

PARSONS

Contractor View of PPP Structure

Bill Phillips



Who is Parsons

PARSONS

- Designer
- Contractors
- Developer
- Solutions Provider
 - Transportation
 - Federal Works
 - Water
 - Commercial

Batman Refinery 1952

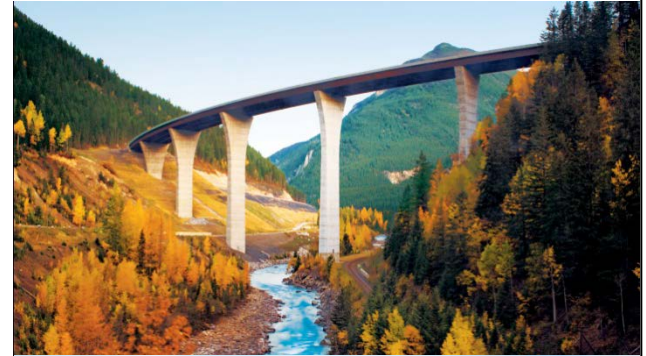
Izmir-Aydin Motorway 1988

Bosphorus Suspension Bridges Rehabilitation 2011
(Fatih Sultan Mehmet and Bogazici Bridges)

Parsons PPP Projects

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- Kicking Horse Canyon - British Columbia
2005 \$125 M DBFOM Availability
- Northeast Stoney Trail - Alberta
2007 \$380 M DBFOM Availability
- Autoroute A25 - Quebec
2007 \$355 M DBFOM Toll + Availability
- Northwest Anthony Henday Drive - Alberta
2008 \$1,170 M DBFOM Availability
- 40% Success Rate



PPP Toolbox

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- Design - Build DB
- Operations and Maintenance O&M
- Finance - Development

- Design - Build - Operate & Maintain DBOM
- Design – Build - Finance DBF
- Design-Build-Finance-Maintain DBFM
- Design - Build – Finance - Operate & Maintain DBFOM
- Design – Build – Operate - Transfer DBOT
- Design – Build – Operate - Own DBOO

PPP Toolbox

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- Greenfield - New Capacity
- Brownfield - Monetizing Asset

- Developer Lead Team
- Contractor Lead Team

PPP Toolbox

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- Tolling – Shadow Tolls
- Availability Payment
- Progress Payments
- Combinations of Above
- Length of Term

USA History of PPPs

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- Philadelphia and Lancaster Turnpike 1792
73 Miles 1st long distance paved road in USA
Tolls were collected until 1917 when bought by DOT becoming part of US 30
- Transcontinental Railroad 1863-1869
1777 Miles Council Bluffs, Nebraska to Sacramento, California
Payment: \$16,000 to \$48,000 per mile plus
400 ft ROW plus 10 sq miles for every mile built
\$\$ Payment in Bonds that had to be repaid with interest

Keys to Contractor Interest

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- Consistent and Proven Documents –RFQ, RFP, Contract
- Appropriate Risk Allocation
- Realistic Project Goals, Scope, Budget, Funding
- Staff have Decision Making Authority
- Clear Selection Criteria
- Encourage Innovation in Technical and Financial Approach

Keys to Contractor Interest

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- Commitment to Meet Schedules
- Strong Government Support for Process
- Market Transparency
- Fairness Auditor Oversight
- Proactive Involvement of Financing Community
- Sustainable Pipeline of Projects

Risk Allocation

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- Traffic Forecast
- Right of Way
- Environmental – Permitting
- Utilities
- Archeological
- Authority to Contract – Legal Challenges
- Funding Sources

Thank You

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- Questions?