how aggressive we are,
3 which we will be aggressive, but setting how that's
4 going to play out is really dependent on how and
5 what we see when we finish that analysis.

6

COMMISSIONER MCDONALD: This is
7 a big project. And I think everybody in this room
8 recognizes that. And it is, as Karen and Tom
9 mentioned, the biggest project for bridge and
10 highway construction in the metropolitan area. And
11 an issue that we all need to grapple with, both on
12 the public side and on the industry side, is
13 capacity, both from the prime contractors, from the
14 design engineering firms, and from the M/WBE
15 community. So part of the experiences, some of the
16 experiences that we've used in the past have been
17 very successful. What we did on the Alexander
18 Hamilton Bridge, New York State DOT and Federal
19 Highway where we had partnering sessions in
20 coordination with GCA, CIC, those are the things
21 that we are contemplating. Because, picking up on
22 Karen's point when she reiterated that our
23 direction from the governor, failure is not an
24 option. And to move this project forward
25 successfully, making sure that the capacity is

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2 there, and working in partnership with the
3 contractors, with the engineering firms, with
4 organized labor is going to be critical to the
5 success of this project. And that is why the
6 dialogue will be ongoing.

7

Tom.

8

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

24

And to that end we had hoped
25 today to accomplish this, but we just weren't able

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2 to logistically facilitate it. But there will be a
3 workshop in the coming weeks to bring the M/WBE and
4 DBEs, once we do this cross walking effort that
5 Karen mentioned, to see who's in the overlap zone,
6 but also inviting all others to participate. We
7 will have a workshop where we can go through some
8 of those issues in more detail.

9

Jon, do you want to say a word?

10

MR. MCDADE: I guess just a
11 brief follow up. One, part of this is broken into
12 how to finance the plan for the project is all put
13 together and so on, but as projects like this with
14 federal funding in them we are only -- we may have
15 two goals, there's the DBE goal, but there's still
16 the governor's desire to work through the DBE and
17 M/WBE goal and priorities as well. So that's where
18 the collaboration between the governor's office and
19 with Federal Highway and USDOT will be working
20 with. And this crosswalk piece will be very
21 important of how we can do some innovation and work
22 through and satisfy the goal process that we have
23 in terms of our requirements and the governor's
24 desires and his priorities. And so that's where we
25 are working with to identify that framework and how

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2 that will be put together and have that information
3 available prior to the RFPs. It is a collaborative
4 effort and again, another aspect of the innovation
5 to be able to achieve the multiple level desires.

6

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

9

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

13

MR. MCDADE: The Buy America
14 provisions, as stipulated in the statute of
15 regulations, will apply to the project. There is
16 as far as any type of a blanket waiver, you know,
17 due to the emphasis particularly in this project,
18 both from the governor's office and from the white
19 House in looking at this project as a key job
20 creating project, there, you know, the order and
21 the discussions we've had, there will be no blanket
22 type waivers. There is a statutory waiver
23 permitted in the Buy America provisions in terms of
24 the difference in costs that can be met in terms of
25 between the use of domestic and foreign steel.

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2 That is statutorily provided. Other than that we
3 will work with and through the Buy America
4 provisions as they are stated. So there will be no
5 type of special provisions for a waiver will be
6 included.

7

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

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MR. NADRATOWSKI: Okay, thank

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you.

4

One other question here is will

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the RFP cover the demolition of the existing

6

structure. And yes, it will.

7

Ross, your question.

8

MR. PEPE: Can I ask a

9

question? Thank you, Ted. Ross Pepe from the

10

Construction Industry Council, Westchester and

11

Hudson Valley.

12

First, I want to congratulate

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all of you for the expedited process. It is

14

refreshing. I've been involved in this issue for

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the past 15 to 20 years, sat on many panels, and

16

have struggled to try to come up with a process

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that will get us to a new bridge and it seems like

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we are finally on the way. I hope it continues at

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the pace that it is. And also for your willingness

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to listen to the industry and meet with us to talk

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about important issues that we have been able to

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raise at meetings.

23

Back in 1994 when the Tappan

24

Zee Bridge major improvements first started, the

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Thruway Authority hired counsel and began to

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2 negotiate a project labor agreement with labor for
3 the work that took place not only on the Tappan Zee
4 Bridge but ultimately across Route 287, well over a
5 billion dollars. It was an important agreement to
6 have in place for the coordination of labor to deal
7 with the aggressive schedules that were involved.
8 And obviously here we are stepping it up a number
9 of paces and we are going to need something similar
10 to that going forward here. So I just would like
11 to hear if there is any discussion yet underway
12 with labor or when that will start. And when that
13 happens, and I have to express that in '94 I sat in
14 an advisor capacity with then the departments or
15 the Thruway Authority and the counsel, because
16 obviously we as local bargaining agents have
17 concerns about a major project and what the impact
18 is going to be to labor in our areas if not much of
19 the other work that will continue hopefully. So
20 I'd like to be knowledgeable and involved and just
21 engaged in the process of the project labor
22 agreement because it is going to be so vital to
23 getting this project done in the schedule you have
24 set.

