

US 36 EXPRESS LANES PROJECT

Westminster Recreation Center

February 12, 2014





Project Need

- Improve the condition of the highway
- Replace bridges that are in poor condition
- Provide congestion relief
- Expand mode of travel options
- Increase efficiency of transit service



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Project History

- From 2003-2009 U.S. 36 Environmental Impact Statement (EIS) conducted
 - EIS Developed the Preferred Alternative for improvements on the corridor
 - Stakeholder Involvement through Preferred Alternative Committee (21-member group of local governments, business and agencies)
- October 2009 Final EIS released for public review
 - Public Hearings November 2009
- December 2009 Record of Decision

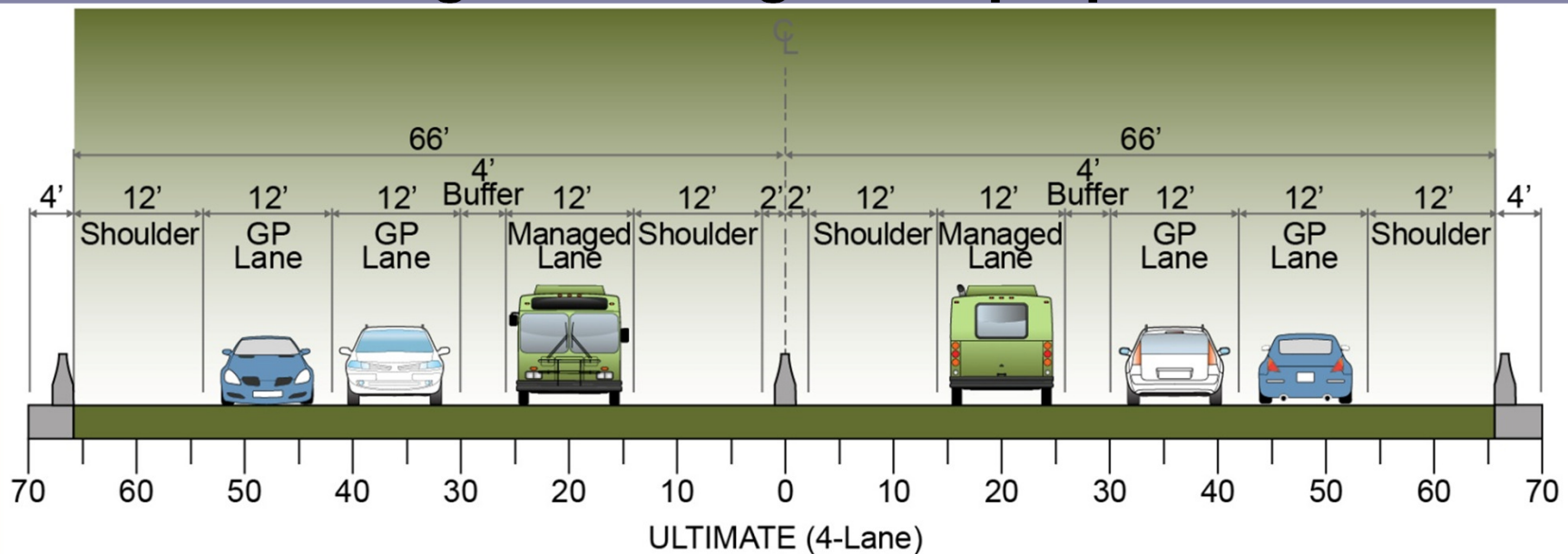


US 36 Preferred Alternative

- Multi-Modal Approach
- One buffer-separated managed lane in each direction
- Bus Rapid Transit (BRT)
- Replacement of Aging Infrastructure
- Commuter Bikeway
- Total Cost of Preferred Alternative: \$1.3 Billion

Express/Managed Lanes

- **New lane = reliable level of service for all vehicles including:**
 - Transit + HOV3 + Vehicles Willing to Pay
- **Alleviates congestion on general purpose lanes**



