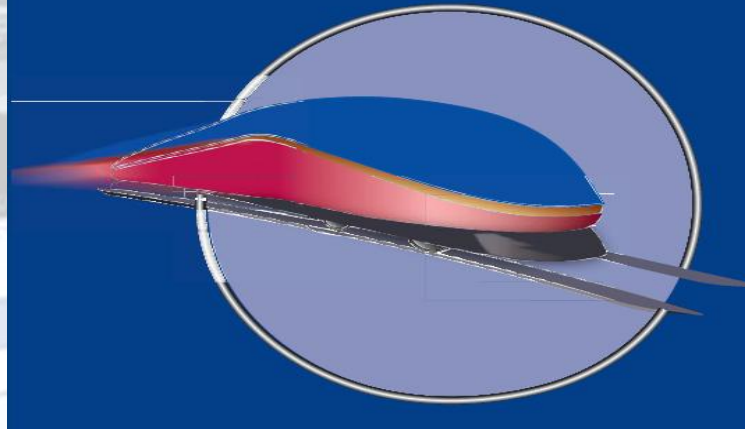




FLORIDA HIGH SPEED RAIL INDUSTRY FORUM

Vision For
HIGH-SPEED RAIL
In America



Orlando, FL
December 2, 2009

FLORIDA HIGH SPEED RAIL



WELCOME

- REVIEW AGENDA
- WELCOME ELECTED OFFICIALS
- PURPOSE OF FORUM:
 - RECEIVE INDUSTRY INPUT ON HIGH SPEED RAIL APPLICATIONS
 - PROVIDE INFORMATION TO INDUSTRY AND OTHERS ON BASIS OF APPLICATIONS
 - DEMONSTRATE THE HIGH DEGREE OF INTEREST OF PRIVATE SECTOR TO STATE AND FEDERAL OFFICIALS



AGENDA

- INTRODUCTION – FLORIDA'S HSR ADVANTAGES

Break

- FLORIDA HSR – TRACK 2 APPLICATION HIGHLIGHTS

Lunch

- DRILL DOWN SESSIONS:
 - PROCUREMENT
 - TECHNOLOGY

Break

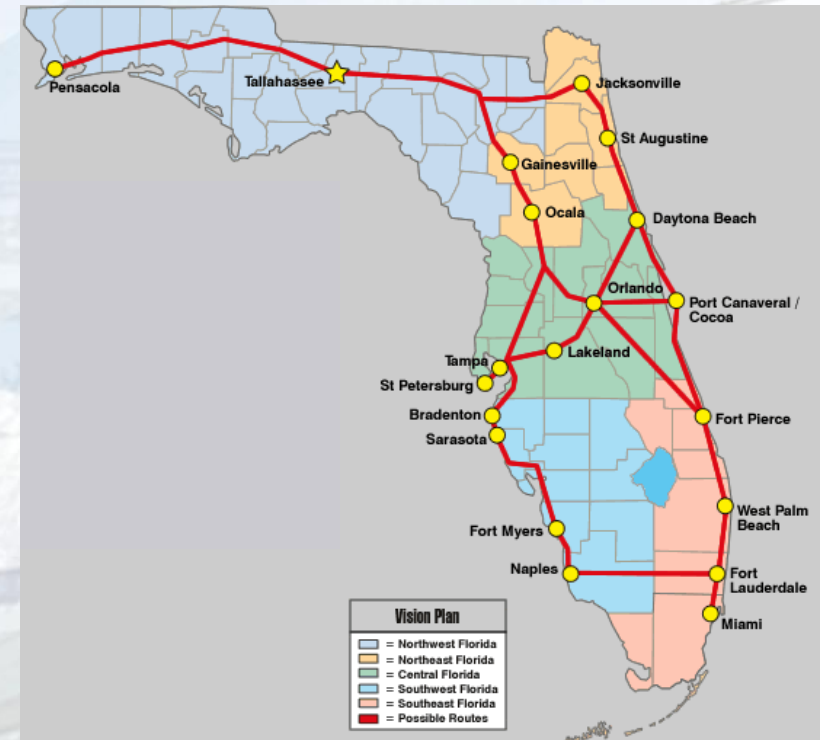
- FINANCING
- OPEN DISCUSSION
- CLOSING REMARKS



HISTORY OF PLANNING FOR HSR

- Cross Florida Transit Study – 1974
- Florida High Speed Rail Study – 1982
- Florida HSR Commission 1984 to 1991
- Florida DOT/FOX Project 1995 to 1999
- Florida DOT Coast to Coast Study 2000
- Florida HSR Authority 2001-2004

- 2009 American Recovery and Reinvestment Act (ARRA)/ *Vision for High Speed Rail in America*



2001 Florida HSR Vision Plan



Why High Speed Rail in Florida?

- **Geography**
 - Limited room for additional highways
 - Flat terrain
 - Ideal distances between population centers for HSR
- **Demographics**
 - Millions of visitors, many ride trains at home
 - Population growth – 4th largest, headed to third in US
 - Aging population
- **Growth Management & Environmental Preservation**
 - Transportation & Economic Development
 - Green initiatives/reduce dependence on oil
 - Future relief of highway and regional air travel

AMERICAN RECOVERY AND REINVESTMENT ACT – HSR PROGRAM



VISION for HIGH-SPEED RAIL in AMERICA





FLORIDA ARRA HSR FUNDING REQUESTS



Requested \$2.6 billion to Design-Build-Maintain-Operate TAMPA-ORLANDO
Submitted:
October 2 2009

Requested \$30 million to do PD&E ORLANDO-MIAMI
Submitted:
August 24, 2009



FLORIDA'S HSR ADVANTAGES

Tampa-Orlando

- Shovel ready in approximately 18 months
- First "HSR Express" system in nation
- Thousands of jobs created
- Most affordable implementation in US of a new HSR system
- FDOT's vision in preserving Right of Way
- FEIS/NEPA completion



FLORIDA'S HSR ADVANTAGES

- Opportunity to develop US HSR Standards
- Opportunity to create a center for HSR development (brainpower, technology and manufacturing)
- Strong political and grass-roots support

“Florida is the State that can turn imagination into reality for world-class High Speed Rail faster than anywhere else in the nation”

Governor Charlie Crist – October 2, 2009

Track 2 Application cover letter to US DOT Secretary Ray LaHood



BREAK



FLORIDA HIGH SPEED RAIL APPLICATION HIGHLIGHTS

- Evolution and Time line of the Application process:
 - October, 2008 – *Passenger Rail Investment and Improvement Act*
 - April, 2009 – “*Vision for High Speed Rail in America*” ARRA Program
 - June 2009 – States submit “Pre-applications” for FRA to determine interest (over \$100 billion in requests received)
 - July 2009 – Interim Guidelines for applying are released by FRA
 - August 24, 2009 – first round of applications submitted by States
 - October 2, 2009 – second round of applications by States
 - Due to overwhelming response (over \$50 billion in requests), NO decision on any application by FRA until early 2010
- How did Florida decide where we fit in the Application process?



Key Definitions

A Vision for High Speed Rail in America

HSR Express

- Frequent express service
- 200-600 miles
- Few stops/stations
- Top speed 150 mph
- *Relieves and highway congestion*

**TAMPA-
ORLANDO-
MIAMI
CORRIDOR**

HSR Regional

- Relatively frequent service
- 100-500 miles
- 110-150 mph
- Some intermediate stops/stations
- Some shared track
- *Primarily relieves highway congestion, some air*

Emerging HSR

- Developing corridors – future potential for HSR Regional/ Express
- 100-500 miles
- 90-110 mph
- Primarily shared track
- *Intended to develop passenger rail market, provide some relief to other modes*



Funding Tracks

A Vision for High Speed Rail in America

Track 1A-Construct

- "Ready to go" projects
- NEPA/Prelim. Eng. done
- Covers infrastructure, facilities, equipment
- Projects complete in two years
- Cost sharing recommended, not required

Track 1B- PE/NEPA

- Preliminary Engineering/NEPA
- Position projects for construction
- Projects complete in 18 months
- Cost sharing recommended, not required

Track 2

- § Corridor Program: phases/projects complete by 2017
- § Has a 100% match requirement
- § Includes infrastructure, facilities, equipment, planning, engineering, NEPA, ROW
- § Cost sharing recommended, not required

