

P3 Design & Construction

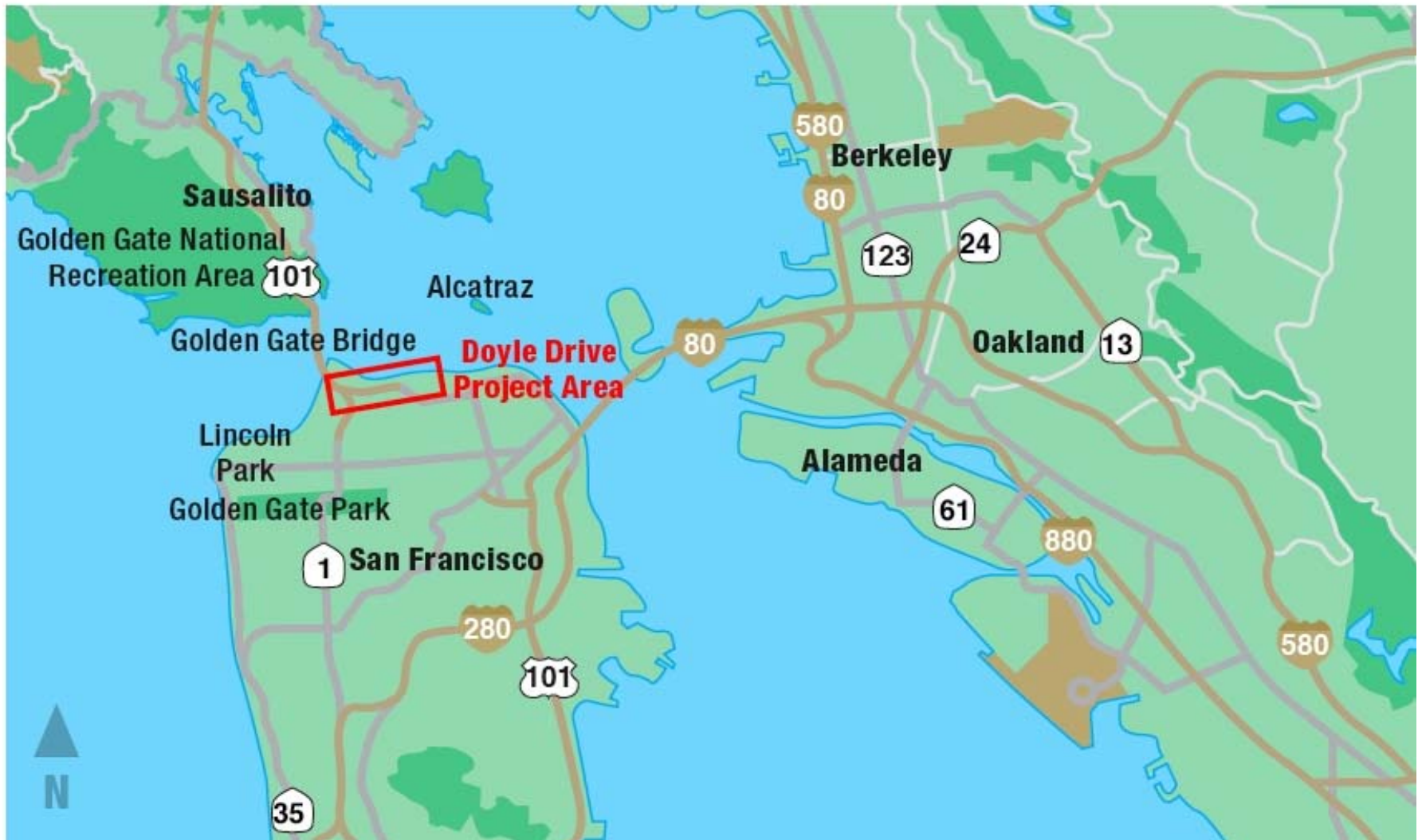


CMAA P3 Conference
Jim Bourgart
September 27, 2012

**PARSONS
BRINCKERHOFF**



Location Map



Presidio Parkway



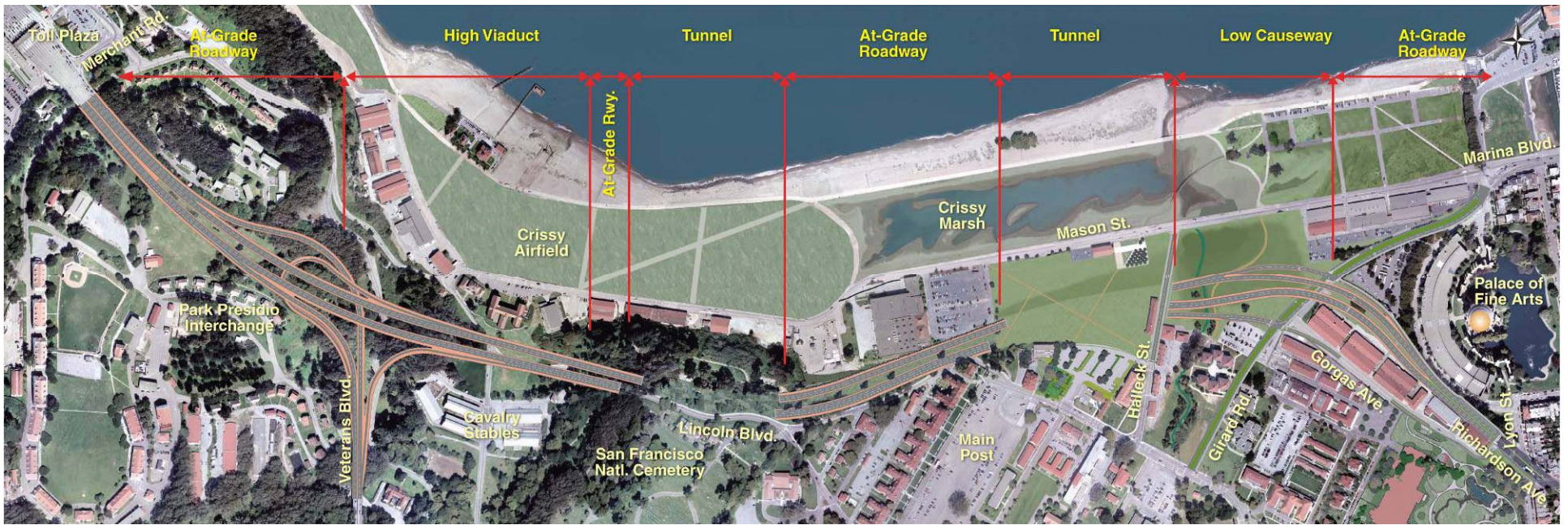
- Built in 1936, 1.5 miles connecting San Francisco/Peninsula with Golden Gate Bridge & North Bay; mostly on structure
- 2 substandard lanes in each direction, “soft” barrier separates directional traffic
- 144,000 vehicles per day
- Damaged in 1989 earthquake, retrofit and rehab since
- Need for permanent replacement

Project Needs Span Safety, Financial, and Mobility

- Replacement is Urgently Needed
 - Seismically challenged
 - Physically deteriorated – 5th worst US bridge (1993)
 - Problematic safety record
- Potential Impacts of Closure
 - Economic costs: \$420M / year
 - Traffic diverted to other bridges
 - \$100M / year higher transit subsidies



