



FOR IMMEDIATE RELEASE
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RTD Board selects Denver Transit Partners for Eagle P3, FasTracks' single largest contract

**PRIVATE TEAM PROPOSES TO BUILD RAIL LINES TO DIA,
ARVADA-WHEAT RIDGE AND WESTMINSTER
\$300 MILLION UNDER RTD'S BUDGET AND AHEAD OF SCHEDULE**

Denver, June 15, 2010 – The Regional Transportation District (RTD) has selected Denver Transit Partners for the single largest FasTracks contract to build and operate commuter rail lines to Denver International Airport (DIA), Arvada-Wheat Ridge and south Westminster.

Denver Transit Partners' proposal is \$300 million lower than RTD's budget estimate and it plans to open the line to DIA by January 2016, 11 months ahead of RTD's deadline. Denver Transit Partners' proposal along with RTD's project costs total \$2.085 billion, compared with RTD's budget estimate of \$2.385 billion. The RTD "best-value" evaluation rated it both the higher technical proposal and the lower cost proposal of the two bidding teams.

The sponsoring members of Denver Transit Partners are Fluor Enterprises Inc. and Macquarie Capital Group Ltd. They are joined by major partners Ames Construction, Balfour Beatty Rail Inc., Alternate Concepts Inc. and HDR. (See accompanying sheet for company profiles.)

"It is a remarkable achievement for RTD to get a project of this magnitude through a public-private partnership that meets our goal of contracting under our budget and ahead of our schedule," said RTD Chair Lee Kemp. "We said three years ago that public-private partnerships would be a vital part of keeping our FasTracks program moving forward. The decision tonight shows that the faith placed in us by the Federal Transit Administration and our stakeholders



Eagle P3 contract awarded under budget

Page 2

through some difficult times was justified has been rewarded.”

With this decision, RTD will have 47 miles of new rail under construction or under contract, more than double the amount of rail in RTD’s existing light rail system. It also represents nearly 40 percent of the total FasTracks rail network now under contract.

The Eagle P3 Project packages several FasTracks projects into a single contract to design and construct the East Corridor to DIA, the Gold Line to Arvada-Wheat Ridge, a short segment of the Northwest Rail corridor to south Westminster and the commuter rail maintenance facility in north Denver. This design-build method is similar to how RTD and the Colorado Department of Transportation (CDOT) implemented the Transportation Expansion (T-REX) light rail and highway project, which was completed under budget and ahead of schedule in 2006.

Eagle P3 takes public-private partnerships to a broader level. In addition to final design and construction, Denver Transit Partners is bringing private financing to the table and, under a concession contract, will also operate and maintain the rail service on these lines for 40 years. In return, RTD will make annual payments to Denver Transit Partners based on its performance in meeting RTD’s service standards. Through this arrangement, called Design-Build-Finance-Operate-Maintain, RTD reduces its need for upfront cash. RTD also expects the project to attract \$1 billion next year through the Federal Transit Administration (FTA) Full Funding Grant Agreement process. Anthony Loui, FTA’s Eagle Project Team Leader, attended the RTD board meeting from Washington as a representative of FTA Administrator Peter Rogoff. The FTA has been a fully supportive partner in RTD’s pursuit of a P3 project.

Early construction work, such as relocation of utilities and freight tracks along the East Corridor, is projected to start by late summer.



Eagle P3 contract awarded under budget

Page 3

Two teams spent the past two years working on proposals. RTD will pay the other team, Mountain-Air Transit Partners, a \$2.5-million stipend in exchange for the intellectual property in its proposal. That gives RTD the option to use cost-saving ideas from the non-selected proposal.

The two proposals were thoroughly evaluated over two months by more than 120 people including RTD staff and representatives of cities and counties on the Eagle corridors – Adams County, Arvada, Aurora, Denver, Westminster and Wheat Ridge – along with staff from CDOT and DIA. RTD had technical, financial and legal input from consultants Jacobs Engineering, Goldman Sachs, J.P. Morgan and Freshfields Bruckhaus Deringer.

