May 8, 2006

The Maryland State Highway Administration (SHA) and the Maryland Transportation Authority (MdTA) are pleased to provide this update on our procurement process for Design-Build services for the design and construction of the Intercounty Connector (ICC). The purposes of this letter are to:

- Update Project Status
- Describe the Repackaging of ICC Contract C and ICC Contract D
- Announce the Anticipated Schedule for Procurement of ICC Contract C and ICC Contract D

Background

The ICC project is a $2.4 billion, 18.8-mile, east-west, controlled access 6-lane toll road that will link I-270/I-370 in Montgomery County to I-95/US 1 in Prince George’s County. The ICC also includes approximately 5 miles of work on I-95 to add Collector-Distributor roadways between the I-95/MD 212 interchange to north of the I-95/MD 198 interchange in Prince George’s County. The ICC and its associated I-95 work will encompass nine (9) interchanges and approximately 75 bridges, while traversing a highly sensitive natural and human environment. The ICC contract packaging strategy procures the design and construction of the ICC mainline and interchanges through five (5) Design-Build contracts, labeled Contracts A through E, using a Competitive Sealed Proposal (CSP) process. The selection process for Contract A is underway. The ICC website at www.iccstudy.org contains information on the ICC project. Information on the contract packages can be found on the SHA website at www.marylandroads.com under “Contracts, Bids and Proposals”.

Project Status

The Federal Highway Administration (FHWA) signed the Final EIS/Section 4(f) Statement for the ICC on January 3, 2006 and the public comment period has now been concluded. A Record of Decision (ROD) is expected this Spring.

Our procurement activities on the first Design-Build Contract for the ICC, Contract A extending 7.2 miles east from I-370/I-270 to east of MD 97, continue on schedule. The Draft RFP was released last month to the firms on the Reduced Candidate List (RCL). Upon receipt of their comments, expected this month, the Administration will finalize the RFP and release it to the RCL firms and post it on SHA’s website in late June. Award of Contract A is expected in early 2007.

Repackaging of ICC Contract C and Contract D

Our original second Design-Build Contract Procurement envisioned the concurrent solicitation of ICC Contract C (the US 29 interchange) and ICC Contract D (the I-95 interchange). Because of industry concerns about the selection process for this dual procurement and our desire to retain the benefits of combining similar types of interchange work into one contract, we have elected to increase the scope and size of Contract C and reduce the scope and size of Contract D. Thus, we will now have three (3) major contracts for the ICC mainline/interchanges (Contracts A, B, and C) and two (2) additional contracts (D and E). The five Design-Build contract limits, listed from west to east, are:

A. I-270/I-370 to east of MD 97 (previously advertised)
B. East of MD 97 to west of US 29
C. West of US 29 to east of I-95 Interchange, and I-95 Collector-Distributor road improvements along I-95 from MD 212 to just north of the ICC
D. Collector-Distributor Road improvements along I-95 from just north of the ICC to north of MD 198
E. East of I-95 interchange to US 1
The new repackaged ICC **Contract C** will consist of approximately 3.8 miles of new, controlled access, six-lane, tolled ICC roadway and approximately 2 miles of I-95 Collector-Distributor roadway along I-95, from MD 212 to north of the ICC. Contract C includes a 3-level interchange with US 29 involving 11 new bridges, some of which are long flyover structures; a partial interchange at Briggs Chaney Road; an interchange with I-95 involving 4 new bridges; utility relocations; 5 additional roadway/stream overpass bridges; retaining walls; noise walls; earth berms; drainage facilities; mining operation wash pond reclamation and relocation; landscaping; signing, signals, and lighting; tolling infrastructure; maintenance of traffic; public relations support; and, environmental compliance.

The new repackaged ICC **Contract D** will consist of 3 miles of I-95 Collector-Distributor roadways along I-95; the construction of a northbound braided ramp bridge; the reconstruction of the VanDusen Road bridge (future Contee Road); reconstruction of the existing structure slope protection for the westbound MD 198 to southbound I-95 flyover and MD 198 over I-95 to vertical abutments; utility relocations; retaining walls; noise walls; earth berms; drainage facilities; landscaping; signing, signals, and lighting; tolling infrastructure; maintenance of traffic; public relations support; and, environmental compliance.

Contract award for Contract C is currently anticipated for June 2007, with an expected contract duration of approximately three and a half years. An award fee incentive, which will include early completion, is being considered. It is anticipated that the cost of Contract C is $300 million to $380 million. Contract award for Contract D is currently anticipated for July 2007, with an expected contract duration of approximately two and a half years. It is anticipated that the cost of Contract D is $50 million to $70 million.

**Procurement of ICC Contract C and Contract D**

The **Contract C** selection process will be based on Design-Build Competitive Sealed Proposals (CSP) and start in June 2006 with a detailed Request for Proposals (RFP), scheduled to be issued in December 2006. The “best-value” selection process will evaluate the ability of the Design-Builder to manage, design, construct, and control the project with environmental and community sensitivity, as well as the Design-Builder’s ability to provide a quality product, on or ahead of schedule, for a reasonable lump sum price within the ICC project budget. Comments will be solicited from the RCL on the draft RFP prior to issuance of the final RFP.

SHA/MdTA is seeking Design-Builders that are committed to quality construction and strict adherence to environmental criteria; have proven experience in the design and construction of controlled access highways and interchanges; bring innovative Design-Build approaches to ensure timely completion; and are willing to partner with SHA, MdTA, FHWA, and the ICC Corridor Partners (General Engineering Consultant) for the mutual success of the Project.

**A Project Informational Meeting for Contract C** will be held beginning at 8:30 AM on Thursday June 29, 2006 at BWI Marriott, 1743 West Nursery Road, Hanover, Maryland, located at the BWI Thurgood Marshall Airport. While attendance at this meeting is not a prerequisite for participating in the procurement process, interested companies and parties are encouraged to attend the Project informational meeting.

The **Contract D** selection process will be based on a streamlined CSP process. The package will be released in late 2006. Notice to Proceed is expected in July 2007.

The **Contract B** selection process will be similar to the process proposed for Contract C; the anticipated dates are shown on the attached map. The **Contract E** selection process will be similar to the process proposed for Contract D; the anticipated dates are also shown on the attached map.

SHA reserves the sole right to change any aspect of the proposed procurement described above, including the right to not proceed with the procurement and/or the right to proceed in a different manner or on a different timeline than as described above.
Responders are advised that under Maryland's recently enacted EMARYLAND MARKETPLACE FEES (see www.eMarylandMarketplace.com for details), ICC Contract C, for those requested to submit a proposal(s), falls under the "Level 9" category.

A strategic plan for the ICC's Disadvantaged Business Enterprise (DBE) program has been developed to maximize utilization and opportunities for DBEs. Overall and specific contract DBE participation goals will be set for each separate contract.

Thank you in advance for your interest in designing and building this long-awaited and much needed project. Please also visit our website at www.iccstudy.org for updated project information. If you have any additional questions or comments, please do not hesitate to contact me at 410.545.0433.

Sincerely,

Robert P. Gay
Director, Office of Procurement and Contracts

Attachment: “new” Rainbow map