

**Transportation and Infrastructure Summit
August, 2011**

Public-Private Partnership Opportunities in California

LA Metro's Public-Private Partnership Program

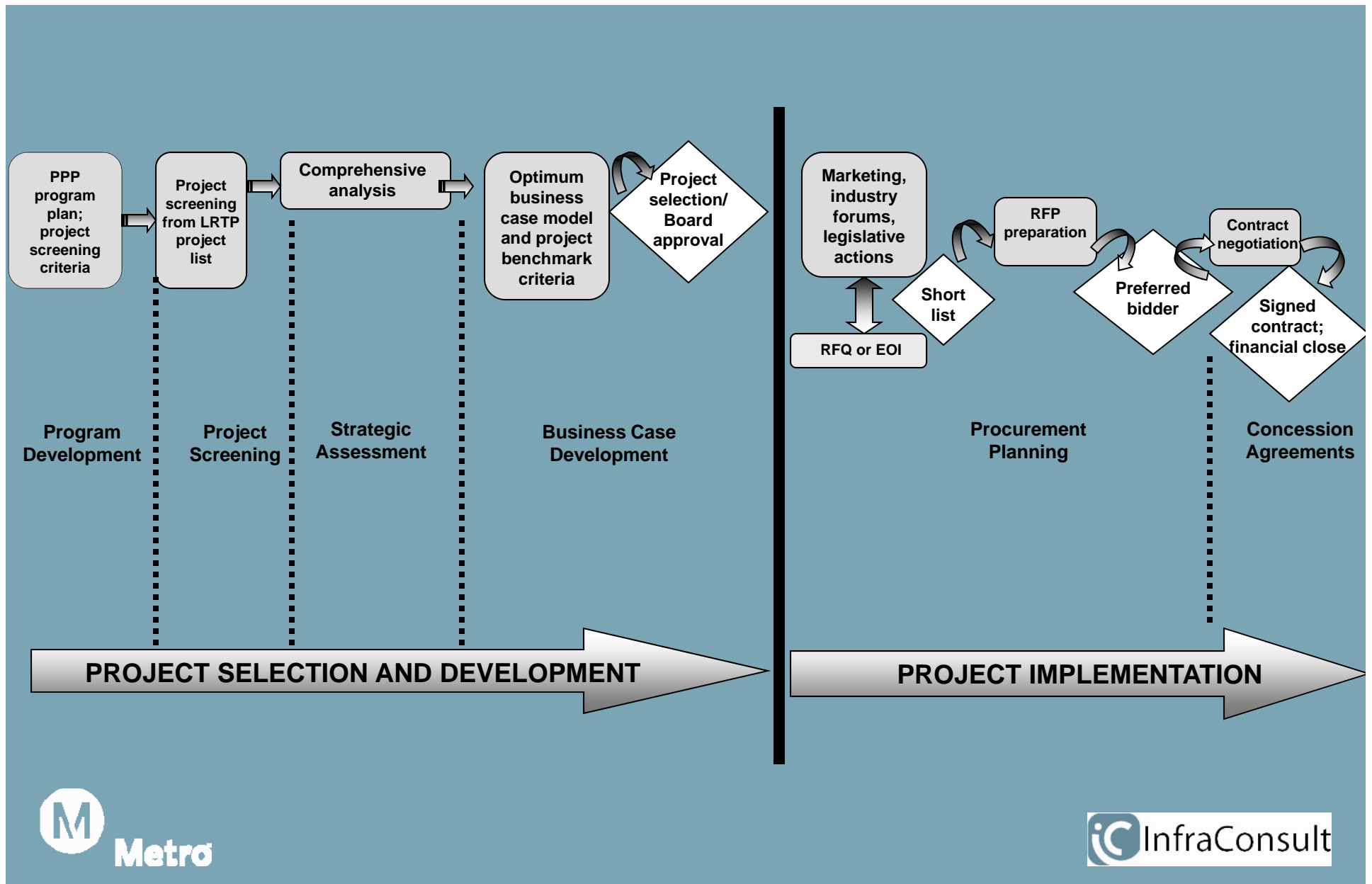
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InfraConsult LLC**