“This is a significant, prestigious and strategic selection,” said Patrick Flaherty, head of Fluor’s Infrastructure business. “We expect this to be the first of many public-private partnership transit projects procured under the available method in the U.S. in the coming year. We are delighted to have been selected by the Denver RTD. Our entire team is looking forward to helping the RTD realize its FasTracks vision and we are committed to working closely with local businesses and other stakeholders to involve them in the project and increase the long-term competitiveness of the Denver area,” said Flaherty.

Eagle P3 is a key part of RTD’s strategy to keep FasTracks moving forward in the difficult economic environment that has affected large public projects nationwide.

“RTD is the first transit agency in the United States to pursue this type of comprehensive public-private partnership that includes not only the design and construction, but the financing and ultimate operation and maintenance of the end product,” said RTD General Manager Phil Washington. “RTD has always been on the front line of finding innovative methods for delivering projects. Now this project can get on with creating thousands of jobs.”



Eagle P3 contract awarded under budget

Page 4

FasTracks is RTD's voter-approved transit program to expand rail and bus service throughout the RTD service area. FasTracks will build 122 miles of commuter rail and light rail, 18 miles of bus rapid transit service, add 21,000 new parking spaces, redevelop Denver Union Station and redirect bus service to better connect the eight-county District. The FasTracks investment initiative is projected to create more than 10,000 construction-related jobs during the height of construction, and will pump billions of dollars into the regional economy.

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Profile: Denver Transit Partners

Denver, June 15, 2010 – The principal members of the Denver Transit Partners team that was selected to build, finance and operate the single largest FasTracks project, Eagle P3, have worldwide experience developing some of the largest public infrastructure projects in use today.

The sponsoring partners are Fluor Enterprises Inc. and Macquarie Capital Group Ltd. The two companies have completed more than \$10 billion in transportation-related project financing in North America in the past five years.

Fluor Enterprises Inc., a wholly-owned subsidiary of Fluor Corporation. Fluor, based in Irving, Texas, is one of the world's largest publicly traded engineering and construction services companies. As a Fortune 200 company with more than 36,000 employees, Fluor is an industry leader in delivering large, complex infrastructure projects and is consistently rated as one of the world's safest contractors. In 2009, the company reported revenues of \$22 billion and had \$27 billion in projects under contract. Fluor has been active in Colorado for several decades on projects for clients such as the E-470 Public Highway Authority, the National Renewable Energy Laboratory, Chevron and many others. Some of Fluor's recent high-profile projects include the reconstruction of the World Trade Center Transportation Hub in New York City; construction of the new San Francisco-Oakland Bay Bridge and completion of the Netherlands' new high-speed rail line from Amsterdam to the Belgium border.

Macquarie Capital Group Limited, a subsidiary of Macquarie Group. Headquartered in Sydney, Australia, Macquarie Group is a global provider of banking, financial, advisory and funds management services. Macquarie Group operates in more than 70 office locations in 28



Eagle P3 contract awarded under budget

Page 2

countries and employs more than 2,500 people in the United States. As owner and manager of significant public assets, Macquarie Group works closely with governments around the world to deliver essential community services, including transportation, airports and utilities. Macquarie Group manages assets of approximately \$307 billion as of December 31, 2009.

Core Contractors:

Balfour Beatty plc. Balfour Beatty Rail is the largest, most diverse rail contractor in the world. It is currently the systems contractor for FasTrack's West Corridor light rail project and provides on-call services for RTD's existing light rail network. In addition to being a core contractor with the design-build entity, it will also be part of the operations/maintenance entity.

Alternative Concepts Inc. ACI is the operations service provider for the Massachusetts Bay Transportation Authority (MBTA), the largest privately operated commuter rail system in the U.S. It will provide operations and maintenance services for the completed system

Hyundai-Rotem USA. An affiliated company with Hyundai Motor Group of South Korea, Hyundai-Rotem is the manufacturer of the electrified commuter rail cars that will be used on the corridors.

Ames Construction. Ames, based in Burnsville, Minn., has a regional office in Aurora. It will be a design-build subcontractor for Denver Transit Partners.