TAMPA-ORLANDO-MIAMI CORRIDOR

Track 3

- Planning level
- Preparation work for future funding
- NOT part of ARRA
- MATCH REQUIRED
- Very little funding

Track 4

- 50% match on smaller non-planning projects



FLORIDA HIGH SPEED RAIL APPLICATIONS SUBMITTED

- TRACK 1B – AUGUST 24, 2009
 - ORLANDO-MIAMI PE/NEPA REQUEST
 - TRACK 2 – OCTOBER 2, 2009
 - APPLICATION IS FOR ENTIRE TAMPA-ORLANDO-MIAMI CORRIDOR*
 - MULTIPLE SUPPORTING APPLICATION FORMS AND ATTACHMENTS IN TWO COMPONENTS:
 - TAMPA-ORLANDO
 - ORLANDO-MIAMI
- * ACCORDING TO THE GUIDELINES, FRA DECISION WILL BE ON ENTIRE CORRIDOR



TRACK 1B - ORLANDO-MIAMI PE/NEPA

- TRACK 1B APPLICATION SUBMITTED AUGUST 24
- TWO YEAR COMPLETION TIME FRAME FOR NEPA (PD&E) PROCESS
 - \$30 MILLION REQUESTED
 - WILL START WITH REVIEW OF PREVIOUS WORK DONE:
 - FOX PROJECT IN LATE 1990'S
 - FLORIDA HIGH SPEED RAIL AUTHORITY PLANNING REPORT
- FDOT PROCUREMENT FOR PD&E CONSULTANT
 - ADVERTISED SHORTLY AFTER APPLICATION – 10 PAGE LETTER OF INTEREST
 - RECEIVED FOUR EXCELLENT RESPONSES
 - PB AMERICAS/JACOBS ENGINEERING TOP RANKED (MULTIPLE OTHER FIRMS ARE PART OF TEAM) NEGOTIATIONS PENDING

COMPONENTS OF TRACK 2 APPLICATION



**CORRIDOR PROGRAM:
HSR EXPRESS
TAMPA-
ORLANDO**

**TAMPA-
ORLANDO**

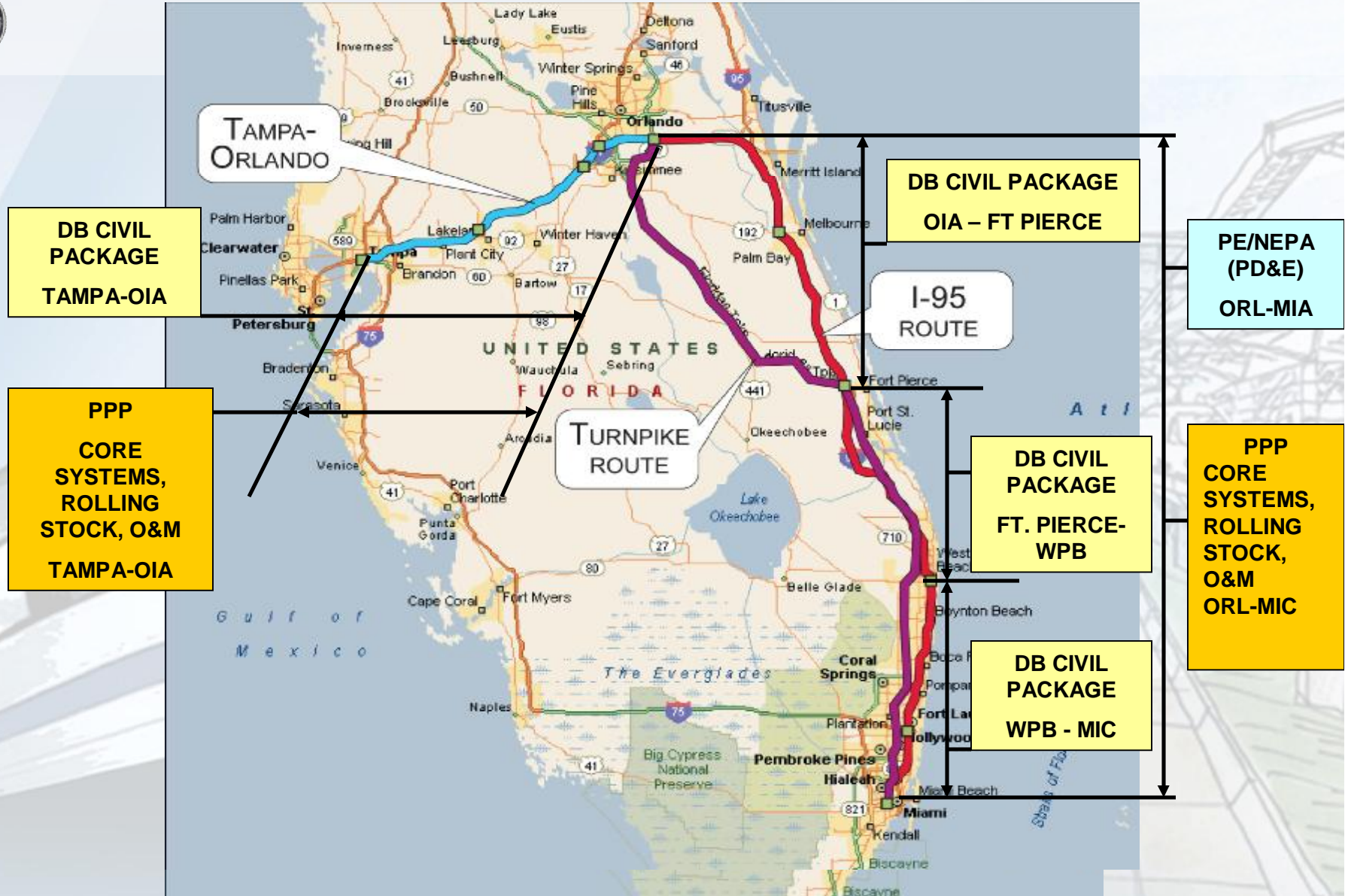


**TURNPIKE
ROUTE**

**I-95
ROUTE**

**CORRIDOR PROGRAM:
HSR EXPRESS
ORLANDO-
MIAM**

TRACK 2 PROJECTS





TRACK 2 TAMPA-ORLANDO APPLICATIONS

- THIS WILL BE OUR MAJOR FOCUS TODAY:
THE "TAMPA ORLANDO HSR EXPRESS"
- HIGHLIGHTS WILL COVER THE FOLLOWING
 - "WALK THROUGH" OF THE CORRIDOR
 - FEIS/NEPA UPDATE
 - RIDERSHIP UPDATE
 - CAPITAL COSTS
 - OTHER HIGHLIGHTS

