

# PUBLIC PRIVATE PARTNERSHIPS FOR RTD

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# AGENDA

- FTA's Penta-P
- Case studies
  - RiverLINE, New Jersey
  - Manchester MetroLink, England
  - Arlanda Airport Rail Link, Sweden

# FTA's Penta-P

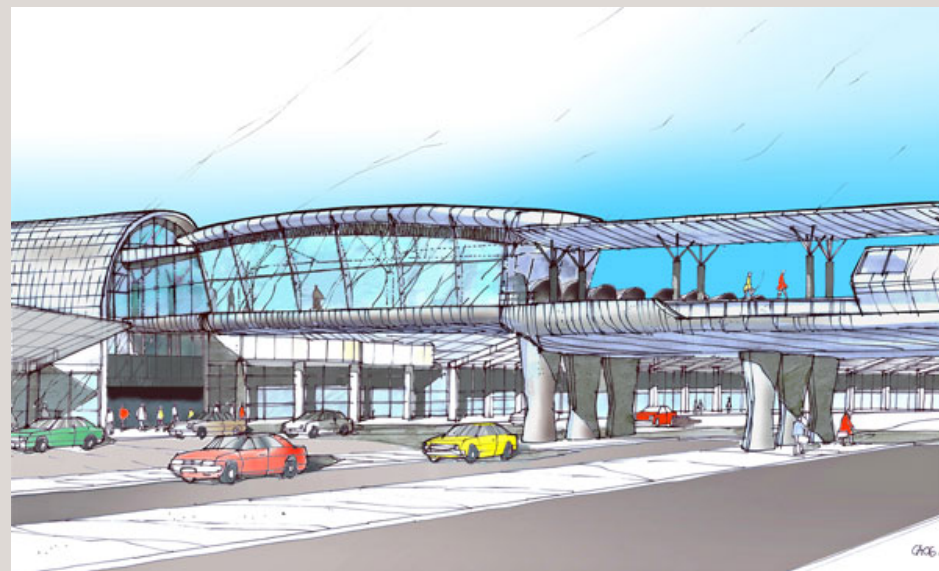
- Demonstration program to examine if P3s:
  - Better reduce and allocate risks
  - Accelerate project delivery
  - Improve reliability of cost and benefit projections
  - Enhance project performance
- 3 projects selected
  - Bay Area Rapid Transit – Oakland Airport Connector
  - Houston METRO – Light Rail System
  - RTD – Gold Line/ East Corridor

## Status

# Bay Area Rapid Transit – Oakland Airport Connector

- 5 responses to RFQ
- 3 teams shortlisted
- Negotiating with final proposer
  - Merrill Lynch/ Granite/ Parsons/ Bombardier

- 3.2 mile, 2 stations
- Elevated Automatic Guideway Transit (AGT) system
- Cost: ~\$300 million
- Open: 2012



## Status

# Houston METRO Light Rail System

- 3 responses to RFQ
- 3 teams shortlisted
- Selected P3 contractor to perform PE and negotiate price for DBOM
  - Washington Group
- 30 miles
- Light Rail Transit (LRT) system
- Cost: ~\$1.8 billion
- Open: 2013



## Status

# RTD – Gold Line/ East Corridor

- Environmental process and basic engineering underway
- RFQ and RFP being prepared
- MOU with FTA in Summer 2008

- 34.8 mile, 13 stations
- Commuter rail system
- Cost: ~\$1.5 billion
- Open: 2015