Public-Private Partnerships: Focus on Life-Cycle Costs and Revenues

- **Achieve accelerated project delivery**
 - Project activities in “parallel”
- **Insure project quality throughout life cycle**
 - Private financial participation (“skin in the game”)
- **Reduce risks**
 - Eliminate/lessen risk of project cost overruns/change orders
 - Reduce public sector risks by strengthening project interfaces
- **Achieve cost savings**
 - Operations - performance-related concessions and system availability-based contracting
 - Capital - design and construction efficiencies
- **Enhance cash flows**
 - Private financing mechanisms
 - Leverage Measure R revenues and other public funding sources
- **Utilize new funding sources**
 - Value creation and user revenue streams (e.g., transit-oriented development, road tolls)
 - Federal funding sources

Public-Private Partnership Program: Programmatic Approach to Project Delivery

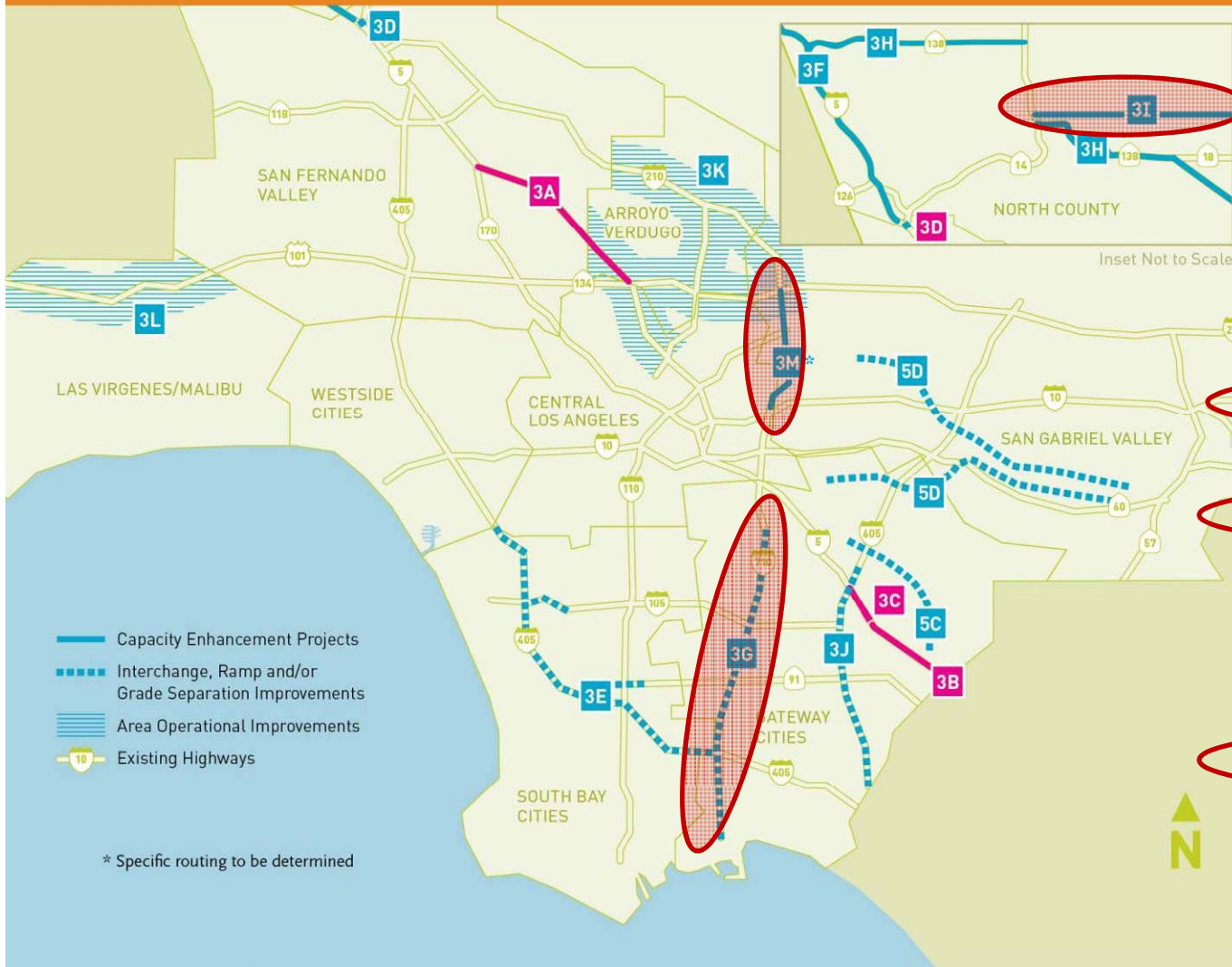


Measure R Transit Projects