Parkway Design



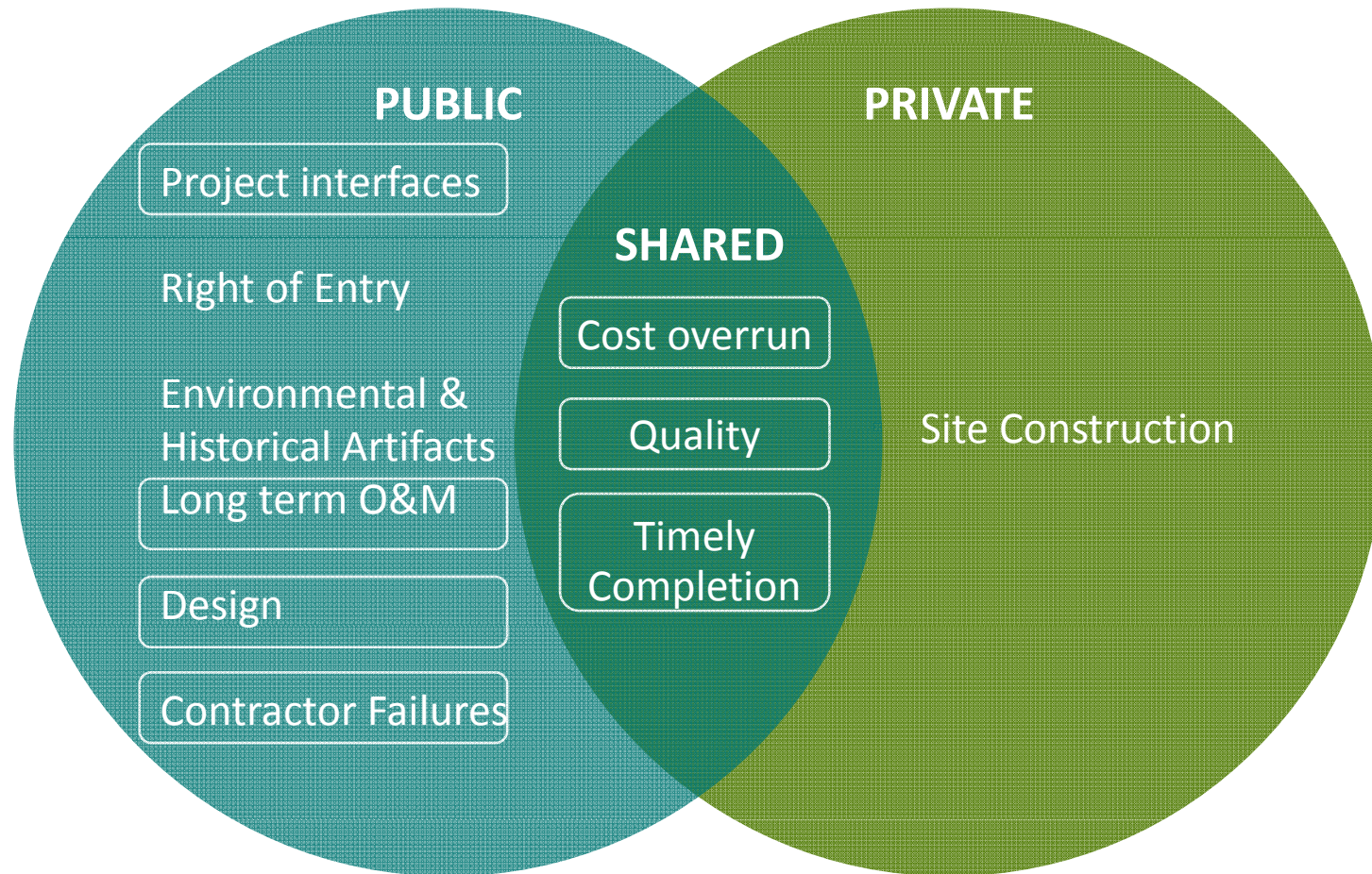
- ▶ Replace deficient facility
- ▶ Wide landscaped median
- ▶ Continuous shoulders
- ▶ Two new tunnels
- ▶ New direct access to Presidio

Why Presidio Parkway as a Public Private Partnership (P3)?