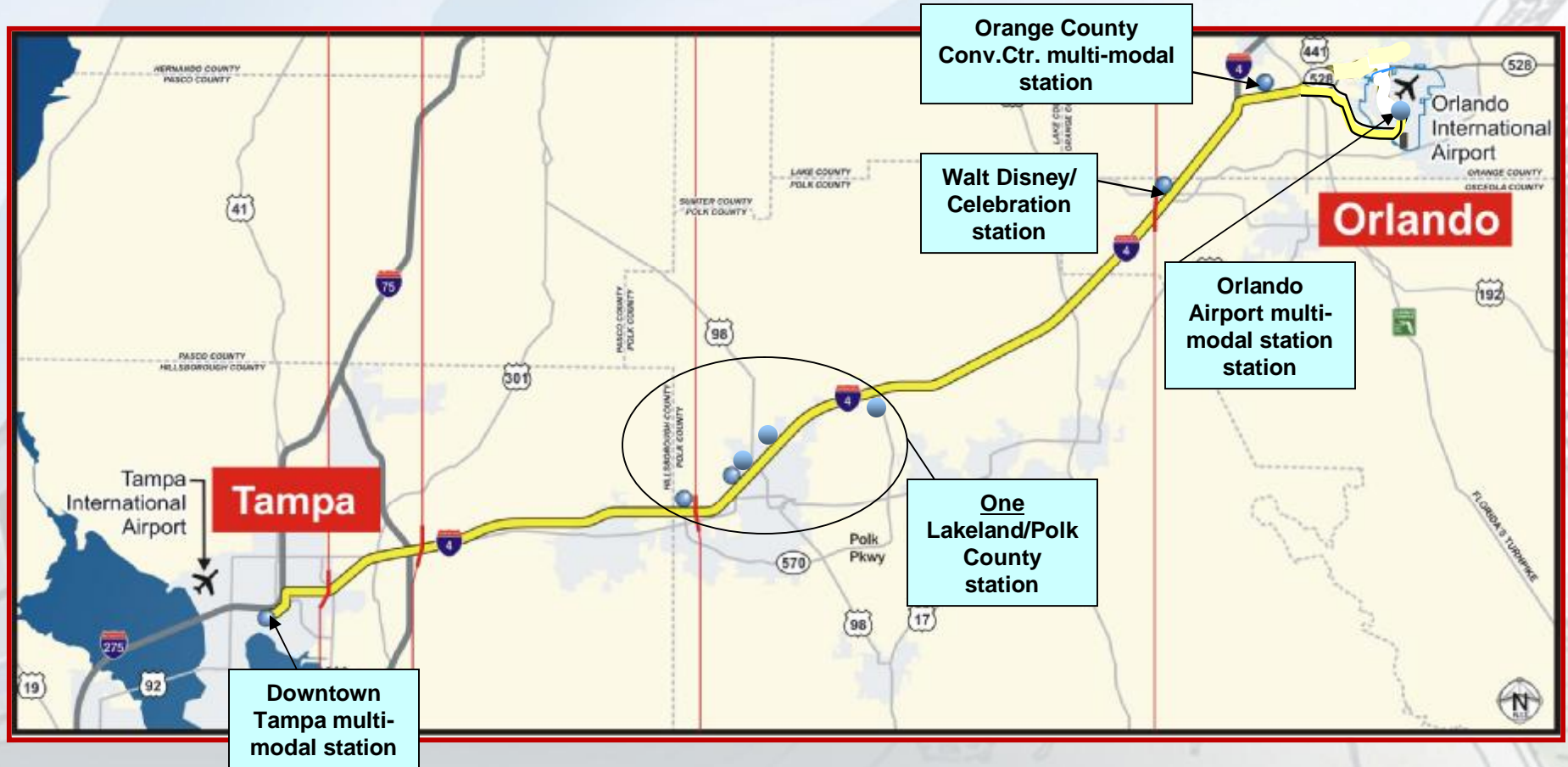


TRACK 2 TAMPA-ORLANDO APPLICATIONS

- **IMPORTANT NOTES TO BEGIN WITH:**
 - FRA HAD A VERY PERSCRIPTIVE PROCESS TO FOLLOW
 - FDOT SELECTED AN APPROACH ON MANY ELEMENTS BASED ON PREVIOUS WORK
 - THERE MAY WELL BE DIFFERENT OR BETTER WAYS TO DO SOME THINGS
 - WE ARE OPEN TO YOUR INPUT ON ALL ASPECTS: PROCUREMENT, TECHNOLOGY, ETC...



