



**Prince William Parkway
Interchange at Realigned Balls Ford
Road Project
Initial Financial Plan**

December 31, 2019

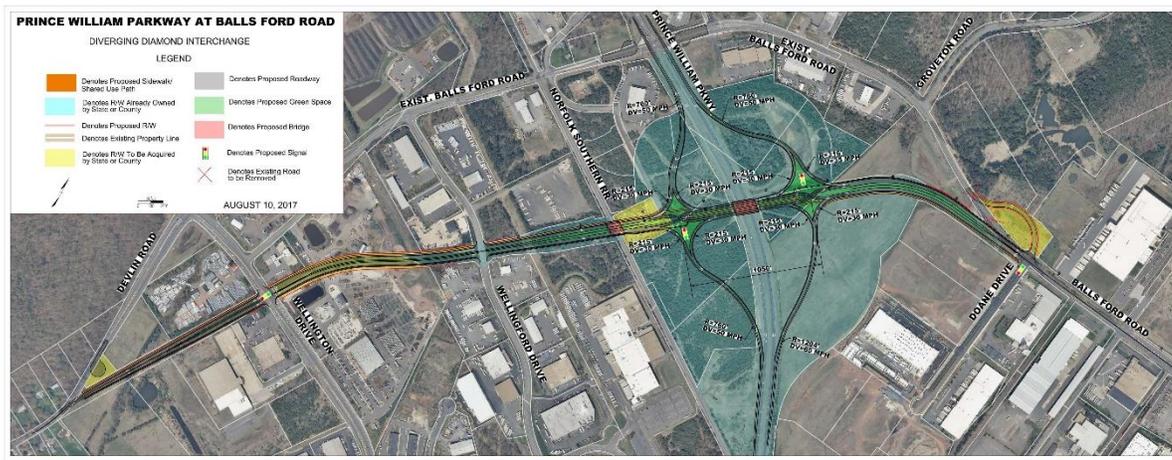
State Project Number(s): 6234-076-266
UPC(s): 112815

Table of Contents

1. Project Description	3
2. Schedule	4
Project Schedule Overview	4
3. Project Cost.....	5
Project Cost by Phase	5
4. Project Funds	6
Summary of Project Funding by Source	7
5. Financing issues.....	7
6. Cash flow	8
Cash Flow Analysis	8
7. P3 Assessment	8
8. Risk and Response strategies	8
9. Annual update cycle.....	10

1. PROJECT DESCRIPTION

The Prince William Parkway Interchange at Realigned Balls Ford Road project will provide a new grade-separated interchange at Route 234 (Prince William Parkway) and relocated Route 621 (Balls Ford Road), which includes a bridge crossing the existing Norfolk Southern Railroad. In addition, the project will construct a relocated Balls Ford Road as a new four-lane facility with a raised median between Devlin Road and Doane Drive.



- The interchange project was a component of the Route 234 Bypass (now Prince William Parkway) project and was evaluated in a Supplemental Environmental Impact Statement (SEIS) prepared by VDOT and the Federal Highway Administration (FHWA) in 1994, in accordance with provisions of the National Environmental Policy Act (NEPA) and 23 CFR 771. Due to funding constraints, the Balls Ford Road interchange was constructed as at grade signalized intersection.
- In July 2017, VDOT and Prince William County (PWC) conducted a Strategically Targeted Affordable Roadway Solution (STARS) evaluation to value engineer the cost of the interchange project. This resulted in the selection of a diverging diamond interchange which provides the same benefits to the traveling motorist yet can be constructed at a much lower cost as it requires the least amount of right of way and as smaller footprint than what was propose in the Supplemental EIS while meeting existing and future traffic demand.
- In September 2018, environmental studies were conducted to determine whether the diverging diamond design would result in new or significant environmental effects compared to those presented in the SEIS. These studies considered the new regulatory requirements and guidelines that have been issued since publication of the SEIS.
- As a result, the environmental studies document demonstrated that the changes will not result in significant environmental impacts not already considered in the previous environmental documentation. Accordingly, no further studies are warranted, the 1991 FEIS

and 1994 SEIS remain valid, and a Supplemental Environmental Impact Statement is not necessary.

- The FHWA concurred with this determination on Aug 6, 2019.

The project can be tracked on the Prince William County Department of Transportation (PWC DOT) current road projects web page at the following link:

<https://www.pwcgov.org/government/dept/dot/Pages/Current-Road-Projects.aspx>

2. SCHEDULE

- To expedite the right of way acquisition process and the future on-schedule delivery of the project, two (2) total take parcels were identified early and an advanced Notice to Proceed (NTP) for their acquisition was issued on September 26, 2019.
- The Prince William Parkway Interchange at Realigned Balls Ford Road project is being proposed as a Design-Build project. A Public Information Meeting was held on April 3, 2019. The Request for Qualifications (RFQ) was released on May 1, 2019 (corresponds to Advertisement date for project) and the Request for Proposals (RFP) was issued on September 25, 2019. Technical proposals were due on Jan 10, 2020 followed by the cost proposals on Jan 31, 2020. The notice to proceed for the design-build contract is anticipated in late March 2020.
- Based on a preliminary schedule, the remaining design efforts are estimated to take place between spring 2020 and spring 2021. Remaining right of way acquisitions and utility relocations are anticipated to occur between early summer 2020 and Summer 2021. Construction activities are anticipated to begin in fall 2020. The final completion date is December 2022, or the Offeror’s proposed early completion date.