Measure R Highway Projects

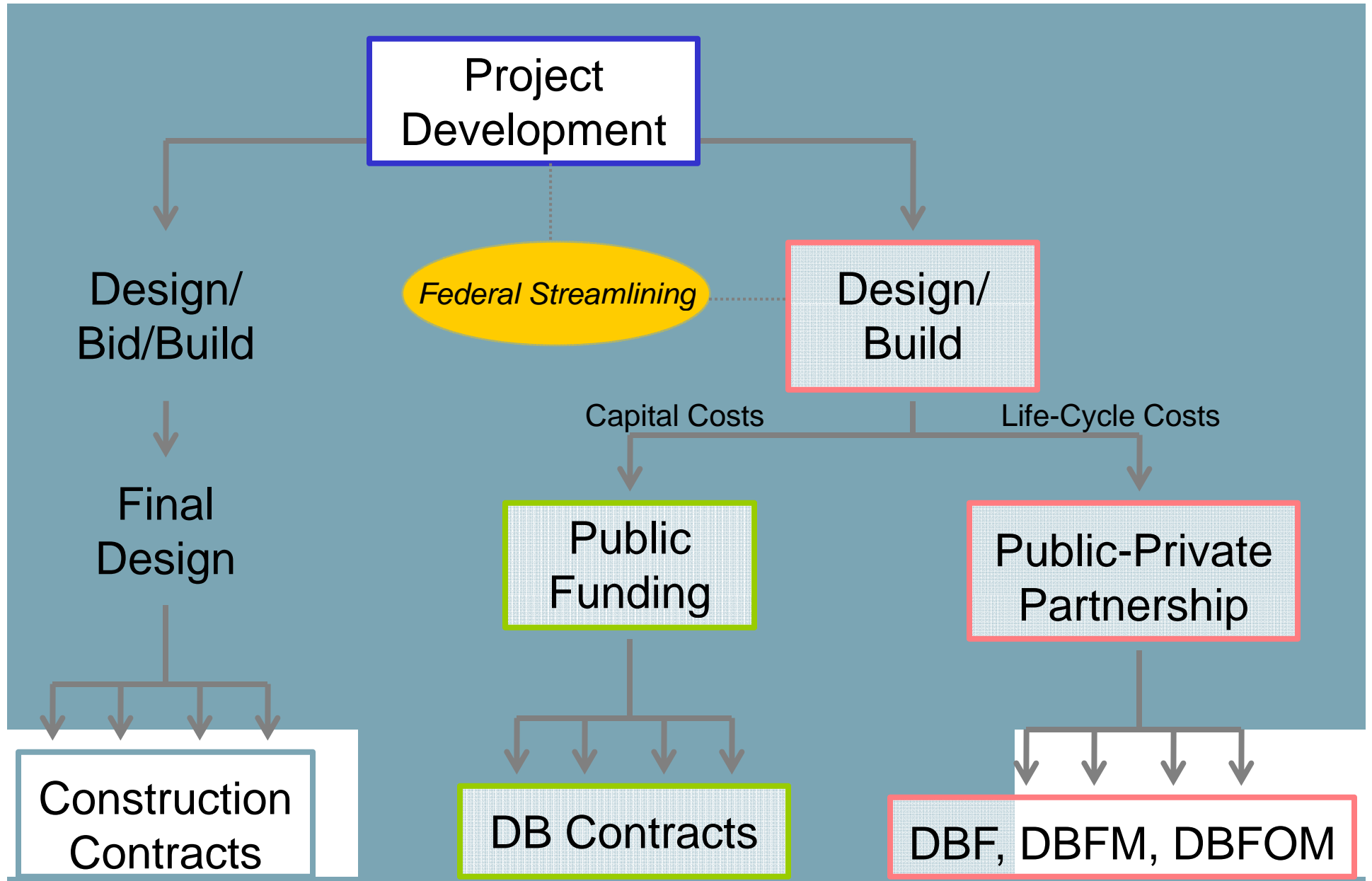
MEASURE R Proposed Highway Improvements



Project Name

- 3A** I-5 Capacity Enhancement: SR-134 to SR-170
 - 3B** I-5 Capacity Enhancement: I-605 to Orange County Line
 - 3C** I-5/Carmenita Rd Interchange Improvement
 - 3D** I-5/SR-14 Capacity Enhancement
 - 3E** I-405, I-110, I-105 and SR-91 Ramp and Interchange Improvements: South Bay
 - 3F** I-5 North Capacity Enhancements: SR-14 to Kern County Line (Truck Lanes)
 - 3G** I-710 South and/or Early Action Projects
 - 3H** SR-138 Capacity Enhancements
 - 3I** High Desert Corridor (environmental)
 - 3J** I-605 Corridor "Hot Spot" Interchanges
 - 3K** Highway Operational Improvements in Arroyo Verdugo Subregion
 - 3L** Highway Operational Improvements in Las Virgenes and Malibu Subregion
 - 3M** SR-710 North Gap Closure*
 - 5C** BNSF Grade Separations
 - 5D** Alameda Corridor East Grade Separations Phase II
- Projects under study for alternative project delivery are circled in red.