TAMPA-ORLANDO



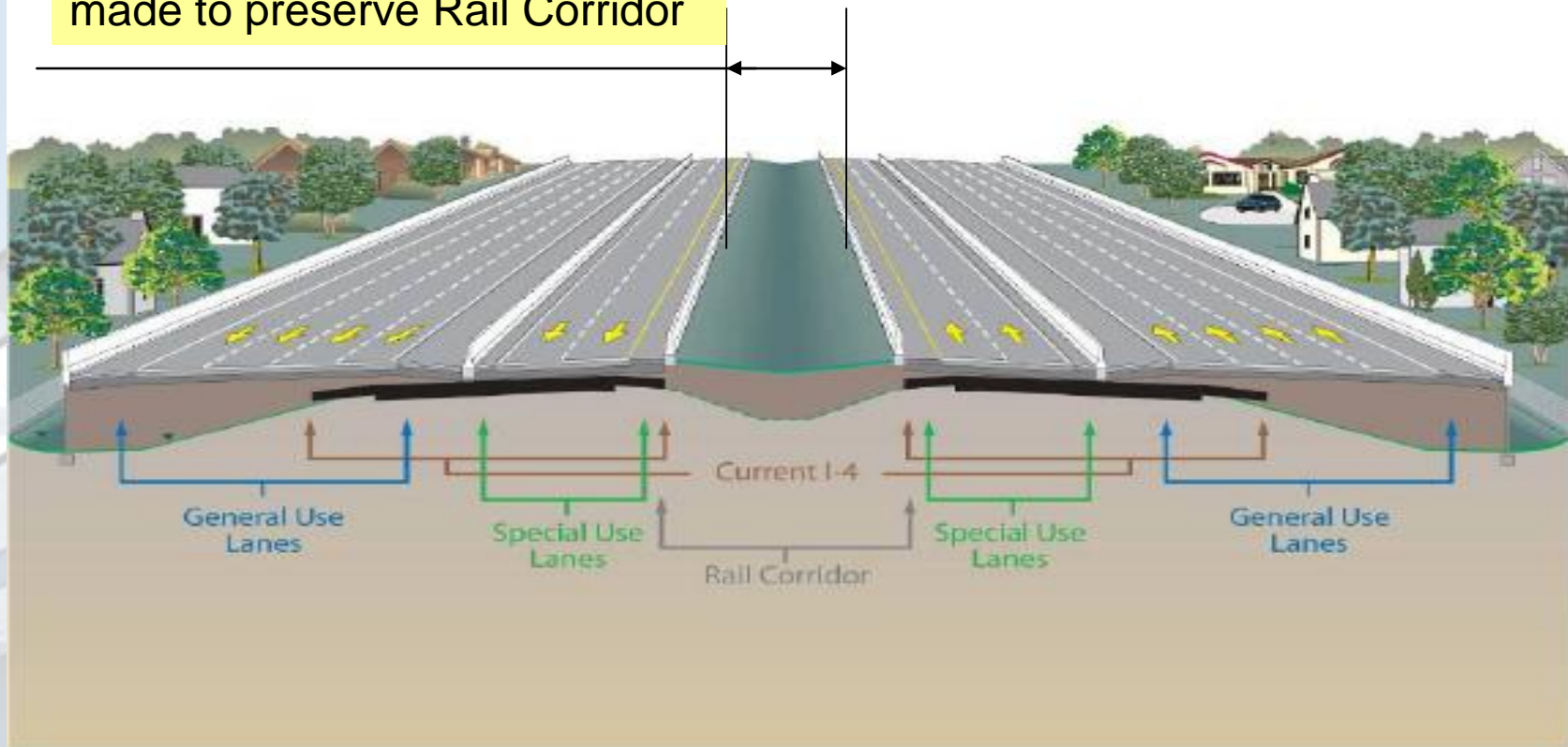


TAMPA-ORLANDO I-4 CORRIDOR

I-4 OF THE FUTURE

TRANSFORMATION

Major Investments have been made to preserve Rail Corridor



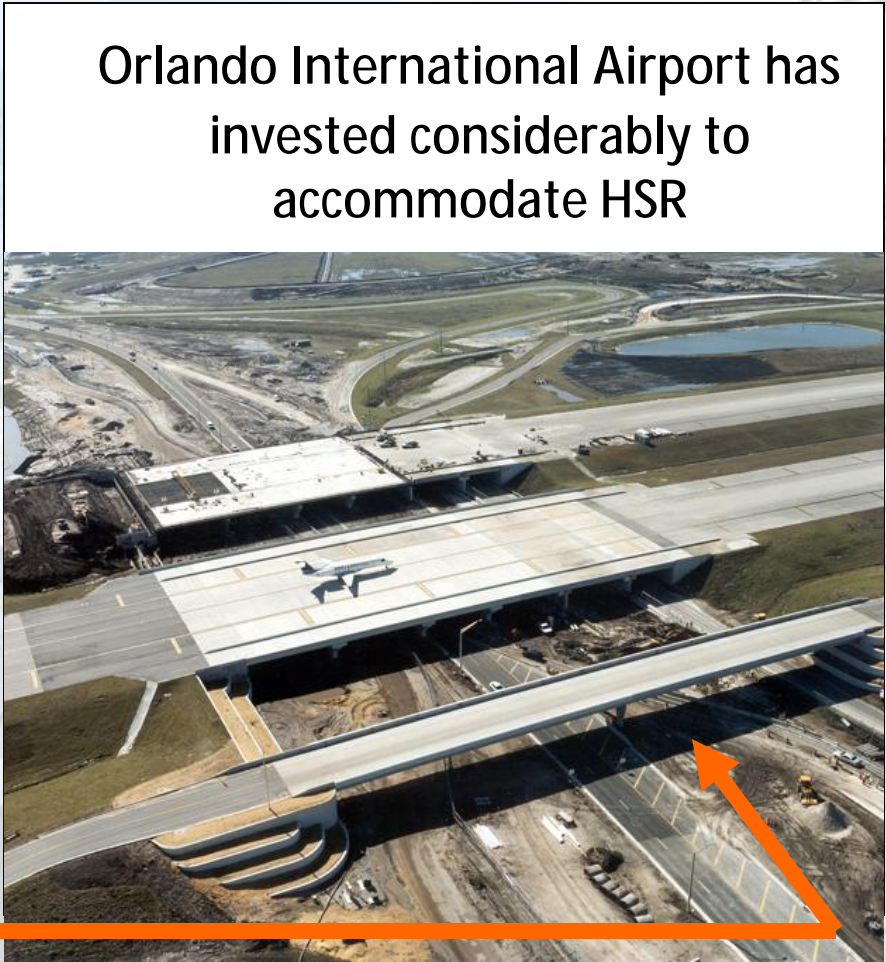
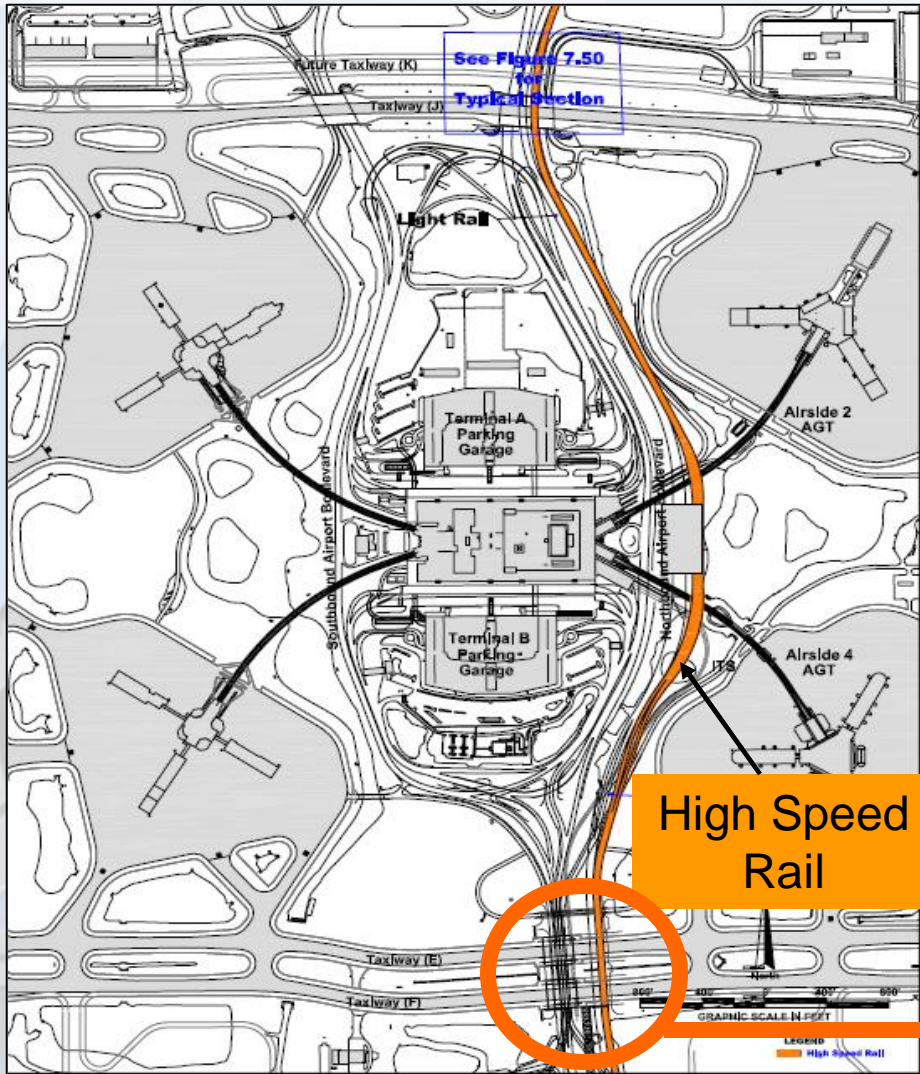


DOWNTOWN TAMPA STATION





HIGH SPEED RAIL STATION



Orlando International Airport has invested considerably to accommodate HSR

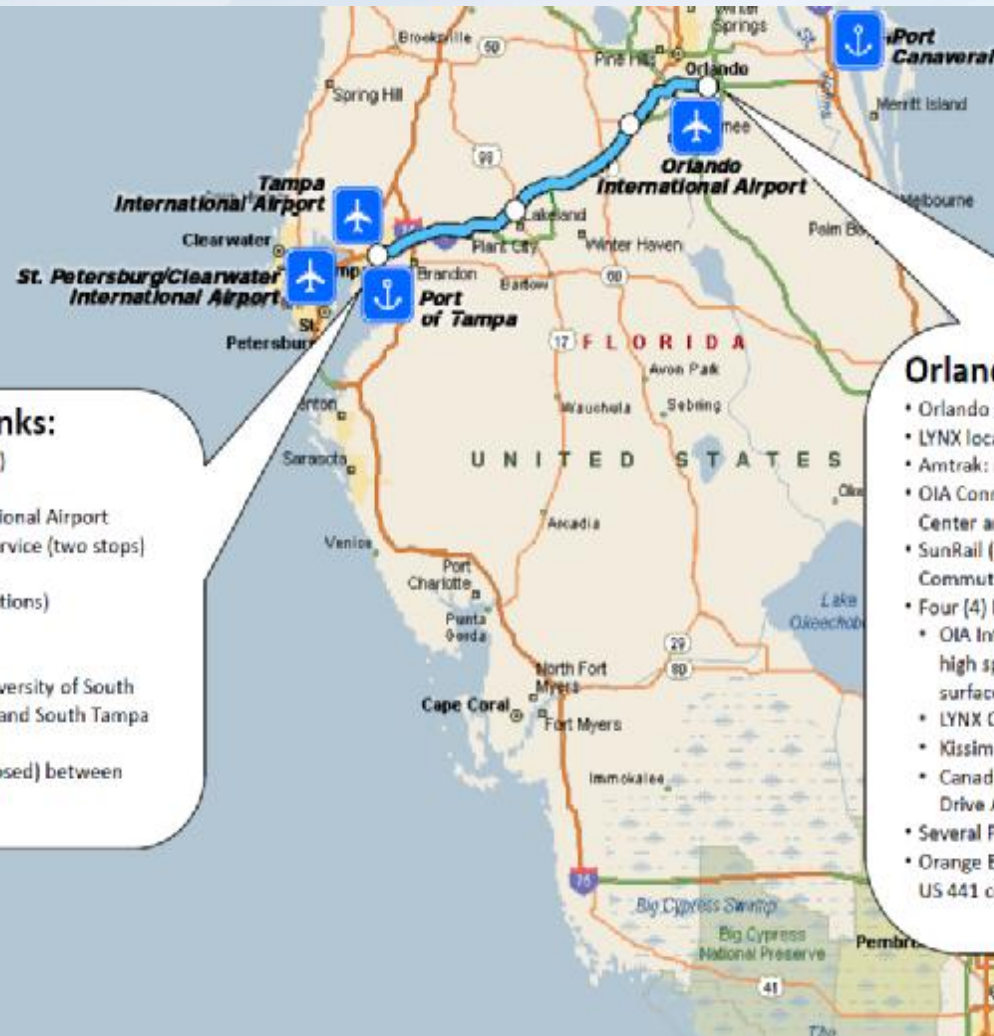


TAMPA-ORLANDO SERVICE AND OPERATIONS

- APPROXIMATELY HOURLY SERVICE FROM TAMPA TO ORLANDO
- ADDITIONAL FREQUENCY BETWEEN ORLANDO AIRPORT AND ATTRACTIONS
- TRIP TIME OF 64 MINUTES ORLANDO AIRPORT TO DOWNTOWN TAMPA (COMPARED TO 96 MIN AT 2015 PEAK TIME FOR AUTO TRAVEL)
- MAXIMUM SPEED 168 MPH



