



Landmark Floridian deal reaches financial close

Ila Halai

04 March 2009

An ACS Dragados-Macquarie Partnership has succeeded in bringing Florida's I-595 project to financial close in collaboration with 12 primary MLAs.

The banking group includes a line-up of Spanish relationship banks which accounts for more than half of the MLAs. They are:

- ✦ Banco Popular Español
- ✦ BBVA
- ✦ Banco de Sabadell
- ✦ Grupo Santander
- ✦ La Caixa
- ✦ Caixanova
- ✦ Caixa de Aforros de Vigo
- ✦ Caja de Ahorros Y Monte de Piedad de Madrid
- ✦ Calyon
- ✦ Dexia Crédit Local
- ✦ National Australia Bank
- ✦ WestLB
- ✦ Société Générale

The bookrunners on the deal are Calyon, Dexia, Santander and Société Générale. The administrative and documentation agents are Dexia and Banco Santander respectively.

The debt is understood to stand at US\$780 million with a US\$665 million TIFIA loan including capitalised interest and US\$190 million in equity.

FDOT shared interest and credit spread risk, and to make sure this did not get out of hand, the interest rate on the TIFIA loan had no credit spread - the loan was pegged to the US government borrowing rate so the TIFIA loan tracks the cost of private debt, providing a counterbalance which was a key factor for the project.

The other important factor with the TIFIA loan is that it can run for the entire duration of the project while the commercial banks are providing loans over a shorter tenor.

The ACS Dragados-Macquarie Partnership scooped the rights to develop and operate Florida's I-595 project in October 2008. ACS submitted a US\$63.98 million bid based on availability payments.

The ACS Dragados-Macquarie Partnership also includes:

- ✦ GLF Construction Corporation
- ✦ Hubbard Construction Company
- ✦ Earth Tech
- ✦ Concesiones de Infraestructuras

It will include both non-tolled lanes and variable-rate toll express lanes with rates set at a price to keep traffic moving. All toll revenue - and risk - from the express lanes will be retained by FDOT.

The project is for the reconstruction, widening and resurfacing of the I-595 mainline in central Broward County, from the I-75/Sawgrass Expressway interchange to the I-595/I-95 interchange.

Nossaman is providing legal counsel to FDOT with Reynolds Smith and Hill providing technical advice and Jeffrey Parker & Associates serving as financial adviser.

Scott Wilson is acting as lenders technical adviser on behalf of the ACS Dragados-Macquarie Partnership.

The project at a glance

Project Name	I-595
Location	Florida, US
Description	The project is for the reconstruction, widening and resurfacing of the I-595 mainline in central Broward County, from the I-75/Sawgrass Expressway interchange to the I-595/I-95 interchange
Sponsors	ACS Dragados-Macquarie Partnership
Project Duration (Including construction)	35 years
Total equity	US\$190 million
Total senior debt	US\$780 million
TIFIA loan	US\$665 million
Bookrunners	Calyon Dexia Credit Local Banco Santander Societe Generale
Primary mandated lead arrangers	Banco Popular Español Banco Bilbao Vizcaya Argentaria Banco de Sabadell Grupo Santander la Caixa Caixanova Caixa de Aforros de Vigo Caja de Ahorros Y Monte de Piedad de Madrid Calyon Dexia Crédit Local National Australia Bank WestLB
Administrative agent	Dexia
Documentation agent	Grupo Santander
Financial Adviser to sponsor	Societe Generale
Legal adviser to FDOT	Nossaman
Financial adviser to FDOT	Jeffrey Parker & Associates
Technical adviser to FDOT	Reynolds Smith and Hill
Technical and commercial adviser to lenders	Scott Wilson
Date of financial close	3 March 2009

Printed from <http://www.ijonline.com> | © Copyright IJ Online 2008