Highlights of Denver Transit Partners' proposal:

- **Affordable Price** – DTP offers a price, spelled out in Annual Service Payments, that is nearly half of RTD's estimated affordability limit for the project. DTP was able to achieve significant cost efficiencies without sacrificing system safety, performance or flexibility to accommodate future needs.



Eagle P3 contract awarded under budget

Page 2

- Innovation – DTP has incorporated a number of enhancements that yield substantial life-cycle cost savings, improved operational performance and greater safety. Some of these enhancements include approximately six miles of single track on the East Corridor to reduce construction costs without negatively impacting operating performance; track configuration changes including the addition of “pocket” tracks and the rearrangement of turnouts and crossovers to enhance operational flexibility; standardization of bridge elements to simplify construction; modifications to the Commuter Rail Maintenance Facility to improve efficiency, and a new high-quality commuter rail vehicle design that provides greater seating capacity, storage for bicycles/luggage and enhanced security features such as interior CCTV monitoring.
- Early Completion – DTP plans to complete all three commuter rail lines ahead of schedule and will complete the East Corridor by January 2016 – nearly one year earlier than RTD’s deadline.
- Safety First – DTP’s proposal incorporates a state-of-the-art train control system, including a fully redundant communications system and full Positive Train Control (PTC) functionality that will meet all of the requirements of the 2008 Railroad Safety Improvement Act.
- Community Commitment – DTP is fully committed to maximizing small and disadvantaged business participation on the project; to mitigating potential impacts associated with the construction of the project; and to assuring the public remains informed and involved with the development of the project over the term of the concession period.

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EAGLE P3 A GLANCE

- The East Corridor, Gold Line, Commuter Rail Maintenance Facility and an initial segment of the Northwest Rail Corridor are all included in the Eagle P3 project.
- The project is a public-private partnership (P3), which is an innovative approach to efficient project delivery. A Design-Build-Finance-Operate-Maintain (DBFOM) contract is being pursued for the Eagle P3 Project.
- A P3 transfers certain construction and operational risks to the private sector.
- P3s allow RTD to spread out large upfront costs and preserve cash in early years; this is similar to the concept of 30-year versus a 15-year mortgage.
- RTD will own all assets and make payments to the private partner for a 46-year period.

PROJECT OVERVIEW

- The East Corridor is a 22.8-mile electric commuter rail corridor that runs from Denver Union Station to Denver International Airport. Five intermediate stations are included: 38th/ Blake, Colorado, Central Park Blvd., Peoria/Smith Rd. and Airport Blvd/40th Ave.
- The Gold Line is an 11.2-mile electric commuter rail transit corridor that connects Denver Union Station to Ward Road in Wheat Ridge. It passes through northwest Denver, Adams County and Arvada. There are six intermediate stations, including 41st Avenue, Pecos, Federal, Sheridan, Olde Town Arvada and Arvada Ridge.
- The Commuter Rail Maintenance Facility will be the site to repair, clean, fuel and store the vehicles that will serve the four FasTracks commuter rail corridors: East, Gold Line, Northwest Rail and North Metro.
- The portion of Northwest Rail included in the Eagle P3 includes shared tracks with Gold Line from Denver Union Station to Pecos Street, plus an additional two miles north, to the South Westminster Station, at 71st Avenue and Lowell Boulevard in Westminster.

PROJECT SCHEDULE

- The entire Eagle P3 project is scheduled for completion in 2016.
- Phase I of the project includes property acquisition, construction of the East Corridor, construction of the Maintenance Facility and control center, the purchase of Electric Multiple Unit (EMU) rail vehicles and the electrical systems at Denver Union Station. Phase I is scheduled to begin in August 2010.
- Phase II of the project includes the Gold Line and the short segment of Northwest Rail. Phase II is scheduled to begin following the award of a Full Funding Grant Agreement (FFGA) by the Federal Transit Administration in 2011.

SELECTION PROCESS

- RTD selected the concessionaire determined to offer the best value for the design, construction, financing, operation and maintenance for the project.
- Financial scoring was weighted 60 percent; the technical proposal was weighted 40 percent.
- A very thorough evaluation took place over the last two months. More than 120 people were involved in various elements of the process, with half the evaluators from external community organizations.