TAMPA-ORLANDO CURRENT & PLANNED INTERMODAL LINKS



Tampa Intermodal Links:

- Marion Transit Center (HSR Station)
- Tampa International Airport (TIA)
- St. Petersburg/Clearwater International Airport
- Amtrak: National Rail Passenger Service (two stops)
- HART local bus service
- TECO Line Streetcar System (10 Stations)
- HART In-Town Trolley
- Tampa Light Rail (proposed)
- Tampa Light Rail (proposed) to University of South Florida, New Tampa, TIA, Brandon and South Tampa
- Nebraska Avenue BRT (proposed)
- Regional Transit Connection (proposed) between Pinellas and Hillsborough County

Orlando Intermodal Links:

- Orlando International Airport (OIA) (HSR Station)
- LYNX local bus service
- Amtrak: National Rail Passenger Service (three stops)
- OIA Connector Light Rail (proposed) to Convention Center and Tourism Corridor and through OIA
- SunRail (proposed) – North-South Regional Commuter Rail serving four (4) counties
- Four (4) Intermodal Centers:
 - OIA Intermodal Center (proposed) connections to high speed rail, light rail, local buses, and other surface transportation. (HSR Station)
 - LYNX Central Station
 - Kissimmee Intermodal Center
 - Canadian Court Intermodal Center – International Drive Area Intermodal Station (HSR Station)
- Several Proposed Local Circulators
- Orange Blossom Express Commuter Rail (proposed) US 441 corridor from downtown Orlando to Tavares



TAMPA-ORLANDO IMPLEMENTATION SCHEDULE

(as included in the Track 2 Application)

- FRA DECISIONS ON STIMULUS FUNDING: EARLY 2010
- DESIGN-BUILD CIVIL PACKAGE
 - AWARD LATE 2010
 - DESIGN-CONSTRUCT 2011-2014
- PPP FOR CORE SYSTEMS, ROLLING STOCK AND O&M
 - AWARD MID 2012
 - INSTALLATIONS, ACQUISITION, TESTING & COMMISSIONING: 2012-2015
 - OPEN TO REVENUE SERVICE EARLY 2015



NEPA/FEIS UPDATE

- **INITIAL TAMPA to ORLANDO HSR PD&E**
 - Draft EIS – August 2003
 - Public Hearings – October 2003
 - Final EIS – July 2005
 - No Record of Decision
- **2009 UPDATE**
 - Reevaluation to Update 2005 FEIS – July 2009
 - Public Meetings – September 2009
 - Draft Reevaluation to FRA – October 2009



NEPA/FEIS UPDATE

- **2005 FINAL ENVIRONMENTAL IMPACT STATEMENT (FEIS)**
 - Cleared environmental impacts along existing transportation corridors
 - Preferred Alternative
 - Documented Environmental Impacts for both Gas-Turbine and Electric Powered Technologies



NEPA/FEIS UPDATE

- **2009 REEVALUATION**
 - Three Years Have Elapsed from 2005 FEIS
 - Review Changes in Existing Conditions
 - Review Regulatory Requirements
 - Update any Commitments/Mitigation Measures
 - Provide opportunity for Public Comment



NEPA/FEIS UPDATE

• REVIEW OF EXISTING CONDITIONS

– Alignment

- Minor changes and property transfers along the corridor
- Corridor still cleared for steel wheel on rail technologies

– Station Sites

- Minor changes to some of the station sites
- Commitment for additional Consideration of Other Sites in Lakeland/Polk County

– O&M Facility Sites

- 2005 FEIS Identified Three Potential Sites – one no longer a candidate, others likely unchanged



NEPA/FEIS UPDATE

- **ENVIRONMENTAL ASSESSMENT**
 - **Community Impacts**
 - Relocation Impacts
 - Archaeological/Historic Resources
 - Recreation and Parkland
 - **Natural and Physical Impacts**
 - Noise/Vibration
 - Wetlands
 - Contamination
 - Wildlife and Habitat
 - Energy
 - Utilities



NEPA/FEIS UPDATE

- **DRAFT REEVALUATION FINDINGS**
 - Minimal Alignment Changes
 - Tampa CBD
 - Tradeport Drive Industrial Park
 - Minimal Environmental Impact Changes
 - No Additional Significant Impacts
 - Original Findings Remain Unchanged



NEPA/FEIS UPDATE

- **NEXT STEPS**
 - Finalize Reevaluation Report
 - Secure Memorandums of Understanding (MOU's) with various Stakeholders
 - Prepare Draft Record of Decision
 - FRA Approval of ROD



RIDERSHIP UPDATE

- 2002 INVESTMENT GRADE STUDY
 - PROCESS
 - INPUTS
 - RESULTS
- 2009 UPDATE
 - INPUTS
 - RESULTS

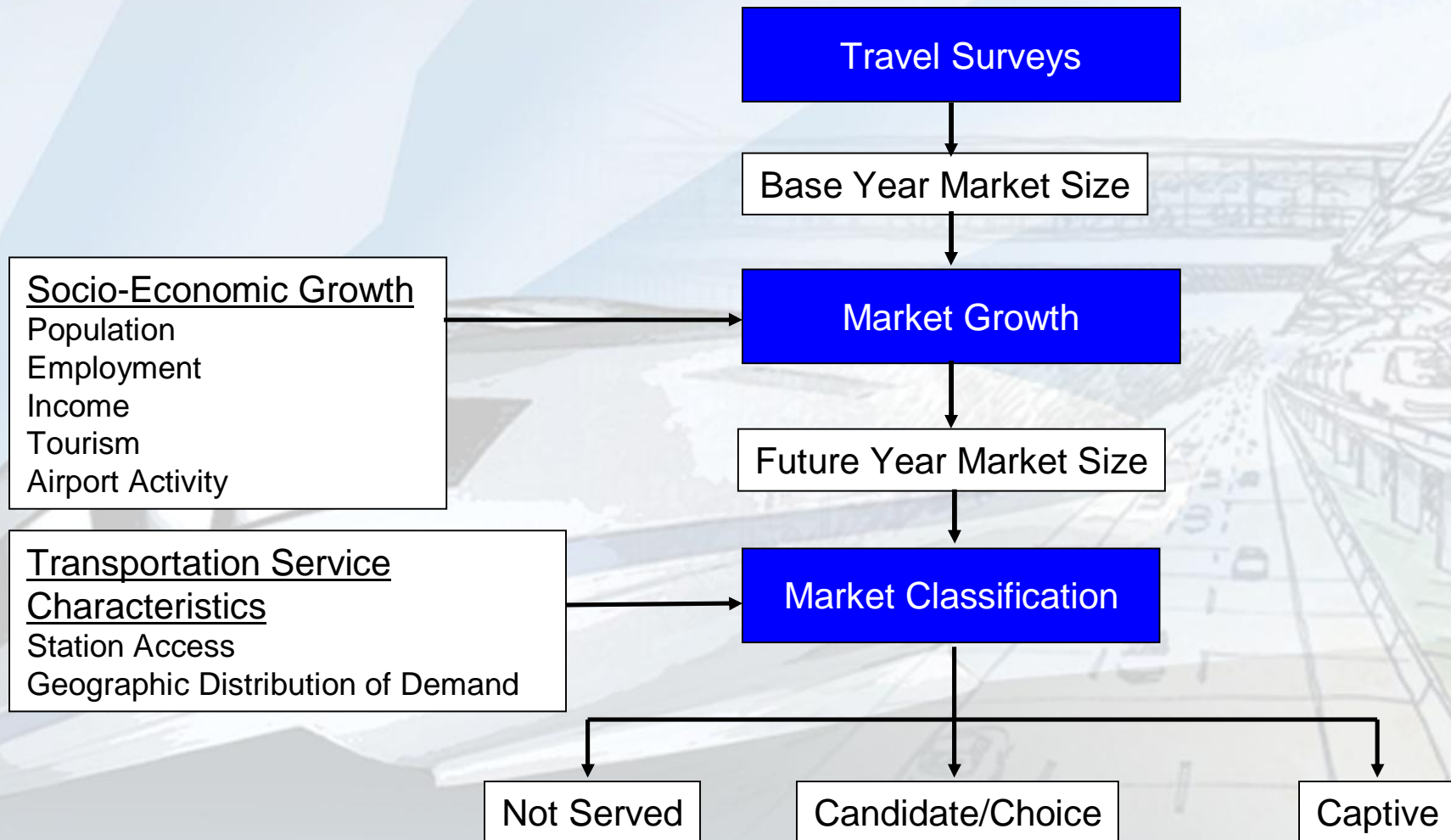


2002 INVESTMENT GRADE STUDY

- Two Ridership Forecasts
 - AECOM
 - Wilbur Smith (WSA)
- Collaborative Process for overall Market Assessment & Development of Inputs
- Independent Forecasts of High-Speed Rail Market Shares & Ridership/Revenue