Partnering Agencies

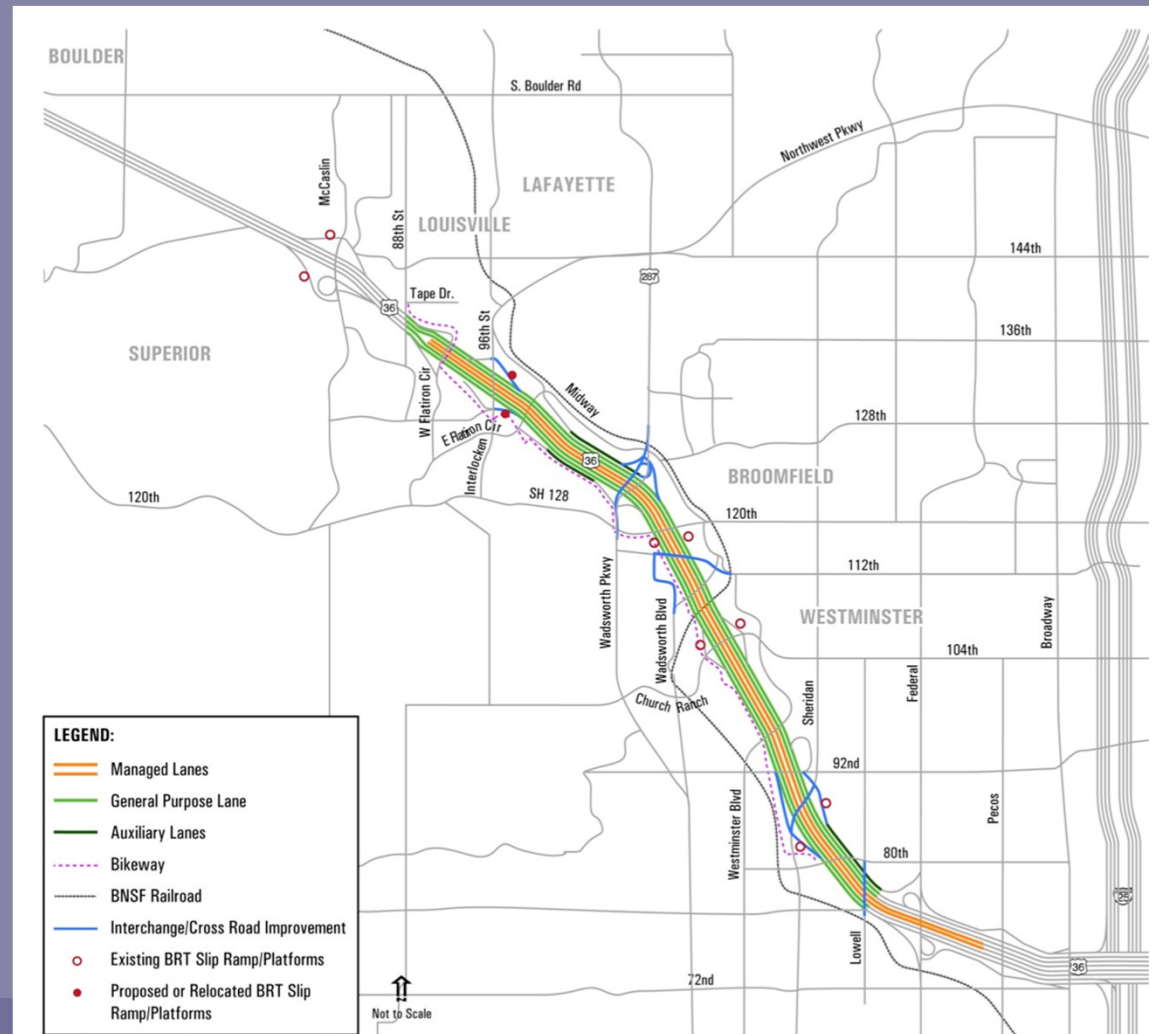


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Phase 1 Project Overview

- Added Express Lane between Federal and 88th
- BRT Improvements
- New Bridges at Wadsworth, Uptown, Sheridan, over Lowell and BNSF
- Widen East and West Flatiron and Promenade bridges
- New commuter bikeway