Project Delivery Decision Process

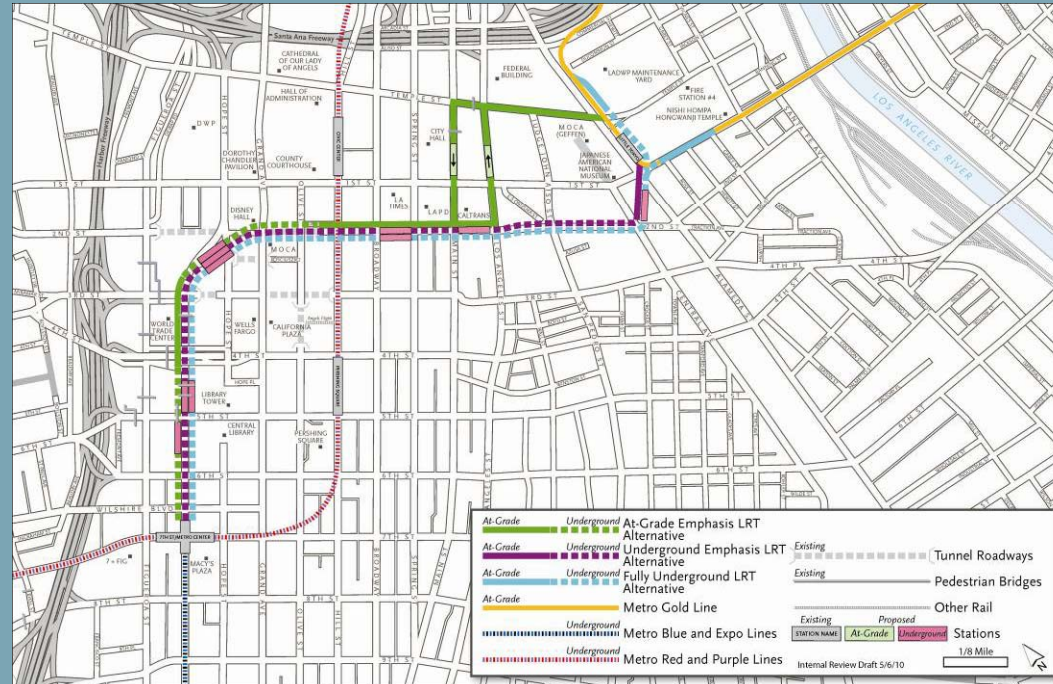


Crenshaw/LAX Transit Corridor

- 8.5 miles light rail from Metro Green Line to Expo Line
- Potentially linking LAX airport to existing and planned rail lines
- Six stations, two optional stations
- Alignment (at-grade, with grade separations)
- Environmental complete Spring 2011
- Planned opening date, 2018
- *Measure R: \$1.2 billion*