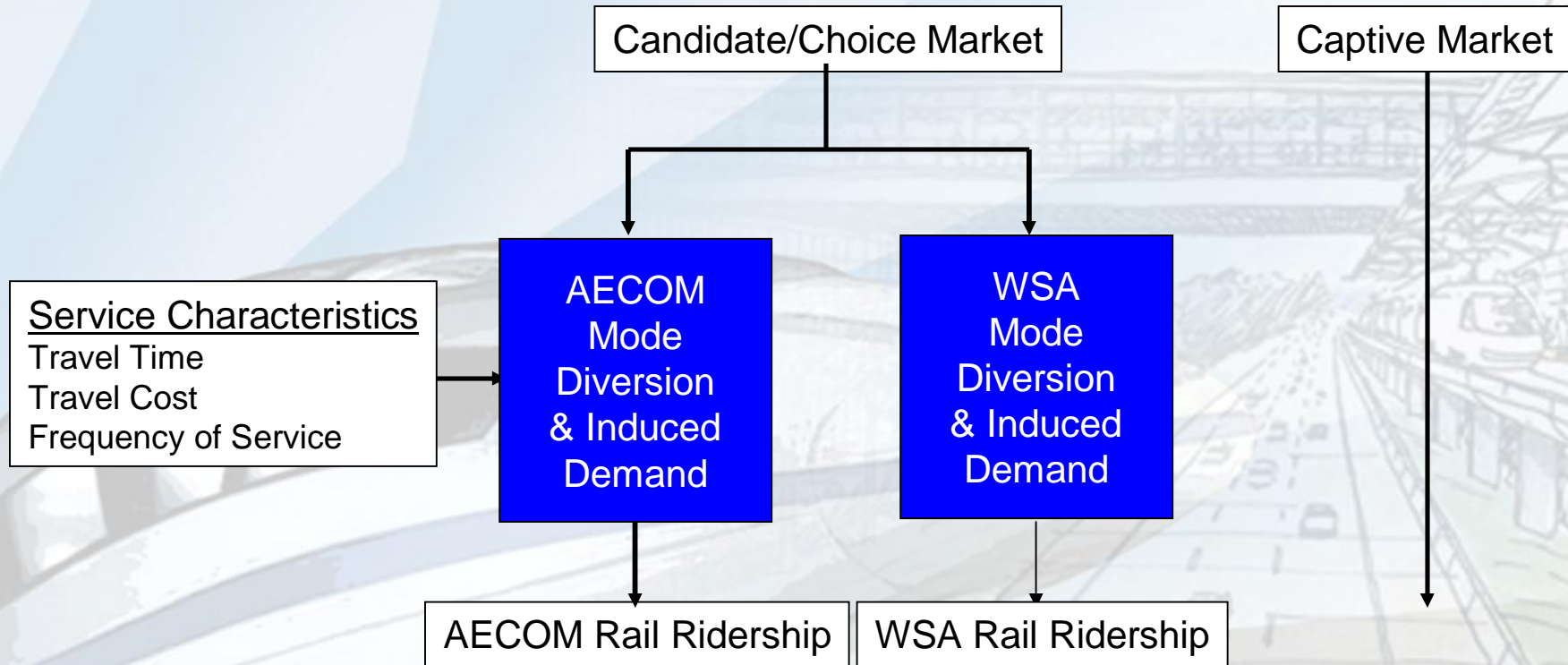


MARKET ASSESSMENT





MARKET SHARE & RIDERSHIP





SERVICE INPUTS AND MARKETS

- Service Characteristics
 - Travel Time
 - Travel Cost
 - Rail Schedule
 - Feeder Service Assumptions
- Key Markets
 - Candidate 'Choice Market' within Rail Service Area
 - 'Captive Market' Trips to/from Airport



CHOICE MARKET VS. CAPTIVE MARKET

- **Choice Market:**

Trips by travelers who chose their own mode of travel

- **Captive Market:**

Pre-packaged Trips by various transportation providers that include other travel and/or accommodation arrangements – choice of mode is not made by the traveler



2002 STUDY RESULTS

- 'Choice Market' Size: 24 million (2025 annual)
- Forecasted 'Choice Market' Ridership
 - AECOM 2.9 million (2025 annual; Beachline)
 - WSA 3.4 million (2025 annual; Beachline)
- 'Captive Market' Size
4.1 million (2025 annual)
Captive market ridership is subject to negotiations with providers of this service



2009 RIDERSHIP UPDATE

- Retain 2002 Study Process
- Use Beachline Alignment Option and Service
- Update Socio-Economic Growth Inputs
- Review/Update Station Access Assumptions
- Review/Update Highway Travel Time Inputs
- Apply AECOM and WSA models to prepare new Ridership Forecasts



SOCIO-ECONOMIC GROWTH 2002-2025

| Variable | 2009 Update | 2002 Study |
|------------------------|------------------------|------------------------|
| Population | +39 % (1.4 % /year) | +33 % (1.2 % /year) |
| Employment | +45 % (1.6 % /year) | +47 % (1.7 % /year) |
| Hotel Rooms | +74 % (2.4 % /year) | +83 % (2.7 % /year) |
| Orlando Air Passengers | +87 % (2.8 % /year) | +93 % (2.9 % /year) |



2009 UPDATED FORECAST RESULTS

| MARKETS | 2025 CANDIDATE MARKET SIZE | 2025 ANNUAL RIDERSHIP (millions) | | 2025 ANNUAL REVENUE (\$2010 millions) | |
|------------------------|----------------------------------|---|--------------|--|----------------|
| | | AECOM | WSA | AECOM | WSA |
| <u>Choice Markets</u> | | | | | |
| Intercity/Commuter | 15 million | 1.930 | 1.840 | \$45.84 | \$43.60 |
| Airport Access | <u>7 million</u> | <u>0.960</u> | <u>1.688</u> | <u>\$15.04</u> | <u>\$26.32</u> |
| Total | 23 million | 2.890 | 3.528 | \$60.89 | \$69.92 |
| <u>Captive Markets</u> | | | | | |
| I Drive – Airport | 0.82 million | Captive market ridership & revenue is subject to negotiations with the providers of this service | | | |
| Disney – Airport | <u>2.53 million</u> | | | | |
| Total | 3.35 million | | | | |



2009 VS 2002 FORECAST COMPARISON

- Updated 2009 Results:

| 2009 STUDY | 2025 CANDIDATE MARKET SIZE | 2025 ANNUAL RIDERSHIP | |
|----------------|----------------------------------|--|--------------|
| | | AECOM | WSA |
| Choice Market | 23 million | 2.89 million | 3.53 million |
| Captive Market | 3.4 million | Captive market ridership is subject to negotiations with providers of this service | |

- Old (2002 Study) Results:

| 2002 STUDY | 2025 CANDIDATE MARKET SIZE | 2025 ANNUAL RIDERSHIP | |
|----------------|----------------------------------|--|-------------|
| | | AECOM | WSA |
| Choice Market | 24 million | 2.9 million | 3.4 million |
| Captive Market | 4.1 million | Captive market ridership is subject to negotiations with providers of this service | |



CAPITAL COSTS *TAMPA-ORLANDO*

- **HUGE OPPORTUNITY FOR JOB CREATION**
- **TRACK 2 APPLICATION:**

TOTAL COST (\$Year of Expenditure): \$3.23 BILL

TWO COMPONENT CONTRACTS:

CIVIL PACKAGE: \$1.84 BILL

CORE SYSTEMS, ROLLING STOCK: \$1.39 BILL

IN-KIND CONTRIBUTION (R-O-W): (\$0.56 BILL)

TOTAL REQUEST (\$Year of Expenditure): \$2.67BILL



TAMPA-ORLANDO CIVIL PACKAGE

MAJOR COST ITEMS IN TRACK 2 APPLICATION (\$2010)