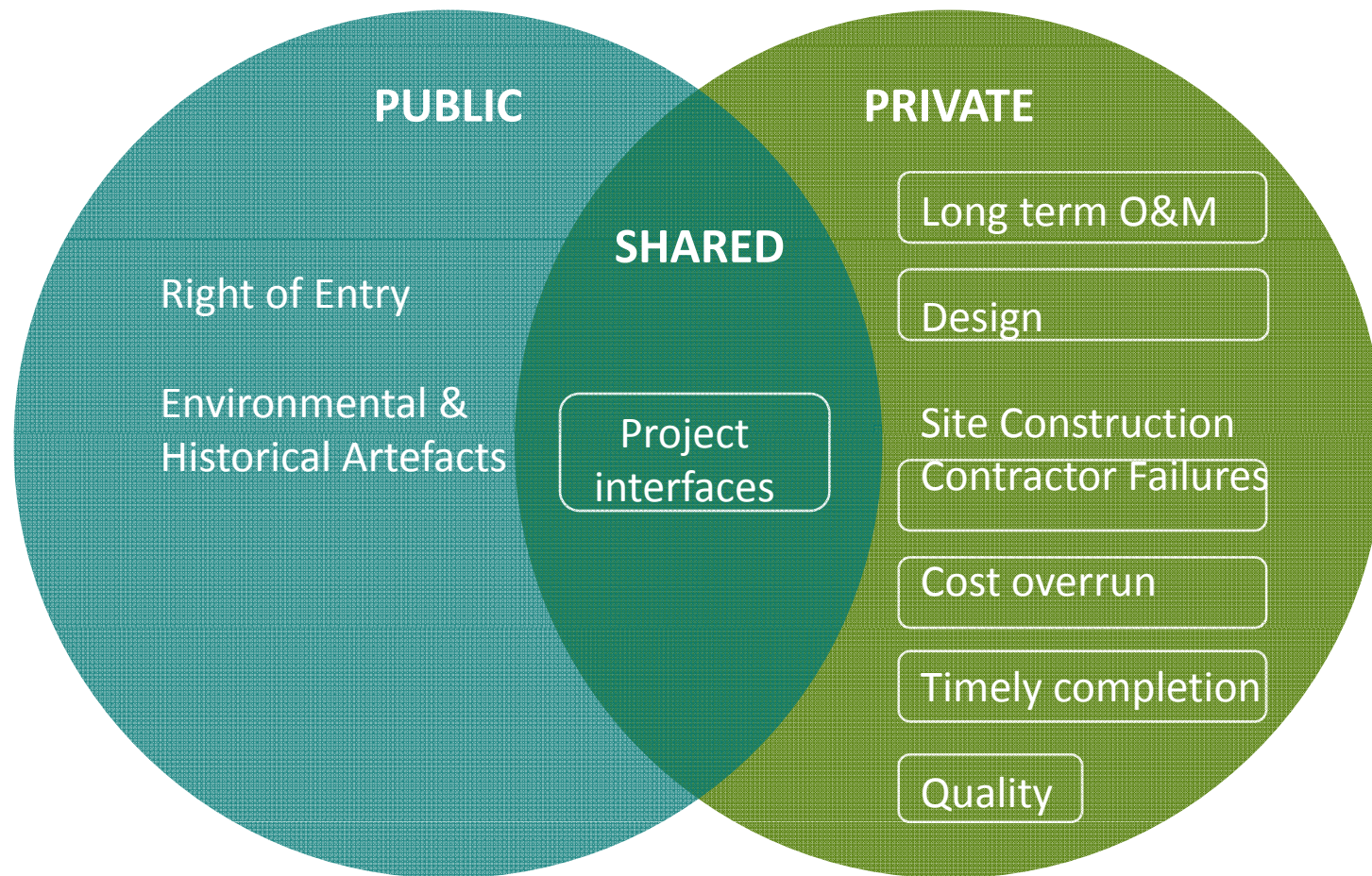


- Lower lifecycle cost and better cost certainty
 - ▶ Better schedule certainty
 - ▶ Better product; asset guaranteed to be well maintained & operated throughout concession
 - ▶ Project funding challenges
- State funds freed up now for other projects

Risk Sharing: Traditional DBB



Risk Sharing: P3



PB: Owner's Rep Roles (1)



- Prepared environmental document (1999-2008)
- JV w/Arup for final design (2007)
- Passage of P3 legislation (2009)
- Decision by SFCTA and State of California to undertake P3 using availability payment for Phase 2 of project (2009)
- Plan & develop P3 (2010), working with SFCTA & Caltrans

PB: Owner's Rep Roles (2)



- Work with Caltrans & SFCTA to develop:
 - Business case, demonstrate value for money
 - Calif. Transportation Commission approval
 - Technical specifications and documentation
 - Performance requirements, capital & O&M
- Assist procurement with:
 - Contract documents
 - Proposal evaluation
 - Negotiation of final terms

P3 Steps & Timeline



- Industry review: July 2009
- SOQs submitted: March 2010
- RFP issued: July 2010
- Proposals submitted: Sept/October 2010
- Selection of Golden Link Partners, LLC: Oct 2010
- Commercial close: Jan 2011
- Financial close: June 2012
- Phase 1 construction essentially completed (traditional DBB): April 2012

Factors to Consider



- Project phase
- Balance between technical and financial criteria for proposal evaluations
- Pace of procurement: Allow enough time to fully complete engineering/financial investigations and contract documents
- Full understanding of third-party stakeholders

Why P3? Why Here?



- Near-term funding infusion
- Competition
- Delivery incentive
- Price certainty
- Transfer of risk
- Lifecycle cost included
- Additional expertise
- New tool in the toolkit