Phase 1 Project Schedule

- July 2012 – Construction began
- January 2013 – Began construction of bridges
- Fall/winter 2013 – Completion of major bridge construction
- Spring 2015 – Phase 1 Express Lanes open to public



Phase 1 Milestones to Date

- Temporary pavement
- Paving on eastbound
- Four new bridges at Wadsworth, Uptown, Lowell and Sheridan
- Drainage & new noise walls

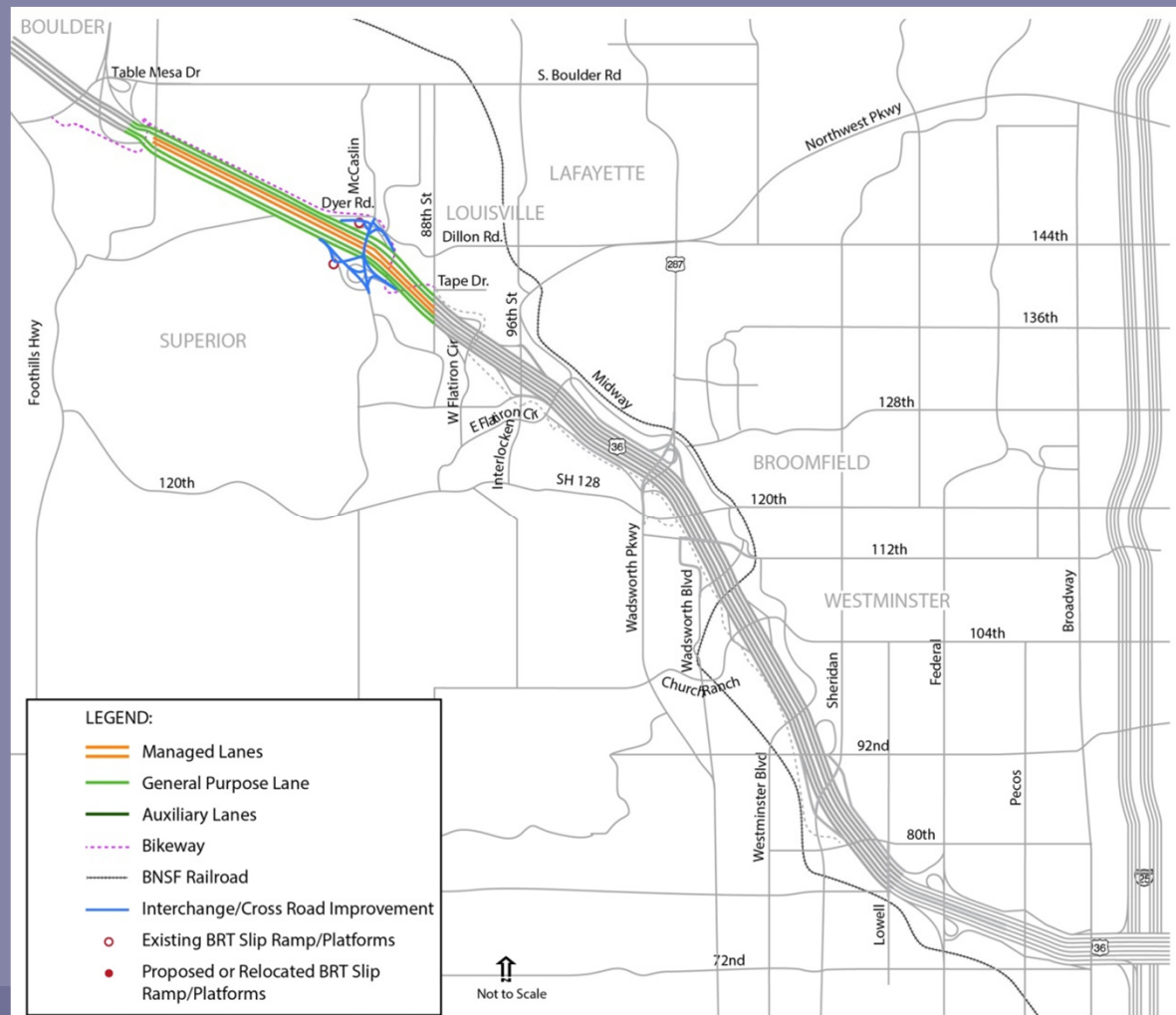


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Phase 2 Project Overview

- Extends the US 36 Express Lanes Project 5 miles to Table Mesa
- Replacement or Rehabilitation of Coal Creek and South Boulder Creek Bridge
- Widen McCaslin Bridge to accommodate diverging diamond interchange
- BRT Improvements
- Commuter bikeway