- Bridge - \$660 million (major structures entering and leaving I-4)
- Wall/Barrier - \$250 million (barrier separation entire median of I-4)
- Earthwork/Base - \$70 million
- Drainage - \$60 million
- Right of Way
 - Acquired - \$560 million (mainly I-4 median & SR528)
 - To Be Acquired - \$120 million (mostly at ends of project)



TAMPA-ORLANDO CORE SYSTEMS PACKAGE

- Track - \$180 million
- Communication/Signaling - \$430 million
- Electric Traction - \$320 million
- Stations - \$60 million (no associated development)
- Maintenance Facility - \$50 million
- Vehicles/Rolling Stock - \$145 million



TAMPA-ORLANDO OTHER BENEFITS

ENVIRONMENTAL

- Reductions in fossil fuel: 780k gallons by year 10
- Reductions in CO₂: 6,900 metric tons by year 10
- Stations and other buildings will be LEED certified
- Reductions in the later Orlando-Miami corridor will be substantially higher



TAMPA-ORLANDO OTHER BENEFITS

ECONOMIC IMPACTS

High Speed Rail Project

- 23,000 total construction jobs
- Over 1,000 professional services jobs
- Thousands of additional "INDIRECT" jobs (trickle down)

Other major economic impacts not included in application*:

- Travel efficiency savings
- Associated development

**Not included due to requirement of demonstrating independent utility*



TAMPA-ORLANDO OTHER BENEFITS

- **Livable communities (changing the very way we live):**
 - Strong emphasis on creating core development around stations
 - Focus on intermodality
 - Synergy with tourist & convention industry – major importance in this corridor
- **Safety and security:**
 - HSR has impeccable safety record and will save lives
 - Homeland Security, emergency evacuation, extreme events



LUNCH





AGENDA

- INTRODUCTION – FLORIDA'S HSR ADVANTAGES

Break

- FLORIDA HSR – TRACK 2 APPLICATION HIGHLIGHTS

Lunch

- DRILL DOWN SESSIONS:

- PROCUREMENT
- TECHNOLOGY

Break

- FINANCING

- OPEN DISCUSSION
- CLOSING REMARKS



TOPICS TO BE ADDRESSED

- **THREE SELECTED AREAS FOR WHICH FDOT IS SOLICITING INPUT:**
 - PROCUREMENT STRATEGY
 - TECHNOLOGY
 - FINANCING
- **OPEN FORUM FOR OTHER TOPICS OF INTEREST FOR INDUSTRY OR OTHERS IN ATTENDANCE**
- **THIS IS YOUR OPPORTUNITY TO HELP US AND PROVIDE INPUT TO THE PROCESS!**



PROCUREMENT STRATEGY



PROCUREMENT STRATEGY *TAMPA-ORLANDO*

TWO MAJOR CONTRACTS AS BASIS OF APPLICATION:

1- CIVIL PACKAGE

- **FDOT DESIGN-BUILD PROCESS:**

- F. S. 337.11(7)(a), FDOT PROCEDURE 625-020-010-h
- ADJUSTED SCORE DESIGN-BUILD(ASDB)/MAXIMUM PRICE
- PREQUALIFICATION
- STATEMENT OF QUALIFICATIONS
- DEVELOPMENT DESIGN & CONSTRUCTION CRITERIA
- ADVERTISEMENT/EXTENDED LETTERS OF INTEREST
- LONGLIST/SHORTLIST OF THREE QUALIFIED DESIGN-BUILD TEAMS
- REQUEST FOR PROPOSAL – TECHNICAL/PRICE/DISADVANTAGED BUSINESS ENTERPRISE (DBE)/INSURANCE, ETC.
- EVALUATION
- ASDB – MAX PRICE



PROCUREMENT STRATEGY TAMPA-ORLANDO

2- DESIGN AND INSTALLATION OF CORE SYSTEMS, AND LONG TERM CONCESSION FOR O&M

- **FDOT PUBLIC PRIVATE PARTNERSHIP (P3) PROCESS**
 - F. S. 334.30 AMONG OTHERS PROVIDES AUTHORITY
 - DESIGN, BUILD, FINANCE, OPERATE AND MAINTAIN CAN ALL BE BUNDLED FOR EFFICIENCY
 - SPECIAL QUALIFICATIONS MAY BE REQUIRED- HIGH SPEED RAIL FOR EXAMPLE
 - PROJECT CAN BE PARTIALLY OR FULLY FUNDED BY PRIVATE SECTOR
 - PROJECTS ADVERTISED UTILIZE ESTABLISHED PROCESSES (RFP)
 - FAIR, OPEN AND COMPETITIVE
 - PARTNERSHIP IS KEY
 - BEST VALUE



FLORIDA P3 PROCESS

- **PUBLIC PRIVATE PARTNERSHIP (P3) CONTRACT PROCESS**
 - REQUEST FOR QUALIFICATIONS ISSUED
 - FDOT WILL SHORT-LIST BASED ON SUBMISSIONS
 - RFP WILL BE ISSUED TO SHORT-LISTED FIRMS
 - PROPOSALS WILL BE EVALUATED AND RANKED
 - AWARD AND EXECUTION OF CONTRACT
- **THIS PARTICULAR P3 MAY BE HANDLED BY CENTRAL OFFICE, NOT BY DISTRICT OFFICES**



FLORIDA P3 PROCESS

- **TYPICAL P3 REQUEST FOR PROPOSAL OUTLINE**
 - INTRODUCTION
 - PROCUREMENT PROCESS
 - PROPOSAL CONTENT & SUBMITTAL REQUIREMENTS
 - EVALUATION PROCESS & CRITERIA
 - AGREEMENT AWARD & EXECUTION
 - PROTESTS
 - RIGHTS & DISCLAIMERS
 - APPENDICES

