

December 11, 2019



Jefferson Parkway Public Highway Authority
William A. Ray, Executive Director
c/o City Manager's Office
Arvada City Hall – Third Floor
8101 Ralston Rd
Arvada, CO 80002
jppha.admin@gmail.com

REQUEST FOR QUALIFICATIONS TO DESIGN, BUILD, FINANCE, OPERATE AND MAINTAIN THE JEFFERSON PARKWAY PROJECT – UPDATE ON PROJECT FEASIBILITY AND NOTICE OF WITHDRAWAL

Dear Mr. Ray,

On behalf of Jefferson Expressway Group (JEFFEX), I am writing to provide you an update of our team's evaluation of the Jefferson Parkway Project (the Project).

Following submission of our SOQ and subsequent shortlisting in December 2018, JEFFEX continued to work diligently and invest significant resources in order to advance our analysis of the technical and financial elements of the Project and its underlying economic feasibility.

Unfortunately, we have found through this additional analysis (and alongside our traffic and revenue and financial advisors) that the Project's anticipated revenue potential does not adequately support the Project's costs by a sizable gap. This determination, when considered alongside other significant issues including the unavailability of any public funds to help address the funding shortfall and the ongoing environmental challenges, has led us to our view that the Project is not feasible under the current procurement approach.

In light of these findings and the significant challenges that must be overcome to advance the Project under a reasonable and timely manner, we respectfully withdraw from the procurement. If you wish, we welcome the opportunity to discuss in more detail the analysis that led us to this difficult decision.

Our team members would like to sincerely thank you for the opportunity to be considered for the Project. We have followed its developments closely over the past months and commend you and your team's efforts to advance the Project and manage its many challenges. We wish JPPHA success in its ongoing efforts to make the Project a reality.

Sincerely,

Roberto Friedrich
Official Representative
Jefferson Expressway Group (JEFFEX)