

# US 36 EXPRESS LANES PROJECT Louisville February 13, 2014





# Agenda

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- CDOT Presentation (20 min)
- Q & A



# Project Need

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- 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



# US 36 Project Phase 1 & 2

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- **Multi-Modal Approach**
- **One buffer-separated managed lane in each direction from Federal to Table Mesa**
- **Bus Rapid Transit (BRT)**
- **Replacement of Aging Infrastructure**
- **Commuter Bikeway**



## Why P3 on US 36?

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- 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



## Why P3 on US 36?

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



## Why P3 on US 36?

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- Transfers rehabilitation and reconstruction risks to private sector
- Transfers revenue risk to private sector



# What the Contract Does & Doesn't Do

<b>DOES</b>	<b>DOESN'T</b>
<b>Does allow concessionaire to conduct US 36 roadway operations and maintenance</b>	<b>Doesn't sell or turn ownership of road over to a private company</b>



# What the Contract Does & Doesn't Do

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## DOES

Does outline that only one new lane in each direction on US 36 will be tolled

## DOESN'T

Doesn't allow the concessionaire to toll ALL lanes on US 36 (existing lanes remain free)



# What the Contract Does & Doesn't Do

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<b>DOES</b>	<b>DOESN'T</b>
<b>Does require a public, governor-appointed board to approve all toll rates</b>	<b>Doesn't allow the concessionaire to set whatever tolls</b>



# What the Contract Does & Doesn't Do

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<b>DOES</b>	<b>DOESN'T</b>
<b>Does only apply to US 36 construction and US 36 &amp; I-25 toll revenue collection</b>	<b>Doesn't enact public private partnerships for other corridors</b>



# What the Contract Does & Doesn't Do

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<b>DOES</b>	<b>DOESN'T</b>
<b>Does transfer the risk of paying back debt to build project to concessionaire</b>	<b>Doesn't require taxpayers to be responsible if revenue is less than projected</b>



# What the Contract Does & Doesn't Do

<b>DOES</b>	<b>DOESN'T</b>
<b>Does allow CDOT to make continued transportation improvements on adjacent corridors</b>	<b>Doesn't prohibit the State, RTD or local governments from improving transportation in the area for 50 years</b>



# What the Contract Does & Doesn't Do

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<b>DOES</b>	<b>DOESN'T</b>
<b>Does identify who can use the lane: BRT, HOV &amp; SOV drivers willing to pay a toll</b>	<b>Doesn't allow the concessionaire to set the policy on what qualifies as HOV</b>



# What the Contract Does & Doesn't Do

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## DOES

**Does tie toll rates to congestion measures**

## DOESN'T

**Doesn't allow the concessionaire to set the toll rates without limits. Tolls are likely to be closer to \$5 to \$6**



# What the Contract Does & Doesn't Do

<b>DOES</b>	<b>DOESN'T</b>
<b>Does outline the service standards for maintenance and operations with penalties if they don't meet them</b>	<b>Doesn't let the concessionaire slip under the radar for performance</b>



# What the Contract Does & Doesn't Do

<b>DOES</b>	<b>DOESN'T</b>
<b>Does require that concessionaire maintenance employees be paid the same as state employees</b>	<b>Doesn't result in ANY state employees losing their jobs (they will be shifted to other areas) or pay reduction</b>



# What the Contract Does & Doesn't Do

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<b>DOES</b>	<b>DOESN'T</b>
<b>Does include a process to amend or get out of the contract</b>	<b>Doesn't prevent the state from adjusting the contract if necessary</b>



- Why didn't you hear of this earlier?
- Why hasn't CDOT released the full contract?

# QUESTIONS



# Phase 1 & 2 Project Funding

## US 36 Phase 1 and 2 Funding Sources

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