



Association for the Improvement  
of American Infrastructure

## P3 Snapshot: **Michigan**

### **Michigan Freeway Lighting**, Michigan Department of Transportation (MDOT)

DBFOM | Availability-Based | Social Infrastructure - Street Lighting | Financial Close | USD 49,000,000

Michigan's Department of Transport (MDOT) has proposed the use of a P3 to deliver upgrades to the state's freeway streetlighting infrastructure.

Roughly 87% of the approximately 15,000 freeway lights in the metro area are now high-pressure sodium or metal halide fixtures. The P3 contract will replace those outdated lights with energy-efficient LED lights in the first two years.

Close to 70 percent of the freeway lights are currently working. Much of this is due to fiscal constraints, multiple instances of copper theft, and other challenges.

The P3 contract mandates that 90% of the lights become operational after the first year and 98% after the second year. The vendor is contractually obligated to monitor all lighting infrastructure while identifying and repairing deficiencies.

The 15-year contract is divided into one two-year construction period and another 13-year O&M period.

The consortium will audit the existing lighting system during the first 90 days of the agreement. The group will then begin a two-year replacement and rehabilitation period.

The project is to be financed through a private placement and USD 5m equity component.

### **Wayne State University Student Residential Facilities P3**, Wayne State University

DBFOM | Social Infrastructure - Accommodation | Preferred Proponent

Wayne State University, based in Detroit, Michigan, is seeking private partners to design, build, finance, and possibly operate and maintain five existing housing complexes with 2,852 beds as well as a new 838-bed complex. Wayne State also plans to demolish an existing 405-bed facility.

**D:** Design | **B:** Build | **F:** Finance | **O:** Operate | **M:** Maintain