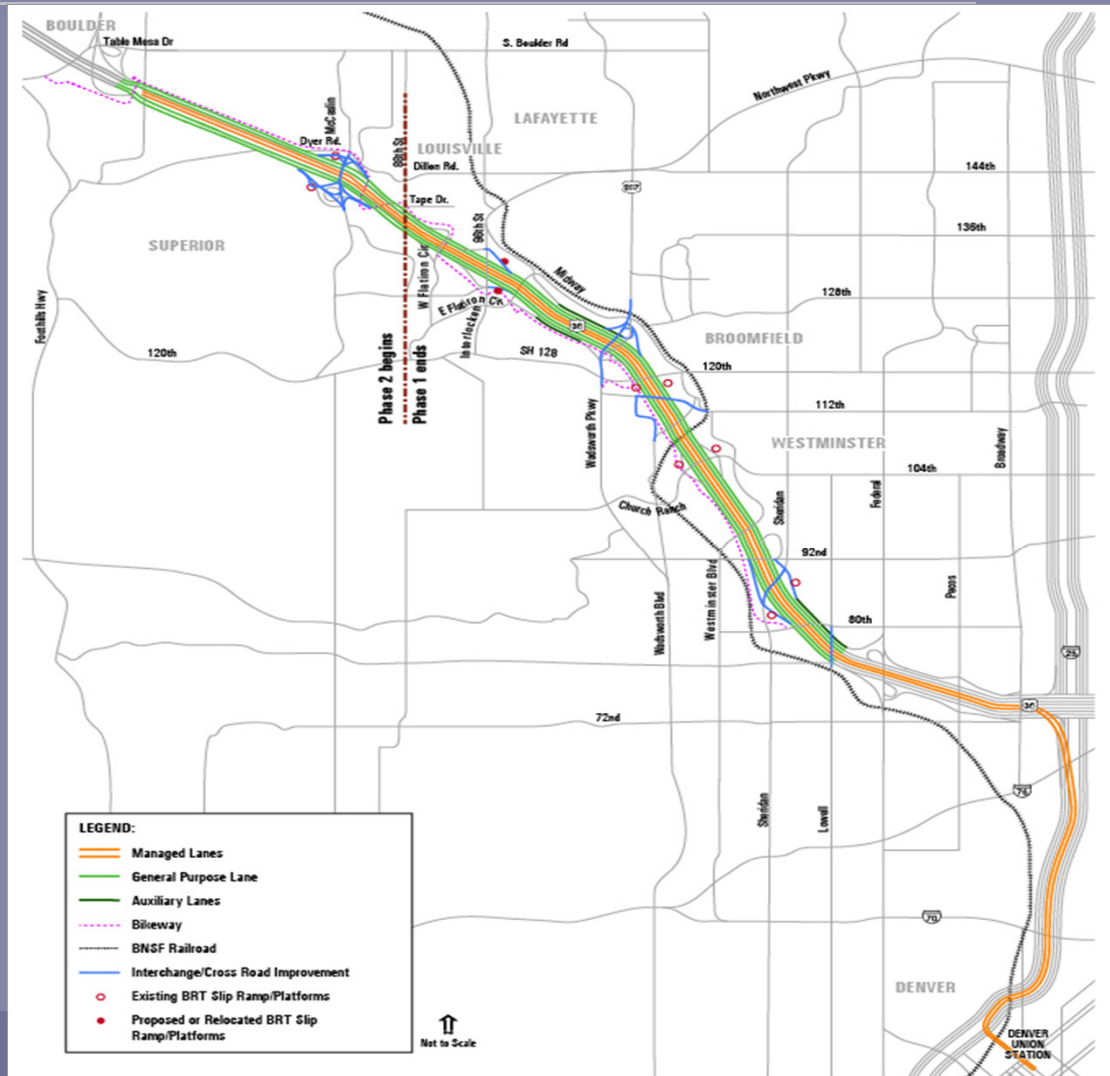


Phase 2 Project Overview

- Public Private Partnership (P3) with Plenary Roads Denver which consists of:
 - Ames Construction, Inc. – construction
 - Granite Construction – construction
 - HDR – engineering design
 - Transfield Services – maintenance
 - Goldman Sachs – financial advisor
- P3 reimbursed through toll revenues and public sector construction payments

Phase 2 Project Overview

- The Plenary Group was selected in April to:
 - Design, build & finance Phase 2
 - Operate & maintain for 50 years:
 - US 36 Phase 1 & 2 Express & GP Lanes
 - I-25 Express Lanes





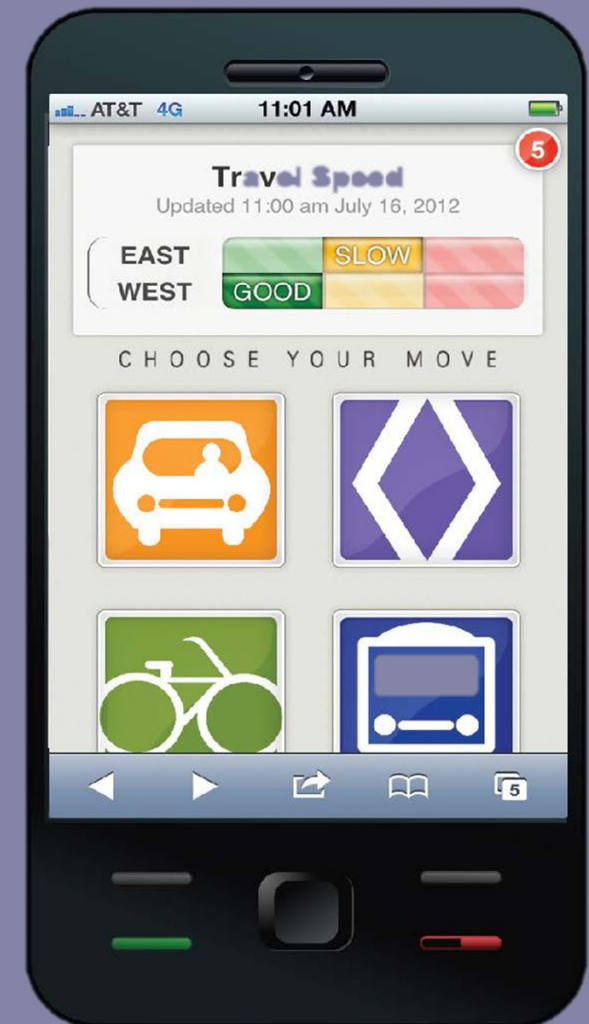
Phase 2 Schedule

- Commercial close of contract – June 2013
- Financial close of contract – early 2014
- Begin construction – early 2014
- Open for toll collection – late 2015/early 2016



US 36 Express Lanes Project Contact Information

- Project hotline: 303-404-7042
- Project website:
www.us36expresslanes.com
- Mobile web address:
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US 36 EXPRESS LANES PROJECT Public Private Partnership





HPTE

- High Performance Transportation Enterprise
- Created by FASTER legislation in 2009
- Goal to seek innovative financing and delivery methods to accelerate much needed projects