PROJECT SCHEDULE OVERVIEW

Task	Start	Finish	Year 1	Year 2	Year 3	Year 4	Year 5
Notice to Proceed	18-Oct	22-Dec					
UPC 112815	PE- Design	18-Oct					
	RW/Utilities	19-Sep					
	Construction	20-Sep					
Construction Complete	22-Dec	22-Dec					

3. PROJECT COST

The total project cost is \$145,000,000. PWC has budgeted and appropriated project funds identified as the estimated reimbursement to the locality totaling \$142,756,500. VDOT project expenditures are estimated at \$2,243,500. The project cost by phase can be found in the table below, in year-of-expenditure dollars. The estimate includes all costs necessary to perform the preliminary engineering (including the cost of NEPA and other environmental documentation. Permits and approvals), right-of-way, environmental mitigation, construction, project management, public outreach, traffic management system (TMS) improvements, congestion management plans, and costs of external third-party work, including utility relocations. The construction cost estimate was prepared using VDOT’s Project Cost Estimating System (PCES) and includes necessary contingency and construction engineering and inspection. The right-of-way phase was estimated using VDOT’s PCES system, with contingency included.

PROJECT COST BY PHASE

		A	B	A-B
UPC	Phase	Estimate	Current Expenditures	Balance to Complete
UPC 112815	PE	\$14,600,000	\$2,063,535	\$12,536,465
	RW	\$12,300,000	0	\$12,300,000
	CN	\$118,100,000	0	\$118,100,000
GRAND TOTAL		\$145,000,000	\$2,063,535	\$142,936,465

COST ESTIMATING METHODOLOGY

Work elements associated with the Prince William Parkway Interchange at Realigned Balls Ford Road project can be summarized in two components: (1) work ahead and in preparation of the Design-Build contract for which PWC is responsible or has already accomplished throughout the development of the project and (2) work to be carried out under the design-build contract by the design-builder.

Work Outside of Design-Build Contract: PWC will remain responsible for updating the EIS documentation; preliminary engineering support services; oversight of final design; oversight of right-of-way acquisition services; payment for new right-of-way acquired and third-party utility relocation cost for the project; Design-Build risk contingency; and oversight of construction:

- Preliminary Engineering: PWC executed an agreement with a professional service firm to provide engineering and technical support during project development. Specifically, support for reviewing preliminary and final design submissions.
- Right of Way Purchases: In accordance with the Design-Build RFP, Part 2, Section 1.5, PWC remains responsible for the actual cost of the purchase of right-of-way, all easements and

miscellaneous fees associated with real estate closings as part of the project and oversight of the right-of-way acquisition/payment/condemnation process.

- VDOT/PWC Project Oversight Costs: VDOT/PWC post-award costs to manage the project and provide oversight of the project are estimated to be \$12,010,000. These costs include overall project management, design reviews, contract administration and construction oversight.

Design-Build Contract: The awarded Design-Build contract for the Prince William Parkway Interchange at Realigned Balls Ford Road project will be lump sum contract and will include the following major work elements to be provided by the design-builder: final design; right-of-way acquisition services; utility coordination; and relocation services; construction; and construction quality assurance and quality control (QA/QC). The estimated cost for the Design-Build contract was developed using the Request for Proposal (RFP) plans. The fixed amount of the Design-Build contract is a lump sum with payments based upon the project actual percent of completion.

4. PROJECT FUNDS

The Prince William Parkway Interchange at Realigned Balls Ford Road project is 100% funded with I-66 Outside the Beltway Concessionaire Funds. The funds have been committed to the project through a Standard Project Administration Agreement that was executed on August 30, 2018, and last revised on July 22, 2019. PWC has budgeted and appropriated project funds identified as the estimated reimbursement to the locality totaling \$142,756,500. This amount does not include the \$2,243,500 that have been identified as VDOT project expenses. The current project funding total is \$145,000,000.

Project funding is demonstrated in the National Capital Region Transportation Planning Board's (TPB) Long Range Transportation Plan (Visualize2045). The Constrained Long-Range Plan (CLRP) ID for the project is 3177. The project is also included in the Transportation Improvement Program (TIP), as well as the Commonwealth's Statewide Transportation Program (STIP). The TIP ID for the Project is 6621. The project was amended on February 2, 2018 and included as part of the FY 2017-2022 TIP. The source of funding is listed as "private funding" with \$14 million for the Preliminary Engineering phase for FY 2018, \$12.3 million for the Right-of-Way phase, and \$118.1 million for the Construction phase in FY 2021. The Six-Year TIP total is \$130,400 with a total project cost of \$145,000.