# Gold Line and East Corridor

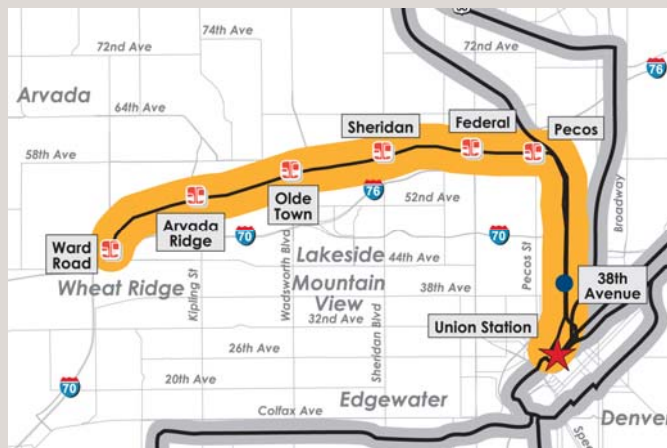
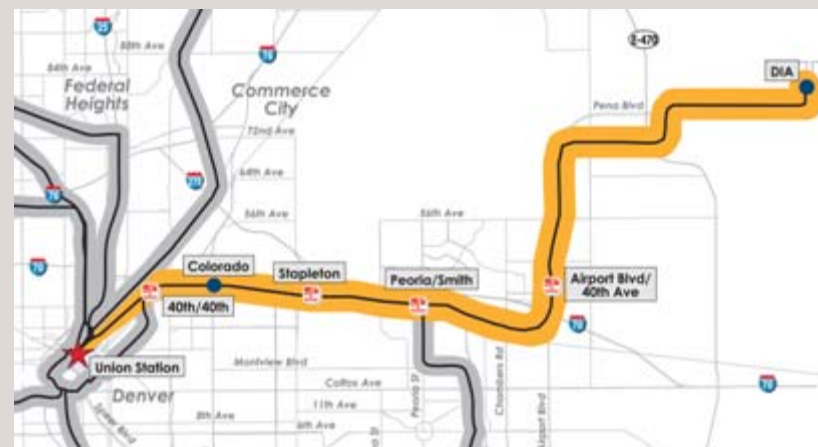
- **East Corridor**

- Links DUS with DIA
- 23.6 Miles, 6 stations

- **Gold Line**

- Extends from Wheat Ridge to DUS
- 11.2 miles, 7 stations

## East Corridor



## Gold Line

- Both lines use Electric Multiple Units
- Operation and maintenance of complete infrastructure will be by Concessionaire
- ~50 year concession period

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# Examples of P3 projects

## New Jersey, RiverLINE



- 34 mile DMU line with 20 stations
  - Serves 17 communities along Delaware River, between Trenton and Camden
  - Opened in 2004
  - DBOM financed entirely by the State
  - Operating period of 10 years at fixed price plus escalation
- ### Procurement Details
- Second transit DBOM in NJ
  - Procured outside FTA process – used all State funds
  - Procurement was for entire system, no financing
    - 5 bidders pre-qualified
    - 5 bids received, 4 included the same vehicle
  - Selection on a “best value” basis, price and other factors considered
    - Top ranked technical team, also lowest price
  - Selected bidder – Rail Group, a JV of Bechtel and Bombardier
    - 40% of work had to be subcontracted
    - Bombardier provided cars and perform all operations and maintenance

# Examples of P3 projects

## England, Manchester MetroLink



- Originally 19 mile light rail line
    - 4 mile extension in operation
    - 3 extensions adding 35 miles are in final planning
    - 3 more extensions are planned
  - Serves city center from north and south using ex-British Rail lines
  - Opened 1992
  - Construction financed by owner
  - 15 year operating concession with full revenue risk
- ### Procurement Details
- First transit DBOM in England, 1989
  - Procurement was for 19 mile system
  - Bid on “lowest net cost” plus other factors
    - DB price minus concession value
    - Allowed for negative concession values
  - Winning team was GEC Alstom (now Alstom)/Mowlem/AMEC/ GM Bus
  - Extension bid out and incumbent lost despite a “no-cost” proposal
    - Selected team offered a positive value for the right to construct extension

# Examples of P3 projects

## Sweden, Arlanda Airport Rail Link



- 26 mile commuter rail line
  - Connects Arlanda airport and downtown Stockholm
  - Opened in 1999
  - 45 year concession with full revenue risk
  - Dedicated trains running at 100 miles/hour
  - Special Purpose Vehicle formed by Government to be the Owner
- ### Procurement Details
- First transportation P3 in Sweden, 1994
  - Procurement was for entire system with significant financing objectives, allowed great flexibility in solution
    - Winning bid included underground stations at airport and 5 miles of tunnels
    - Losing bid was all at-grade
  - Selection was on “lowest cost” for responsive and responsible proposals
    - Winning bid included 60% private debt and equity, 22% subordinate government loan, 18% government grant
  - Selected bidder was Alstom/Mowlem/Siab/NCC/Vattenfall
  - Project has been refinanced and currently owned by Macquarie

For Additional Information Contact:

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