



Public-Private Partnership Workshop

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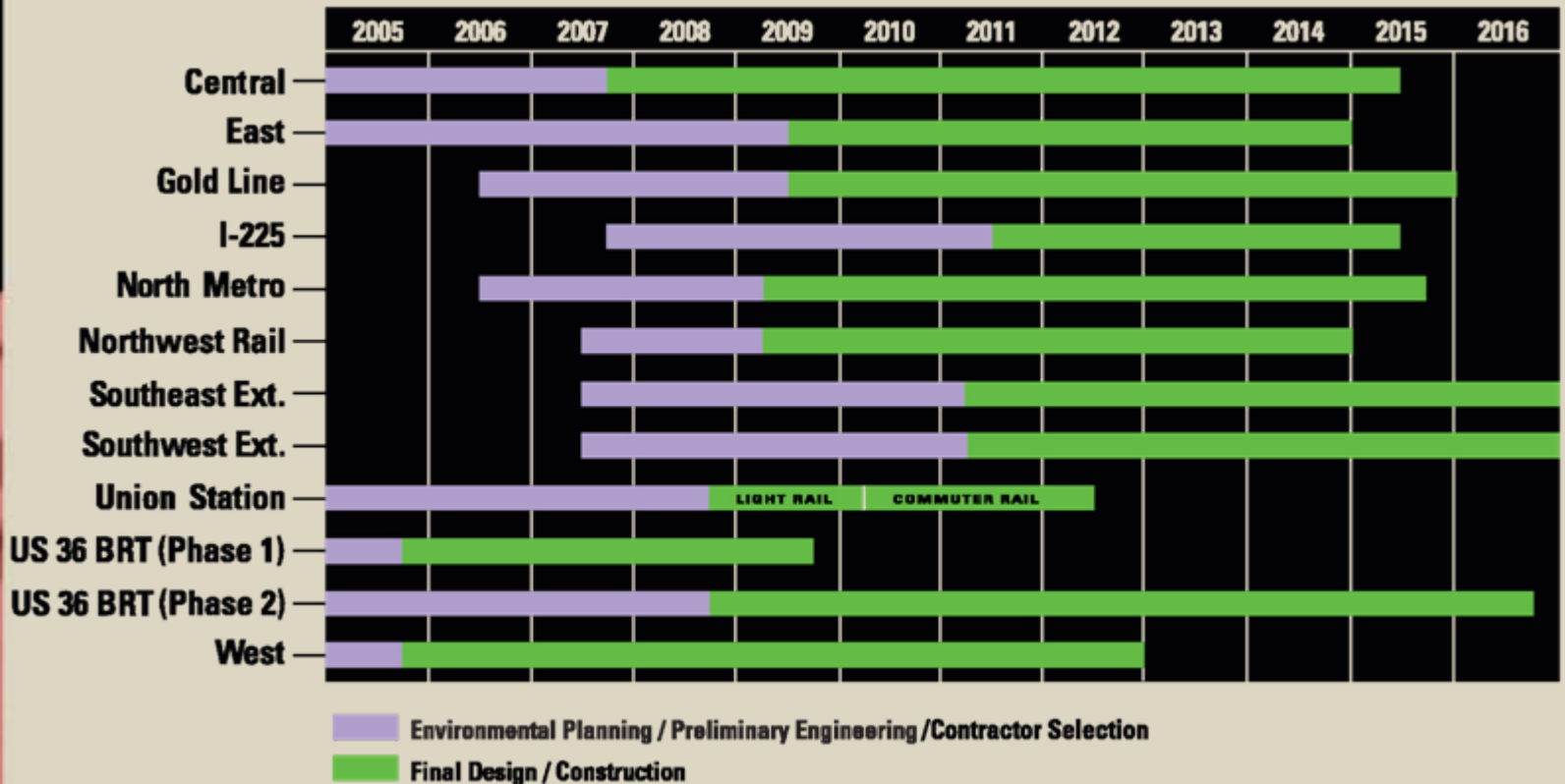
March 18, 2008

The RTD FasTracks Plan

- 122 miles of new light rail and commuter rail
- 18 miles of Bus Rapid Transit (BRT)
- 31 new park-n-Rides with over 21,000 new spaces
- Enhanced Bus Network & Transit Hubs (FastConnects)
- Redevelopment of Denver Union Station



Implementation Schedule



Public-Private Partnerships

- RTD pursuing a PPP as an innovative approach to efficient project delivery
 - Design-Build-Finance-Operate-Maintain (DBFOM) mechanism being pursued
 - Private equity involved
- Focus is on Gold Line, East Corridor, and commuter rail maintenance facility
- Also PPP opportunities for other corridors
- RTD retains ownership of all assets