This project is federally eligible but received an exception on May 31, 2018.

Prince William Parkway Interchange at Realigned Balls Ford Road
 – Initial Financial Plan
 December 31, 2019



Download in Excel

All Costs Shown in Thousands

Primary									
Construct VA 234 Bypass Interchange @ Balls Ford Road									
Title: VA 234 Bypass Interchange @ Balls Ford Road					Assoc. CLRP Proj. ID: 6177				
TIP ID:	6621	Facility:	VA 234						
Agency ID:	T20906	From:	Balls Foard Relocated						
Complete:	2027	To:							
Description:	Construct an interchange at Balls Ford Road FROM: 0.6 Mi. S. of Existing Balls Ford Road (Rte 621) TO: Existing Balls Ford Road (Rte 621) (0.6000 MI)								Totals
Amendment\		Admin. Mod.	Amendment Name	Approved	Resolution				
Amendment		Add Project	3/2/2018	SR16-2018					
Amend project into the FY 2017-2022 TIP with private funding: \$14 million for PE in FY 2018, \$12.3 million for ROW acquisition in FY 2020, and \$118.1 million for construction in FY 2021.									Six-Year TIP Total: \$130,400
									Total Project Cost: \$145,000

SUMMARY OF PROJECT FUNDING BY SOURCE
 (Amounts in 000's)

Funding Source	Previous	FY20	FY21	FY22	FY23	FY24	FY25	TOTAL
List all Federal								
Subtotal								
Concession Funds	\$145,000							\$145,000
Subtotal	\$145,000							\$145,000
List all Other								
Subtotal								
List all Debt Proceeds								
TOTAL	\$145,000							\$145,000

5. FINANCING ISSUES

No financing issues have been identified. The project is fully funded using 66-Outside the Beltway Concessionaire Funds.

6. CASH FLOW

The Prince William Parkway Interchange at Realigned Balls Ford Road project annual cash expenditures are based on the project schedule developed by the PWC design team. The below table is a cash flow analysis for the project. It shows the comparison of previously expended and projected expenditures by fiscal year by phase against the total annual allocations. The project’s cash flow analysis will be updated annually as expenditures are incurred.

Cash Flow Analysis (Amounts in 000’s)

Expenditures		FY20	FY21	FY22	FY23	FY24	TOTAL
UPC 112815	PE	\$3,855	\$6,000	\$4,745			\$14,600
	Right of Way	\$2	\$4,003	\$4,000	\$4,000	\$295	\$12,300
	Construction		\$19,400	\$60,700	\$38,000	\$0	\$118,100
Cumulative Expenditures		\$3,857	\$33,260	\$102,705	\$144,705	\$145,000	\$145,000
Total Annual Allocations		\$145,000	\$0	\$0	\$0	\$0	\$0
Cumulative Allocations		\$145,000	\$145,000	\$145,000	\$145,000	\$145,000	\$145,000
Cash Flow per Year		\$141,143	\$117,740	\$42,295	\$295	\$0	\$0

7. P3 ASSESSMENT

The Prince William Parkway Interchange at Realigned Balls Ford Road project is ready for advertisement and receipt of bids. Developed as a design-bid-build project, the Project would not generate sufficient market demand or interest as a P3, nor would it demonstrate significant project efficiencies to effectively leverage private sector innovation and expertise under a P3 procurement under the Public Private Partnership Transportation Act of 1995, as amended (PPTA).

8. RISK AND RESPONSE STRATEGIES

PWC conducted a one-day facilitated risk workshop for Prince William Parkway Interchange at Realigned Balls Ford Road project on May 14, 2019. The workshop was held at the PWC, which was attended by 28 individuals from PWC, VDOT and project consultants.

The workshop participants identified a total of forty-eight (48) individual risks, based on the assumption that the project would be delivered through a Design--Build process. Participants found the following six (6) project risks to be the most significant:

- Stakeholder opposition
- Construction coordination delays with Norfolk Southern Railroad

- Utilities relocation schedules
- Land Rights from Norfolk Southern Railroad
- Norfolk Southern Railroad flagger availability
- Norfolk Southern Railroad timely reviews of plans,

Each of the above risks has a high level of complexity and the potential, if not continually addressed and mitigated throughout project delivery, to have a major impact on the project's cost and/or schedule (i.e., both the pre-advertisement schedule and the post-award schedule). Importantly, several risks are highly dependent upon and influenced by other risks, with the most notable being: (a) coordination with the Norfolk Southern Railroad; (b) stakeholder opposition and (c) utility relocation schedules. These risks were perceived to impact quality of work, post-award risk of change orders, and a variety of other issues.

9. ANNUAL UPDATE CYCLE

The submission date of the Initial Financial Plan was December 31, 2019. The first annual update will be submitted by December 31, 2020 and will be based on a "data as of" September 30th. Future annual updates will be submitted by December 31st of that year, with a "data as of" date of September 30th of that year."