



PARALLEL THIMBLE SHOAL CHANNEL TUNNEL PROJECT TIMELINE

May 2010

Jacobs Engineering Group was selected to provide a conceptual study and cost estimate for the Parallel Thimble Shoal Tunnel Project. Thimble Shoal Channel was selected because it is the more expansive and conservative of the two tunnel designs as it will be marginally longer and deeper. The District continues to work with the Virginia Port Authority in monitoring future shipping requirements to service the Ports of Hampton Roads. The depth of Thimble Shoal Tunnel has been scoped to be 67' deep, with 3' of over-dredge, to allow for a net 70' clearance and a minimum of 10' of tunnel cover. Chesapeake Tunnel will be scoped at a depth of 55' with 3' of over-dredge.

2012

The District and Public Financial Management (PFM) began to re-evaluate the existing financial models. It was recommended that a toll rate increase of 10% would be necessary, beginning January 2014, followed by 10% increases every five years thereafter.

May 2013

The Commission approved a resolution to accelerate the construction of the Parallel Thimble Shoal Tunnel as early as financially practicable and utilize a Design-Build contracting model to maximize cost savings and to shorten the final delivery timeline.

Additionally, they proposed the toll rate increases as recommended by PFM. The toll rate increase included peak season pricing methodology, as well as additional round-trip discounting for other vehicle classes. A \$5 commuter rate was also introduced.

October 8, 2013

Jacobs was awarded a Supplemental Agreement to map the existing conditions of the Parallel Thimble Shoal Tunnel. This was completed in July 2014.

Jacobs was also awarded a Supplemental Agreement to perform the geotechnical investigation. This, too, was completed in the summer of 2014.

November 26, 2013

The District received an unsolicited proposal from Parallel Crossing Consortium (PC2)



- January 14, 2014** The District began accepting competing proposals for a period of 90 days under the Public-Private Transportation Act (PPTA) guidelines. No competing proposals were received.
- January 22, 2014** Moffatt & Nichol was named Strategic Advisor for the construction of the Parallel Thimble Shoal Tunnel.
- March 11, 2014** Jacobs was awarded a Supplemental Agreement to advance the NEPA document through the approval process.
- April 22, 2014** The Commission adopted a resolution to terminate any further consideration of the unsolicited proposal from PC2.
- May 11, 2014** Public Financial Management, Inc. (PFM) was selected to serve as an independent Municipal Advisor to the District and provide the financial advisory services necessary to support the District and other members of the Project team in all aspects of the financing and procurement of the Project.
- June 19, 2014** Steer Davies Gleave, Inc. (SDG) was selected to prepare an investment grade traffic and revenue forecast to support the financing of the Project.
- July 6, 2014** Jacobs Engineering Group, Inc. was selected to serve as Design Manager of the Project to advance the preliminary design and prepare the documents and specifications necessary to issue the RFP.
- November 5, 2014** The District hosted a Project Showcase at the Hilton Virginia Beach Oceanfront to share information with interested persons about the Project. More than 225 professionals from around the world were in attendance, representing various fields including construction, engineering, finance, legal and material suppliers.
- January 2015** Nossaman LLP was selected to serve as Project Counsel, providing legal advice in structuring the procurement process and the negotiating and drafting of the Design-Build contract for the Project.
- March 2015** The District issued a notice of intent to issue a Request for Qualifications to the industry.
- March 2015** Nixon Peabody, LLP was selected to serve as Bond Counsel for the Project.
- May 12, 2015** The District issued a Request for Qualifications to solicit Statements of Qualifications from interested parties. This was the first step of a two-step procurement process.



May 2015 Bank of America Merrill Lynch (BofAML) was selected to serve as the Senior Manager and Lead Investment Bank for the financing of the Project.

May 28, 2015 The District hosted a non-mandatory Project Information Meeting at The Westin Virginia Beach Town Center to provide a general Project overview and updates on the Project finance, technical and environmental components and to provide the Statement of Qualifications Requirements for the Project RFQ.

July 6, 2015 Statements of Qualifications were received from the following offerors:

- Archer Western-Vinci Construction TunnelBuilders
- Bouygues TP/Traylor/Manson
- Dragados Team: Dragados USA and Schiavone Construction Company, LLC
- Salini Impregilo/Healy/GLF Joint Venture
- SKW Tunnel Builders: Skanska USA Civil Southeast, Inc.; Kiewit Infrastructure Co.; and Weeks Marine, Inc.

July 31, 2015 The Federal Highway Administration issued a Finding of No Significant Impact (FONSI) for the Project.

August 2015 The District shortlisted the following Design-Build Teams for the following tunnel methods:

Design-Build Team	Tunneling Method Qualification
AWVC TunnelBuilders	ITT & Bored
BTM JV	ITT & Bored
Dragados-Schiavone Joint Venture	Bored
SKW Tunnel Builders	ITT

The teams that qualified for both tunnel construction methods could offer only one Technical and Pricing proposal.

The draft Request for Proposals (RFP) was issued to the four teams.

September 2015 HNTB was selected to serve as Construction Manager for the Project.

September – December 2015 A series of four proprietary meetings were held with the teams, one per month, to discuss the Project Instruction to Offerors, Contract and Technical Requirements. Any procurement revisions were then issued to each team at the beginning of each month to reflect the work achieved during the previous month's proprietary meetings.



- December 2015** The District received a \$50 million loan from the Virginia Transportation Infrastructure Bank (VTIB). The funds received from this loan will displace more expensive revenue bonds, thus lowering the overall cost of borrowing and providing savings for the customers of the CBBT.

- February 1, 2016** The District issued the Final Request for Proposal (RFP) for the Parallel Thimble Shoal Tunnel Project.

- March 1, 2016** Preliminary Technical proposals were received from the Design-Build Teams.

- April 29, 2016** Final Pricing and Technical Proposals were received.

The District pursued a vigorous exploration of the Project location that included underwater mapping of the site, a geotechnical boring investigation and worked to complete an Environmental Assessment (EA) that updated the Environmental Impact Statement (EIS) that had been previously completed. All of this work was done to advance the Project and reduce the risks associated with unknown elements for the prospective proposers. Additionally, a Section 103 permit was secured to verify that ocean disposal of Project dredged materials could be accommodated.

PROJECT FINANCING

The District reviewed many different financial models as it sought to accelerate the construction start date to minimize construction costs, debt service costs and toll rates for customers. The inclusion of a Transportation Infrastructure Finance and Innovation Act (TIFIA) loan offered the largest improvement to the plan. The Project will be paid with a combination of District General Fund investments and bond proceeds, a \$50 million loan from VTIB, and a TIFIA loan.