25

MS. RAE: Both at the federal

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

24

25

MR. MCDADE: And we are working
with the state, I mean with the process and on

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2 other major projects, and now we're tailoring I
3 guess to the design-build world. So we are working
4 together on an analysis and that process moving
5 forward. So there is a specified process we work
6 through with our attorneys and with the state, and
7 that is underway.

8

MR. NADRATOWSKI: Thank you.

9

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

14

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

17

MS. CORRADO: Good morning,
18 everyone. We've got lots and lots of questions but
19 I kind of grouped them. There's much concern or
20 much interest in how we are going to fund the
21 project. And I think Karen and rest of the panel
22 have already addressed our financial advisor, but
23 if you want to add a little more detail. I think
24 what we have said here today for the first time
25 people have heard for sure we are not expecting

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2 private equity in the project, and that has led to
3 a whole pile of questions saying well, then how are
4 we going to fund the project. And I think you have
5 addressed it, but maybe given the interest in it
6 you could address it again a little bit for the
7 audience.

8

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

19

MS. RAE: Right, right.

20

MR. MADISON: So we have got a
21 collaborative set of activities going on right now
22 that involve the financial team at the Thruway
23 Authority and the DOT, some folks in the governor's
24 office that have been very involved in broader
25 financial and budgetary issues; the division of

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2 budget, and our own bankers from the Thruway
3 Authority. And the discussions have been going
4 well. Nothing beyond what has been announced today
5 is ready for prime time, but we expect to have a
6 financial plan I'd say in the near future.

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

19 The other issue is the Governor
20 has made a clear commitment about infrastructure
21 overall across the state. A very powerful
22 statement, working through the details of division
23 of budget and others as well, there's different
24 options, is something that is going to be fast
25 tracked here in the next several weeks. So we'll

1

2 be back to you. I believe you'll have much more
3 idea of what that looks like before we ask you to
4 spend a huge amount of time and money that you
5 spend into putting an RFP in if you are one of our
6 qualified firms. We owe you that.

7

MS. CORRADO: Thank you all.

8

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

16

COMMISSIONER McDONALD: Yeah.

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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

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2 that we put out there. So the dates that we put
3 out there are the dates that we have met, from
4 scoping, to RFQ, to moving forward on design-build
5 legislation. I know when we had our first meeting
6 with the industry associations, many of the
7 questions that are answered today were questions.
8 And we heard the industry loud and clear. And New
9 York state government with our partners at USDOT
10 are meeting those commitments.

11

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

23

24 MS. CORRADO: Another category
25 would be in contract clauses I would say. Many
26 questions on will there be an incentive clause, a
27 liquidated damage clause, will there be, what's the

1

2 level of stipends, what's the DBE goals, all of
3 which are in development right now, and this
4 meeting and your questions and input are
5 continually being folded in. So I don't think at
6 this point we should or have the exact answers to
7 any of those questions, as you have said over and
8 over in your presentation. So but that, those
9 questions, those specific questions will be on the
10 website and we'll respond to them, unless you'd
11 like to add anything to that.

12

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

24

MS. CORRADO: There's a
25 category, program administration. Questions have

1

2 been raised will we have a separate construction
3 suspension contract, will we have a program manager
4 brought on board also very much in the works and
5 being thought of on every level of the team from
6 the designers to the people developing the RFP for
7 this team and others. So that also we'd like your
8 input, we need your input on that. Lots of other
9 references to the Alexander Hamilton Bridge and the
10 Port Authority's projects, all of which we are
11 examining very closely and learning from. But
12 unless anyone wants to add anything on that. No.

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

19 And we, as the panel has also
20 said, we will be structuring a DBE proposers
21 networking meeting or several, depending on the
22 timing, which is also hanging together as our
23 desire to bring you all together to put together
24 the strongest teams. Anybody want to add anything
25 on that?

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2

(No response)

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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.

11

(Laughter)

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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.

