



Georgia Department of Transportation News Release

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Georgia DOT signs first-ever Public Private Initiative Developer Services Agreement for Northwest Corridor

ATLANTA, May 18, 2006 – The Georgia Department of Transportation (DOT) today announced it has signed its first-ever Public Private Initiative (PPI) contract, a Developer Services Agreement (DSA). The \$38.5 million Developer Services Agreement is with Georgia Transportation Partners (GTP), a joint-venture company formed by Bechtel Infrastructure Corporation and Kiewit Southern Co. that has proposed significant improvements to relieve congestion along Interstates 75 and 575 (the “Northwest Corridor”).

The DSA provides the procedural framework for the Georgia DOT and private-partner GTP to examine improvements to the Northwest Corridor. Congestion relief options to be studied under the DSA include a combination of High Occupancy Vehicle, High Occupancy Toll, Express Toll and Truck-Only/ Toll lanes, and a Bus Rapid Transit system. The entire scope of services for the DSA is to be completed no later than July 1, 2009.

Recent Georgia law allows private-sector entities to submit proposals for public-sector projects. The state reviews these PPI proposals, makes them public and allows for other companies to submit competing proposals. GTP’s is the first accepted by the Georgia DOT and the State Transportation Board since the General Assembly passed legislation in 2004 allowing PPI projects.

“The PPI process will allow us to evaluate badly needed traffic solutions for this corridor and implement them in a quicker, more efficient and more cost-effective way than under the traditional bid process,” said Georgia DOT Commissioner Harold Linnenkohl. “This added flexibility helps us keep up with the infrastructure needs of our growing state.”

The GTP team includes 19 engineering, financial services and consulting firms, who along with Bechtel and Kiewit Southern are under contract to perform preliminary engineering and development services in support of transportation improvements to the Northwest Corridor.

“We’re proud to help the state determine the best transportation solutions and how best to implement them for this important state and regional corridor,” said Jim Dell, GTP project manager with Bechtel Infrastructure Corporation. “Our objective is to deliver smoother-flowing and safer travel, transit options and sustainable development opportunities, faster.”

Upon receipt of environmental approvals and completion of the DSA, the Georgia DOT will decide whether to proceed with GTP to design and construct the project.

“This is truly a cooperative approach to bringing traffic relief to this important corridor,” said Kiewit Spokesman Kent Grisham. “This blend of best practices from both the business world and government are the future for construction. We look forward to working with the Georgia DOT on this first-of-its-kind project.”

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How does the Public Private Initiative (PPI) proposal affect the Northwest Corridor Project process?

A. The Department is currently in the process of negotiating a Developers Service contract with the PPI team. This contract will spell out the PPI team's role in the environmental process. After the environmental process is complete, a Design/ Build contract must be negotiated. If that contract is negotiated to each party's satisfaction, the PPI team will take over the final design of the project and the construction.

Q. How long will construction of the project last?

A. If the project is constructed by the traditional approach, where design and construction are authorized under separate contracts, then a 15-20 year timeframe is anticipated. More likely, the project will be built under a design/build approach and may be completed in as little as 6 years.