Public-Private Partnerships

- RTD sets all operating requirements including:
 - Fares
 - On-time performance
 - Schedule
 - Cleanliness
 - Maintenance
 - Others
- RTD has experience in PPPs
 - T-REX Project with CDOT
 - RTD contracted bus service

Benefits of PPPs

- Allows RTD to spread out large upfront costs and preserve cash in early years
- RTD will make lease payments to the private partner
- Positive reputation for delivering projects
 - T-REX completed on time and on budget

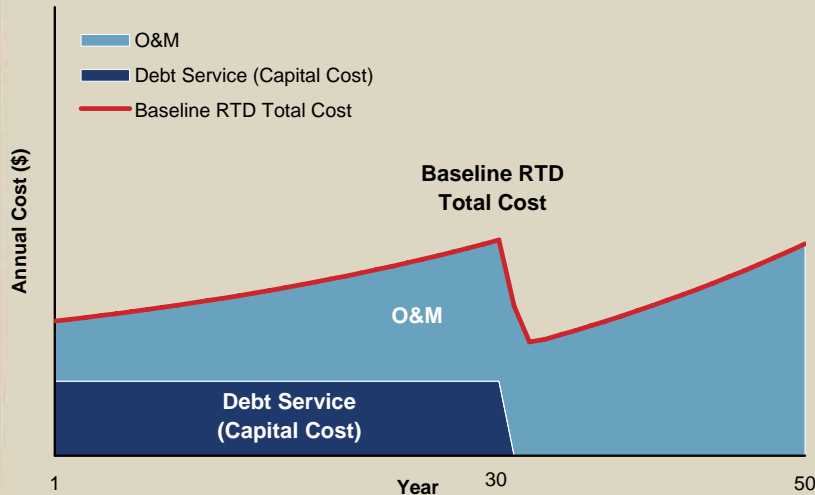
Benefits of PPPs

- **Design/Build** – 10-25% savings
- **Operate-Maintain** – 10-30% savings
- **Finance** – Private sector equity investment allows RTD more debt capacity
- **FTA Penta P** – Offers RTD an expedited federal New Starts review process and grant process
- **Depreciation** – Allows private entity to depreciate the asset during concession agreement while District receives added cost benefit

P3 vs. Conventional Delivery

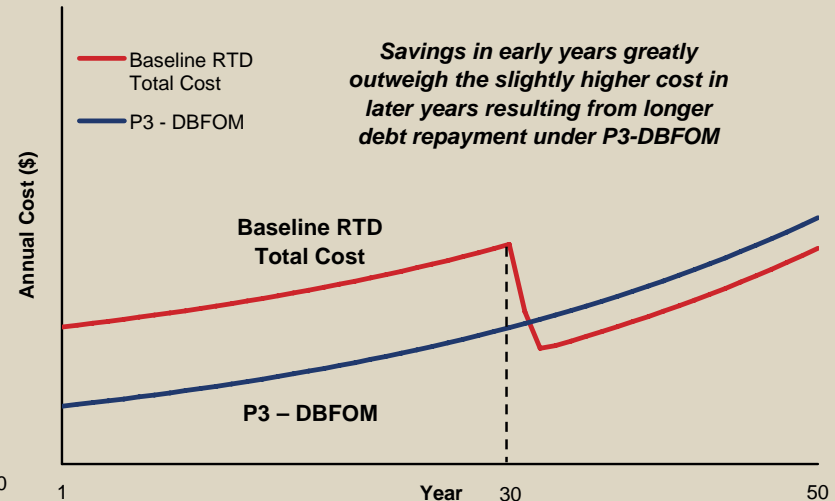
Conventional Financing Model

- RTD controls quality, fares, and service performance standards
- RTD owns Project
- High initial costs stress cash flows
- Financing terms limited by TABOR
- Exposed to rising O&M costs
- Tax-exempt financing utilized



P3 – DBFOM Model

- RTD controls quality, fares, and service performance standards
- RTD owns Project and “leases” to partner for 30-50 years
- Total savings realized over life cycle of project
- Annual P3 lease payment better match RTD's cash flows
- Greater savings realized from lower construction and O&M costs as an integrated project
- Accelerated delivery and financial engineering may also lower costs
- Tax benefits for private partner from depreciation and interest deductions reduce P3 lease payment
- Risk transfer to private partner – construction and operating risks



PPP RFP Schedule

Summer 2008	Public input to RFP
Winter 2008	Industry Review of Draft RFP
Spring 2009	Board Approval & Issuance of RFP
Fall 2009	Initial Proposals Received
Winter 2010	Final Proposals Received
Spring 2010	Board Approval of Concessionaire

For FasTracks Information:

Surf FasTracks at
www.RTD-FasTracks.com

Questions?