23

24

25

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

1

2 the project on the timeline we have delivered. So
3 we're trying to do some smart early work that at
4 least begins to give you information and data, but
5 it is not intended to tell you exactly what
6 innovation you can bring based on this knowledge.
7 And we also expect that many of you, before you
8 make this kind of commitment, will be looking for
9 additional information over what we will find in
10 our initial work.

11

COMMISSIONER McDONALD: And I

12

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

24

MR. DAVIES: Thank you. That's

25

quite a few meaningful questions Ted and Marie were

1

2 scrambling here to categorize them. They seem to
3 involve common themes like the QC/QA questions.
4 I'm sure Bill has some detailed responses that will
5 be posted. I want to assure you all that every
6 question, I appreciate the time that you've taken
7 to write them out, and each question will be
8 captured, written up, and a formal response will be
9 posted through Bill Ringwood, Bill's efforts at the
10 Thruway Authority.

11

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

16

17 MS. RAE: I'm going to make a
18 statement that's more of a policy statement because
19 setting them is, we are absolutely committed I
20 think, and I won't speak for the federal, but I
21 believe at the federal level and at the state level
22 to ensure that the diversity that is available to
23 help support this job in every sense of the word is
24 brought in. Everyone has to see that there is an
25 opportunity. But we're looking for qualified,
innovative partnerships that will deliver the
project. So we have to very carefully craft and

1

2 set these goals with the intention to totally
3 ensure that everyone has a fair shot at this very
4 important mega project. But we're going to be
5 looking for the best teams that can find a way to
6 put that package together. So we'll be back to you
7 with the actual goal numbers and methodologies in
8 the very near future. But philosophically we feel
9 very strongly on both levels about the importance
10 of having all parts of the community engaged in
11 this process.

12

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

23

So any other cards? We
24 categorized them, I assure you they will all be
25 captured on the website with a more detailed

1

2 response in writing. If there's no more cards we
3 can move to an open mike for those who are brave
4 enough to step up and say it out loud.

5

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

7

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

9

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

12

13 There just seems, there seems
to be a very specific DBE, the disadvantaged
14 business, minority and women, but there does not
15 seem to be a small business goal. I know you just
16 answered that question partially, but unless I
17 missed something, there are thousands of young,
18 small firms in the metro area or all over the
19 country that are doing incredible work, but they
20 are overrun by the mega international firms. They
21 may be the most innovative firms. They are
22 certainly some of the most innovative firms in the
23 country. Yesterday one of the smallest innovative
24 firms in the country won the firm of the year
25 award, one of the smaller architects won the gold

1

2 medal.

3

4 So I just urge that to be a
specific or part of the RFP as MBE or WBE or DBE.

5 So I know you address it and I know the governor is

6 trying to create jobs, but there are young people

7 who are out of work. We're a small firm. Every

8 single day we have emails from all over the world

9 of young people wanting to work in this state, this

10 city, this country, and this is another

11 opportunity.

12

MR. DAVIES: Thank you,

13

Frederic.

14

Karen, do you want to comment

15 on the governor's commitment to the project?

16

MS. RAE: I think the small

17 business is really very focused at the federal, and

18 so we're piggybacking on the federal, so I think

19 I'm going to defer to my partner. I can't keep

20 speaking as if I was one.

21

MR. McDADE: As Mike had

22 mentioned earlier, the small business community is

23 something we are very much supportive of. And I

24 think one of the ways we are going to try to

25 encourage and build that is through the outreach

1

2 efforts that we'll be setting up. One of our
3 targets after the first of the year on January is
4 to have forums, and I guess we kind of internally
5 we have been nicknaming it kind of a speed dating
6 kind of environment to try to match up the
7 innovation and bring opportunity to match up with
8 some of the prospective offers and so on to bring
9 that creativity there and expose both these larger
10 firms to these innovative small businesses and DBEs
11 and other types of firms to do that in. And so
12 there's going to be some information, outreach in
13 that area to encourage that type of engagement,
14 whether it's in the design side or on the
15 construction side in various components to the
16 project. So we're very intent upon being able to
17 tap that creativity and bring the small business
18 forums into the dialogue and hopefully into the
19 project. And, as Karen mentioned, we are looking
20 for the best qualified and innovative firms. So
21 that's going to be a partnership we have with you
22 all as you engage in these various firms out there
23 to tap that creativity and bring it into the
24 project.

25

MR. DAVIES: Thanks, Jon.

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I think we have another.

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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?

8

9

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

10

(Laughter)

11

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14

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.

15

16

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19

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.

20

MR. HARRIS: Thank you.

21

22

23

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

24

25

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

1

2 another DBE question.

3

(Inaudible)

4

MR. SAHANI: Parmjit Sahani.

