

THE FEDERAL ROLE IN PROJECT FINANCE

Transportation
Infrastructure
Finance
Workshop
Atlanta, Georgia

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AVOIDING THE POTHOLE

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MERCATOR ADVISORS LLC

SPEED BUMPS

- State Transportation Improvement Program
- Federal Project Approval
- Environmental Review
- Major Project Finance Plan
- Construction
- Payments
- Oversight

STIP

Transportation Improvement Program

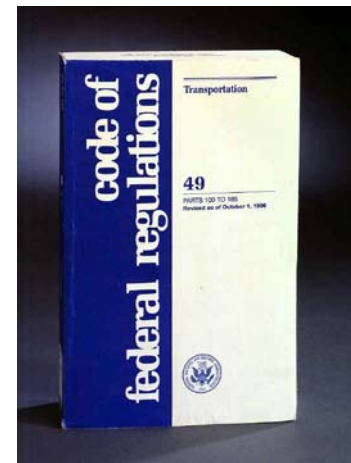


State Transportation Improvement Program

\$\$\$\$ Fiscally Constrained \$\$\$\$

PROJECT APPROVAL

- Project Agreement
 - Contractual Relationship
 - Provisions May Be Permanent
- Establishes Eligibility Date
 - Title 23/49, United States Code
 - Code of Federal Regulations
 - 2 – Grants and Agreements
 - 23 - Highways
 - 49 - Transit
 - Federal Policy Guidance
- Obligates Funds



ENVIRONMENTAL REVIEW

- Air Quality
 - Water Quality
 - Noise
 - Parks and Recreation
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- National Environmental Policy Act - NEPA
 - Record of Decision

FINANCE PLAN

- Defining the Project
- More than \$500 Million
 - FHWA Approval Required
 - Project Management and Financial
- \$100 Million to \$500 Million
 - No Approval Required
 - Financial

CONSTRUCTION

- Right-of-Way
 - Uniform Act
- Procurement
 - Timing
- Davis-Bacon
 - Labor Rates
- Buy America
 - Steel and Iron
- Standards

PAYMENTS

- Eligibility
- Documentation
- Process
 - Direct Payments to Third Parties
 - Debt Service Payments
 - Quick Turnaround

OVERSIGHT AND SUPPORT

- Stewardship Agreement
 - FHWA and State DOT
- Major Projects
 - Full FHWA Oversight
- Toll Agreements – Section 129
 - Restricts the Use of Revenues
- FHWA Division Office
- FHWA Resource Center
- FTA Regional Office