

Spanish-Led Group Secures \$1.8-Bil in P3 Funds For Fla. Express Lanes

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By *Deb Wood*

A banking consortium agreed to provide financing for a nearly \$1.8-billion toll lane project in Florida.

The Florida Dept. of Transportation signed off on an agreement for I 595 Express, LLC to finance, build and operate the \$1.796-billion Interstate 595 Corridor Improvement Project, after concessionaire ACS Infrastructure Development of Spain secured financing from an international banking consortium.

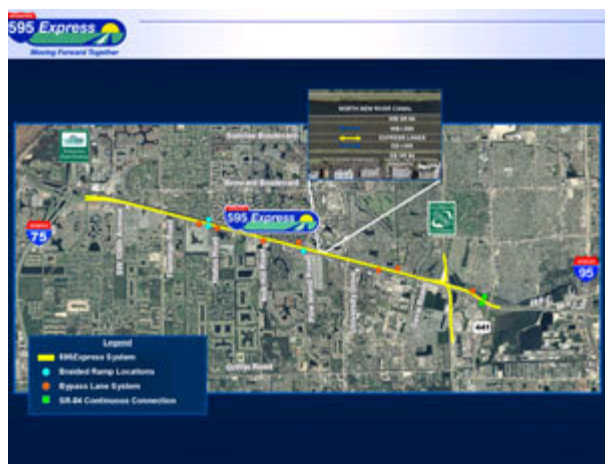


Photo: RS&J

Three express toll lanes will be added to I-595.

“For a major infrastructure project to get its financing together in the current climate is a big deal,” says Gerry O’Reilly, director of transportation development for FDOT district 4.

Late last year, FDOT announced its public-private partnership deal to build the \$1-billion Port of Miami Tunnel had fallen through when the equity partner could not come up with the funds.

ACS Infrastructure Development formed I 595 Express to carry out the work associated with the five-year project. ACSID will fund 12% of the project. The 10 banks are lending \$780 million, and the project received \$655 million in a federal Transportation Infrastructure Finance and Innovation Act loan.

FDOT will control rates on the toll road and retain the revenue, paying the concessionaire an annual

availability payment of \$65.9 million in 2009 dollars. O’Reilly says this is the first transportation project in the country done with availability payments.

I 595 Express will design, build, finance, operate and maintain the toll lanes for 35 years. The \$1.2-billion, 10.5-mile reconstruction will add three reversible express toll lanes in the median of I-595 from I-95 to I-75, the Sawgrass Expressway in Broward County. “The reversible lanes will allow the long-distance commuters to pay for a reliable travel time and free up some of the general use lanes that are not tolled,” says Phil Schwab, Fort Lauderdale-based project manager for the owner’s representative, Reynolds, Smith and Hills.

A joint venture between Dragados USA Inc., New York City and Grandi Lavori Florida (GLF Construction Corp.) of Miami serves as lead contractor. Other contractors include Hubbard Construction Co., Winter Park, Fla.; Redland Construction Co., Homestead, Fla.; H&J Contracting, Royal Palm Beach, Fla.; and Bergeron Land Development, Pembroke Pines, Fla. HNTB Corp. and Calvin Giordano & Associates, both with offices in Fort Lauderdale, will provide construction engineering and inspection.

Heavy roadwork will begin in August. The project includes reconstruction or construction of 60 bridges, connections to frontage and other roads, and related work. I 595 Express plans to break the job into nine sections and work concurrently in five segments. “They don’t receive any payment until all of the construction is complete, so there is a tremendous incentive to go as quickly as they possibly can and have the work accepted by the DOT, so they can start receiving payments,” Borello says. FDOT will pay, on final acceptance, \$685 million, divided into five payments.

Source: <http://enr.construction.com/infrastructure/transportation/2009/0305-FundsFIExpressLanes.asp>
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