5

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

6

7 I don't want to bore everybody
8 with another DBE question, but I just wanted to
9 give an example. If we are given a finite \$5
10 million project construction cost, and the ten
11 percent goals will be continuing and the contractor
12 will have to continue in DBE participation through
13 the back door, you know, the back door would be the
14 \$50 million. Well, the design fee, if the goal is
15 paying through the back door, you know, the \$50
16 million, but at design phase the 50 million and the
17 goals would be like \$5 million, which would be the
18 design is up front. So I just wanted to consider
19 maybe the design and the construction costs, the
20 DBE goals would protect everyone, the design-build,
21 the design phase, two different DBE, the goal to
22 be, you know, do the design parts separately and
23 the construction parts separately.

23

24

25

MR. DAVIES: I believe Sahani's
question is are there two different goals
established for the design side and the

1

2 construction side, the professional services side
3 versus the construction side. Is that another way
4 of capturing what you are asking?

5

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

16

17 MS. CORRADO: If I could just
18 add something, I think the question is going to our
19 usual standard, traditional goal setting
20 methodologies, which doesn't generally apply here.
21 We are going to have one entity, a design-build
22 entity. The design isn't going to be done a
23 hundred percent and then handed over to a
24 construction contractor. That's part of the beauty
25 of the design-build entity. So our secondary goals
will be different. I don't think you're going to

1

2 phase, I'm sure we're not going to phase the
3 potential of the DBE being relegated to the last
4 year of the five year project. That's not what we
5 are looking for. But we are open to this kind of
6 discussion with you continually so that we can set
7 the goals or set the program up to maximize the
8 participation of everybody in this mega project.
9 So thank you for your comment.

10

MR. SAHANI: Thank you.

11

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

14

MS. RICHARDSON: Denise

15

16 Richardson. I'm with the General Contractors
17 Association.

17

18 A lot of the contractors here
19 today were not as familiar with the EIS process as
20 other people in the room. And you made a statement
21 at the beginning of your presentation that the
22 final proposal has to be fully compliant with the
23 record of decision. But on your schedule the two
24 are almost finished, the contract is almost
25 executed at the same time as the record of decision
comes out. And for those of us that are not all

1

2 that familiar where what is in a record of
3 decision, would there be any possibility of things
4 that are in the record of decision that would
5 substantially change the proposer's proposal, and
6 how are we going to accommodate for that in this
7 very ambitious schedule. So if you could just
8 explain to the contractors in the room what the
9 record of decision will contain, that might
10 alleviate some of that concern.

11

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

21

To that end, which is why what
22 I said a little earlier, you know, we identified
23 the pile testing, the boring. Any additional
24 information that you need to construct a
25 competitive proposal we will be looking at. And as

1

2 long as it doesn't violate the NEPA process, the
3 federal environmental review process, we will
4 provide that information to all of the teams in a
5 confidential manner because we know those issues
6 are very important and proprietary questions come
7 up after the teams have been short listed. We
8 don't know all the answers today, but we will
9 continue to address them going forward.

10

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

18

MS. RAE: And also back to the
19 pivoting of the approach for this next RFP, the
20 idea that we would set criteria and parameters
21 based on what's already coming in is the way of not
22 predetermining a specific treatment and to get
23 innovative ways. You know, we have a fairly narrow
24 window that we have to do landings in and how
25 that's going to work and things like that. So by

1

2 setting criteria and bringing in the brain power of
3 the contractors. So I think these are all -- by
4 the way, this will be -- this could easily stretch
5 out another three or four years if we weren't
6 trying to do parallel processes. And it's, I know
7 it's created some questions. We'll try to get you
8 information as it becomes available. Again, the
9 draft EIS out is going to be a major step forward
10 for this project. And it will help start people
11 understanding where we are now and what those
12 criteria are, and we'll try to build them in as we
13 go forward with a constant ability to update you.

14

MR. MCDADE: One of the other
15 keys to this parallel process, and Mike may have
16 some other comments on it as well, during the
17 presentation it was mentioned we have already begun
18 engaging the resource agencies regarding the permit
19 requirements and so on, and defining the parameters
20 with the resource agencies and what will be
21 involved. So having that information very early on
22 even with a final EIS out, with the scheduling,
23 having the idea of what the resource agencies will
24 be -- what we are working on with them, what the
25 expectations will be and how to meet those permit

1

2 requirements with the information gathered much
3 earlier in the process than we'd ever get. And so
4 there's going to be a lot of that information
5 coming in as we'll be in that RFP process to
6 provide information as well.

7

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

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MS. RICHARDSON: Yes.