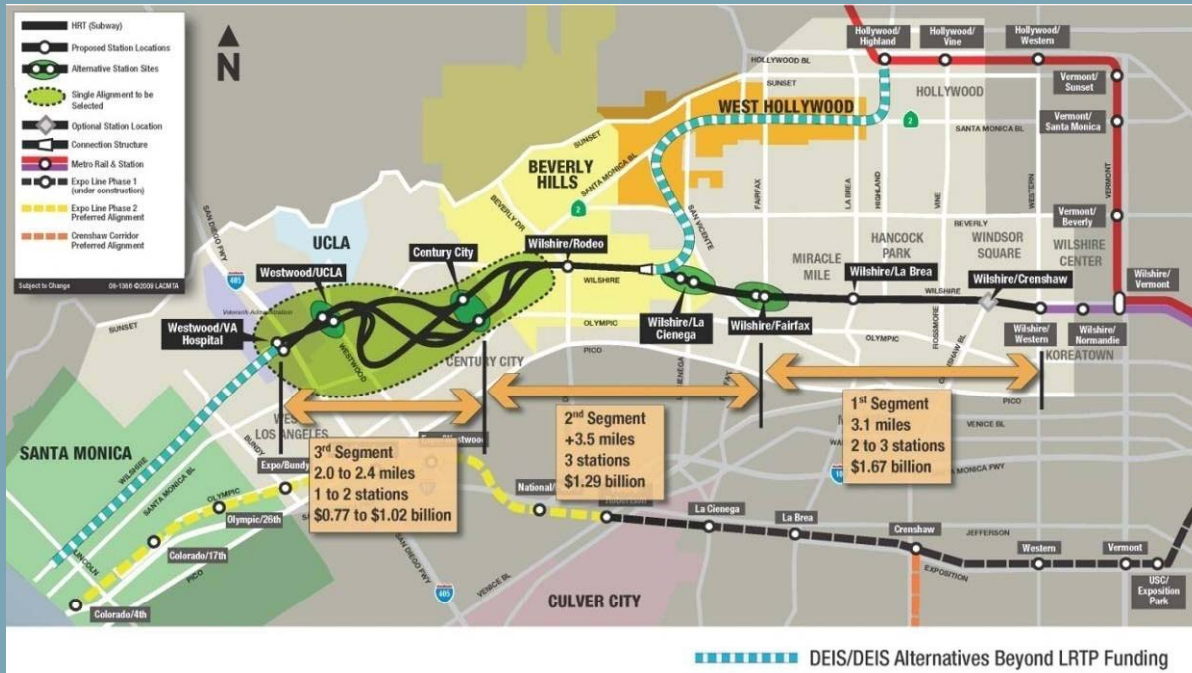


Regional Connector Transit Corridor



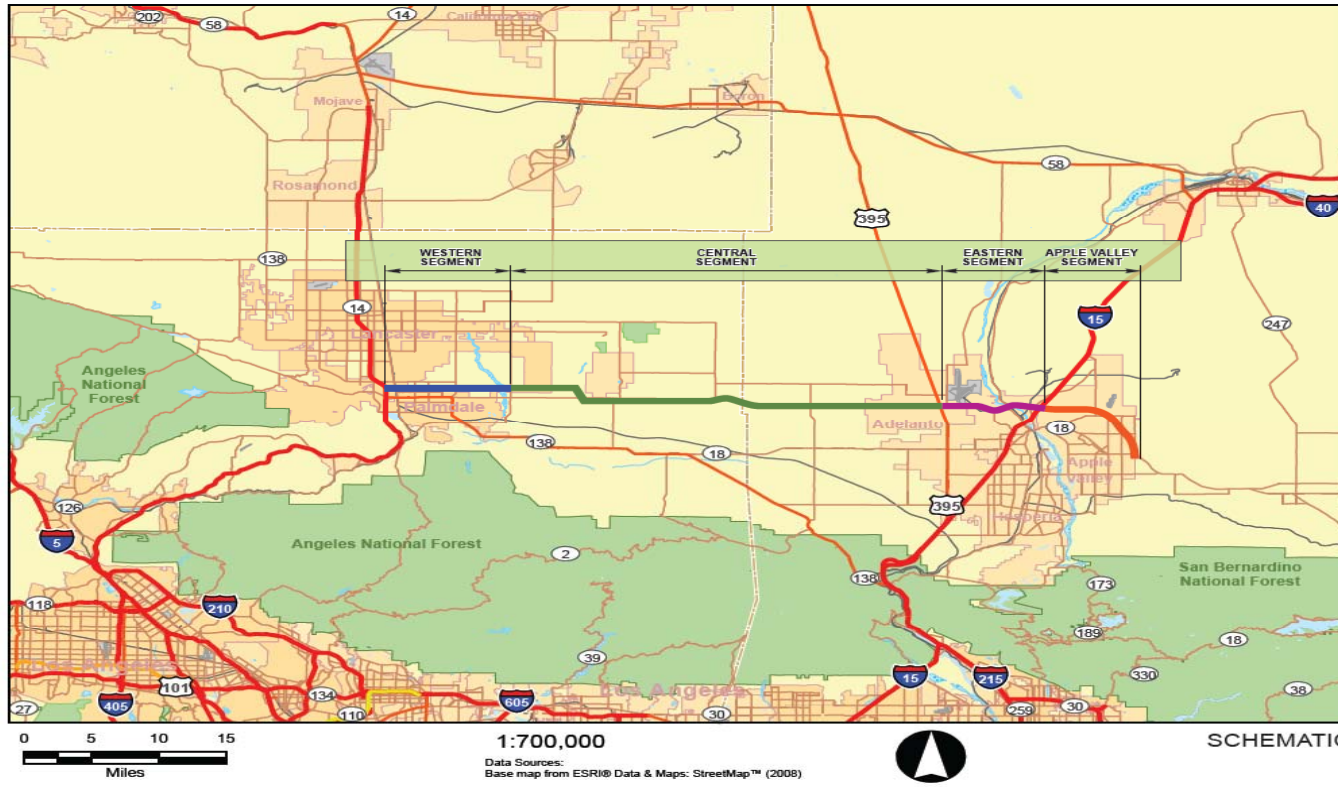
- 1.8 miles of light rail connecting regional commuter rail, Amtrak and light rail and subway lines in downtown LA
- One of two projects seeking federal “New Starts” funds
- Environmental complete Fall 2011
- Scheduled to open 2019
- *Measure R: \$160 Million*

Westside Subway Extension



- 8.5 miles of heavy rail subway extending Metro Rail's Purple Line
- One of two projects seeking federal "New Starts" funds
- Environmental complete Fall 2011
- First phase to open 2019
- **Measure R: \$4.2 Billion**