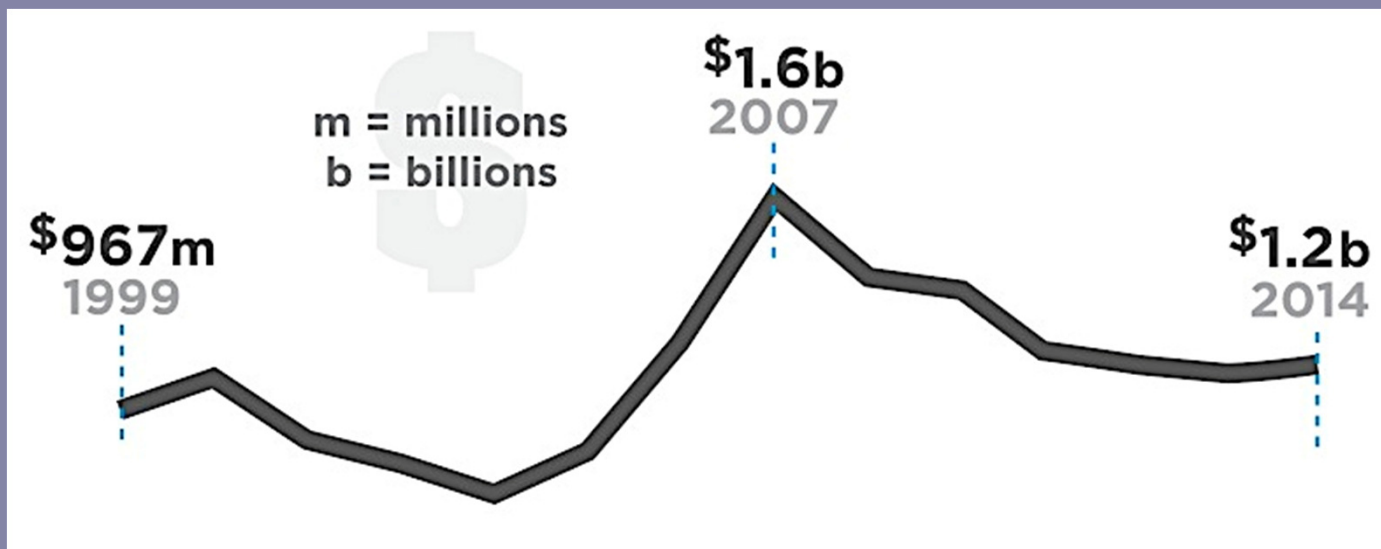


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WHY?

CDOT REVENUES



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WHY?