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MR. COLUMBO: Hello. My name is Bob Colombo. 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

1

2 there wasn't -- there may not be an answer yet. So
3 I just wanted to put that out there that there be
4 consideration for that. Because it is something
5 that sometimes gets missed. We do a lot of work
6 with the New Jersey DOT, and we're on practically
7 every major project that they have right now. And
8 whenever I meet with them, they're always sorry
9 that there was a project in the past that they
10 didn't kind of, you know, capture it from the
11 design phase. Well, you're doing design-build.
12 But from the design phase, you know, what is
13 entailed with that and the obstacles they're doing,
14 you know, big obstacles they have to overcome.

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

23

(Laughter)

24

MR. MADISON: We'll take it as

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an outstanding suggestion.

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MR. DAVIES: Very good

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suggestions.

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MR. COLUMBO: Thank you.

5

MR. DAVIES: We learn from you.

6

Here's your opportunity. Any other questions?

7

(No response)

8

MR. DAVIES: The last group of

9

questions that came in is will there be an addendum

10

issued by January the third. Bill?

11

MR. CAPOBIANCO: There would be

12

an addendum issued prior to that, hopefully next

13

week we'll take care of some of the issues to bring

14

us up to date. Not to say there might not be

15

another one after that, but we'll have one

16

definitely next week.

17

MS. RAE: That's the importance

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of you being here. Between we've heard already and

19

what you've brought to us today, it really allows

20

us to focus that addendum instead of doing many,

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many of them.

22

MR. DAVIES: This by far is one

23

of the most exciting projects today in the country.

24

It's moving at a record pace. As the panel has

25

said numerous times, there is a will to deliver

1

2 this project. And with your help and assistance we
3 will be successful for New York and for the region.

4

Any last minute closing
5 comments? Karen? John? Joan? Tom?

6

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

19

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

1

2 get into the design-build procurement process.

3

4 Getting the design-build law in
place after 30 years was a sign of what happens

5

when the governor and the leadership in the state

6

decide they're going to work together on something.

7

So that was a very positive note. We took a risk

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actually putting the RFQ out, assuming we would get

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design-build. Some of us kind of looked at each

10

other and said, but we knew we were going to make

11

every effort. We've hired a financial advisor. We

12

are taking very seriously our responsibility to

13

come up with a financial plan for this project.

14

It is a publicly funded

15

project, not a P3. There was conversation about

16

that, but we needed to get design-build through as

17

a first priority. You will hear more about 3Ps,

18

but they will not apply to this project.

19

We are again increasing the

20

number of up to five qualified teams that could be

21

short listed in the RFP process. Again, it must be

22

the high quality that we are looking for for this

23

major project.

24

We support the stipends for

25

each non selected short list team pending some

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2 finalization with the state comptroller we expect
3 to happen very soon.

4

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

15

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

21

22 The contractor, I don't think
23 this has been mentioned, is not going to be, this
24 will be clearly defined, is not going to be
25 expected to provide long term maintenance on this
26 facility. I think that's one issue that we didn't
27 raise in our conversation today. We will be
28 looking for life cycle costing and understanding

1

2 clearly how treatments will affect that. But we
3 are not going to require this be a long term
4 maintenance agreement that will go with it.

5

6 MBE, DBE, or we're now calling
7 them BE issues I think, we will get back to you
8 very soon.

8

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

18

19 we're here to take full
20 advantage of your knowledge. And again, we want to
21 thank you, and I personally will thank you on
22 behalf of the governor for taking time to spend
23 time with us today continuing to engage with us.
24 We are listening. We can't incorporate everything,
25 we've done our best to incorporate significantly
what you've given us to date. And I thank you from

1

2 the governor, Andrew Cuomo did things that we
3 couldn't do with design-build legislation in hours
4 literally last week. So it's really important I
5 recognize that this is a governor who's about
6 making things happen. He will continue to
7 challenge our transportation team to ensure that we
8 meet this goal, and we will.

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

12 (Applause)

13 MR. MCDADE: I'd just make one
14 comment, one last item here. You know, we are
15 working to expedite this and really having the
16 innovation involved in the project. And from our
17 agency we are bringing in not just our division
18 folks but from all around the country wherever we
19 have that resource to help us with the contracting
20 end to procuring, interagency, but also we really
21 need your input into that as well. And that's the
22 collaborative effort here, the opportunity that we
23 have here today. The decision to go with a draft
24 RFP to get more input from you, the opportunities
25 to engage with the industry representatives, the

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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.)

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C E R T I F I C A T E

STATE OF NEW YORK)
) SS:
COUNTY OF ORANGE)

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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