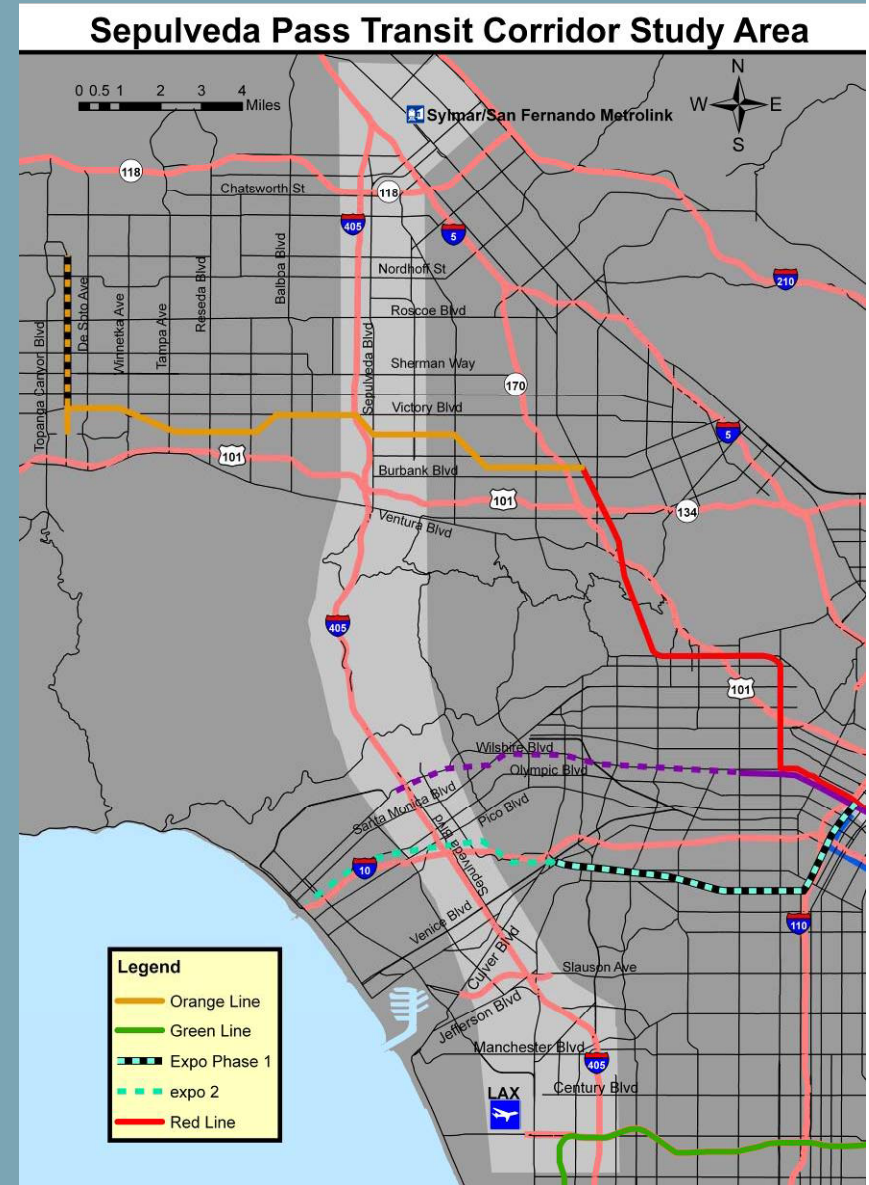
High Desert Corridor



- 63-mile east west corridor from SR-14 to I-15
- Central Segment Toll Road
- Board approved Partnership Agreement, April 2010
- Caltrans lead for environmental clearance, scheduled Spring 2013
- *Measure R: \$33 million (environmental)*

Sepulveda Pass Transit Corridor (New)

- Transit connection between the San Fernando Valley and Westside
- Preparing private sector Request for Information/Qualifications to focus environmental
- *Measure R: \$1.0 billion (2008\$)*



Next Steps

- **Conduct industry review and outreach**
- **Work with design teams to facilitate development of project delivery**
- **Coordinate with USDOT and administrators to encourage project streamlining options i.e., “SEP-15” (FHWA) and “Penta-P” (FTA)**
- **Develop procurement and concession planning processes and materials**
- **Complete initial business plans by fall 2011**

PPP Mythology

- *Since there is no public entity willing to support project funding, the private sector will “step up.”*
- *Financing is not the same as funding.*
- *“Just get the government out of the way and let the private sector do it...”*
- *TIFIA, private activity bonds, infrastructure banks, etc., loan money. At some point, loans need to be repaid.*
- *The private sector always does it better.*
- *“No bucks – no Buck Rogers!”*