**AT CURRENT FUNDING LEVELS
CDOT MUST FOCUS ON
MAINTAINING ASSETS.
THERE'S NO \$
TO EXPAND
FOR THE
FUTURE.**

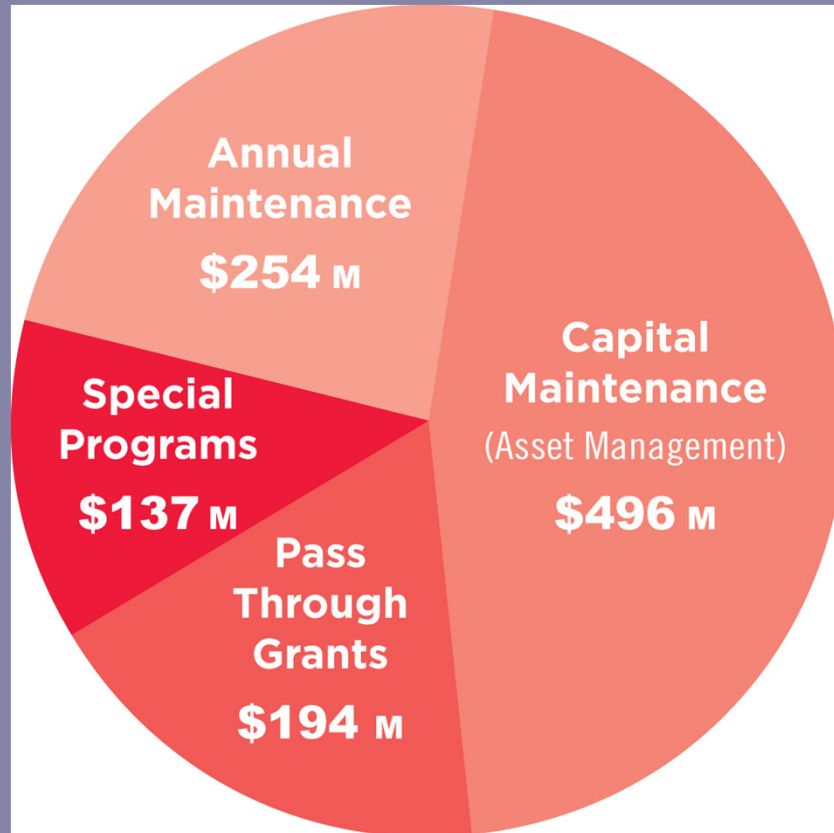


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2014 COLORADO DEPARTMENT OF TRANSPORTATION EXPENDITURES



TOTAL \$
1.08 billion

Public private partnership (P3)



- Contract between public agency and private sector
- Provides private financing and delivery of transportation projects

Why P3 on US 36?

- Accelerates construction by 20 years
 - Project otherwise wouldn't have been completed until 2035
- Delivers Project with lowest upfront public subsidy
 - 2/3 construction cost borne by private sector



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Why P3 on US 36

- **Minimizes risk to the public sector**
 - Transfers construction cost risks to private sector
 - Transfers operating and maintenance risks to private sector
 - Transfers rehabilitation and reconstruction risks to private sector
 - Transfers revenue risk to private sector

Phase 1 & 2 Project Funding

US 36 Phase 1 and 2 Funding Sources

	Phase 1	Phase 2	Total
RTD	\$124,000,000	\$18,500,000	\$142,500,000
DRCOG	\$46,600,000	\$15,000,000	\$61,600,000
CDOT (including Bridge Enterprise)	\$77,700,000	\$15,000,000	\$92,700,000
HPTE (including TIGER Grant)	\$10,000,000	-	\$10,000,000
Plenary Debt & Equity (including TIFIA 1 & 2)	\$54,000,000	\$120,000,000	\$174,000,000
Local Government	\$5,600,000	\$11,000,000	\$16,600,000
Total	\$317,900,000	\$179,500,000	\$497,400,000

What the Contract Does & Doesn't Do

DOES	DOESN'T
Does allow concessionaire to conduct US 36 roadway operations and maintenance	Doesn't sell or turn ownership of road over to a private company
Does outline that only one <u>new</u> lane in each direction on US 36 will be tolled	Doesn't allow the concessionaire to toll ALL lanes on US 36 (<u>existing lanes remain free</u>)
Does require a public, governor-appointed board to approve all toll rates	Doesn't allow the concessionaire to set whatever tolls they want
Does only apply to US 36 construction and US 36 & I-25 toll revenue collection	Doesn't enact public private partnerships for other corridors
Does transfer the risk of paying back debt to build project to concessionaire	Doesn't require taxpayers to be responsible if revenue is less than projected
Does allow CDOT to make continued transportation improvements on adjacent corridors	Doesn't prohibit the State, RTD or local governments from improving transportation in the area for 50 years

What the Contract Does & Doesn't Do

DOES	DOESN'T
Does identify who can use the lane: BRT, HOV & SOV drivers willing to pay a toll	Doesn't allow the concessionaire to set the policy on what qualifies as HOV
Does tie toll rates to congestion measures	Doesn't allow the concessionaire to set the toll rates without limits. Tolls are likely to be closer to \$5 to \$6
Does outline the service standards for maintenance and operations with penalties if they don't meet them	Doesn't let the concessionaire slip under the radar for performance
Does require that concessionaire maintenance employees be paid the same as state employees	Doesn't result in ANY state employees losing their jobs (they will be shifted to other areas) or pay reduction
Does include a process to amend or get out of the contract	Doesn't prevent the state from adjusting the contract if necessary

QUESTIONS