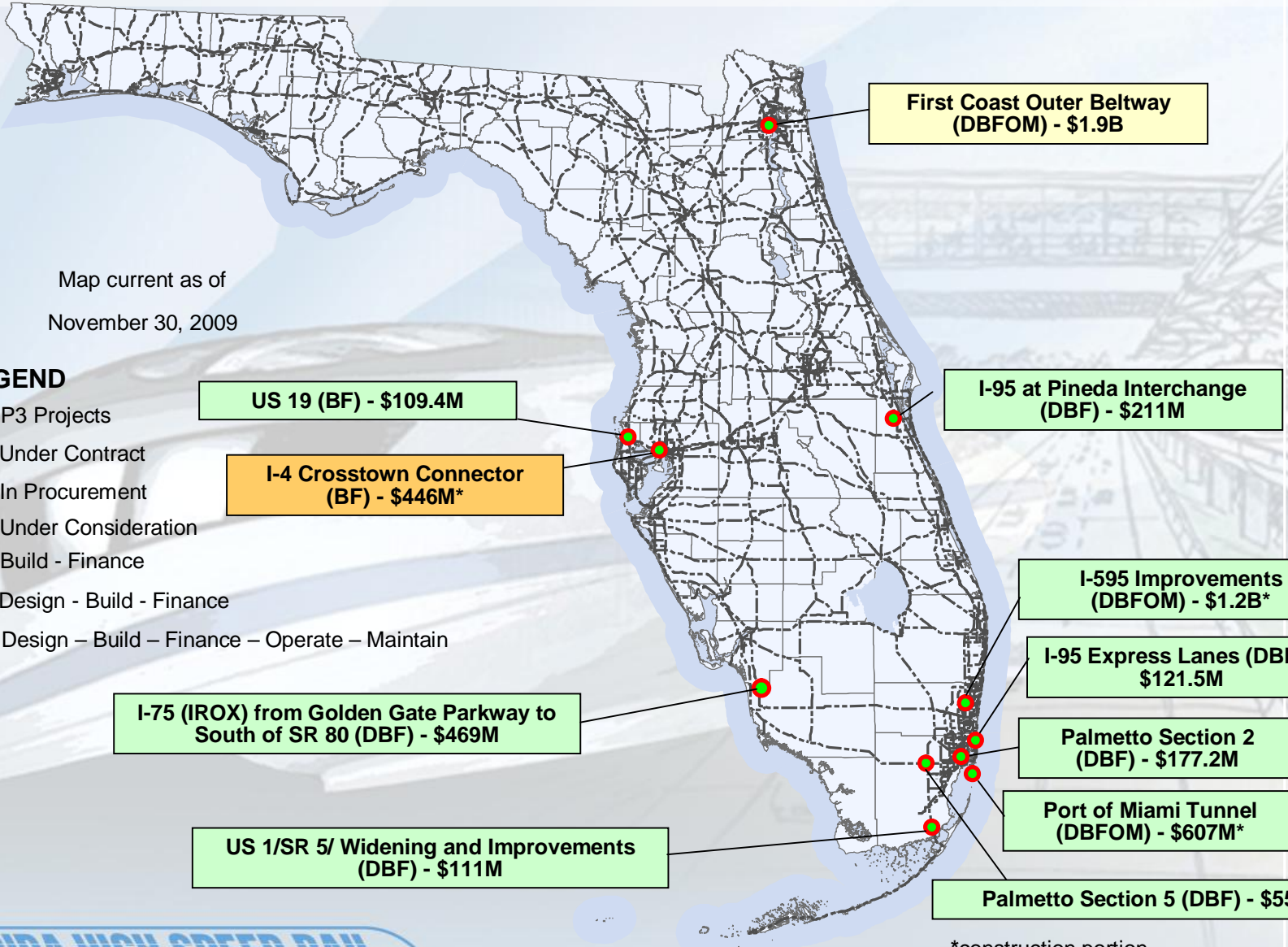


FLORIDA P3 PROCESS

- **FDOT HAS MANY GOOD PROCESSES**
 - MANY YEARS OF OUTSOURCING
 - LEADERSHIP IN DESIGN-BUILD
 - DISPUTE RESOLUTION
- **INTERNAL TEAMS ESTABLISHED TO BUILD REPEATABLE P3 PROCESS**
 - FINANCE
 - PROCUREMENT
 - ENGINEERING AND OPERATIONS



FDOT P3 PROJECTS UNDER CONTRACT OR IN PROCUREMENT



Map current as of
November 30, 2009

LEGEND

- P3 Projects
- Under Contract
- In Procurement
- Under Consideration
- BF Build - Finance
- DBF Design - Build - Finance
- DBFOM Design - Build - Finance - Operate - Maintain

*construction portion



PROCUREMENT STRATEGY BASIS OF APPLICATION

- **WHY THIS TWO MAJOR CONTRACT STRATEGY:**
 - CREATE AS MANY JOBS AS SOON AS POSSIBLE WITH STIMULUS FUNDS
 - TAKE FULL ADVANTAGE OF NEPA PROCESS – FEIS COMPLETE
 - ADVANCE WORK WITHIN THE CAPACITY, CAPABILITIES AND EXPERTISE OF LOCAL INDUSTRY
 - HIGHLIGHT FDOT'S LEADERSHIP IN ADVANCING LARGE D-B PROJECTS
 - DEFER THE MORE COMPLEX ASPECTS PPP CONTRACT TO ALLOW MORE TIME FOR DEVELOPMENT
- **RESULTING SEQUENCE:**
 - DESIGN-BUILD CIVIL PACKAGE- AS QUICKLY AS POSSIBLE
 - PUBLIC PRIVATE PARTNERSHIP FOR CORE SYSTEMS, ROLLING STOCK, OPERATIONS AND MAINTENANCE – LONGER DEVELOPMENT
- **REMINDER – THIS IS ONE APPROACH, FDOT IS OPEN TO OTHERS**



PROCUREMENT STRATEGY BASIS OF APPLICATION

- **DESIGN-BUILD CIVIL PACKAGE**
 - SITE CLEARING/EARTHWORK
 - UTILITIES
 - STRUCTURES & WALLS
 - STATION PLATFORMS AND STRUCTURE
 - MAINTENANCE FACILITIES SITE WORK



TAMPA-ORLANDO IMPLEMENTATION SCHEDULE

BASIS OF TRACK 2 APPLICATION

| DESIGN BUILD CIVIL PACKAGE | 09 | 2010 | 2011 | 2012 | 2013 | 2014 |
|------------------------------------|----|------|------|------|------|------|
| FRA PICKS STIMULUS FUND RECIPIENTS | | * | | | | |
| RFP DEVELOPMENT/INDUSTRY REVIEW | | | | | | |
| FEIS AND ROD BY FRA | | | | | | |
| ROW ACQUISITION | | | | | | |
| PROCUREMENT & AWARD | | | | | | |
| DESIGN-CONSTRUCTION | | | | | | |



PROCUREMENT STRATEGY BASIS OF APPLICATION

- PUBLIC PRIVATE PARTNERSHIP FOR CORE SYSTEMS, ROLLING STOCK, AND O&M
 - SIGNALS & COMMUNICATIONS
 - ELECTRIFICATION/TRACTION POWER
 - STATION BUILD-OUT AND RELATED FACILITIES
 - TRACK, TIES/BALLAST, FASTENING SYSTEMS
 - TRAINSETS (ROLLING STOCK)
 - MAINTENANCE FACILITIES BUILD-OUT



TAMPA-ORLANDO IMPLEMENTATION SCHEDULE

BASIS OF TRACK 2 APPLICATION

PPP CORE SYSTEMS, ROLLING STOCK, O&M PACKAGE

| | '09 | 2010 | 2011 | 2012 | 2013 | 2014 | '15 |
|------------------------------------|-----|------|------|------|------|------|-----|
| FRA PICKS STIMULUS FUND RECIPIENTS | | * | | | | | |
| RFP DEVELOPMENT/INDUSTRY REVIEW | ■ | | | | | | |
| PROCUREMENT | | ■ | | | | | |
| SELECTION, AWARD & FINANCIAL CLOSE | | | ■ | | | | |
| CORE SYSTEMS INSTALLATION | | | | ■ | | | |
| ROLLING STOCK ACQUISITION | | | | ■ | | | |
| TESTING & COMMISSIONING PERIOD | | | | | | ■ | |
| BEGIN REVENUE SERVICE | | | | | | | ● |



PROCUREMENT STRATEGY ISSUES IDENTIFIED

- LARGE SIZE OF CONTRACTS
 - *BONDING, INSURANCE, COMPETITION, RISK*
- PRE-QUALIFICATION REQUIREMENTS
 - *SPECIALTY EXPERTISE REQUIREMENTS FOR EACH CONTRACT?*
- WHAT ELEMENTS GO INTO EACH PACKAGE (E.G. TRACK)
- OVERLAPPING SCHEDULES
- ACCEPTANCE OF CIVIL PACKAGE BY FOLLOW-ON CONTRACT (INTEGRATION ISSUES)
- RIGHT-OF-WAY AVAILABILITY
 - *NOT ALL ROW WILL BE AVAILABLE WHEN DB CIVIL PACKAGE STARTS*
- STATIONS AND ASSOCIATED DEVELOPMENT
 - *WHAT ROLE DOES EACH ENTITY HAVE (FDOT, CONCESSIONAIRE, OWNER)*
- SYSTEM COMPATIBILITY: TAMPA-ORLANDO/ ORLANDO-MIAMI, FUTURE EXPANSIONS



TECHNOLOGY



OPEN TECHNOLOGY COMPETITION BASIS OF APPLICATION

- **GENERAL APPROACH:**
 - RELY ON THE PREVIOUS FEIS APPROACH AS THE BASIS OF THE APPLICATION – STEEL WHEEL ON RAIL
 - WILL REQUIRE EQUAL TO OR BETTER PERFORMANCE:
 - TECHNICAL
 - SERVICE/OPERATIONAL
 - FINANCIAL
 - PERFORMANCE MUST BE PROVEN AND DEMONSTRABLE
 - TECHNOLOGY MUST COMPLY WITH FEDERAL AND STATE REGULATIONS
 - SINGLE TECHNOLOGY SOLUTION FOR THE SYSTEM



OPEN TECHNOLOGY COMPETITION BASIS OF APPLICATION

- FRA's "*High Speed Rail Safety Strategy*" *JUST released – Nov. 2009*
 - FRA Tier II standards address up to 150 mph – there are no standards above 150 mph (ACELA)
 - For speeds up to 220 mph, FRA is:
 - Reviewing European and worldwide equipment standards
 - Exploring improvements and expansions to vehicle and track safety standards
- Because ARRA Program is moving as quickly as it is:
"FRA expects that each HSR operation will be appropriately tailored to its operating environment"



OPEN TECHNOLOGY COMPETITION BASIS OF APPLICATION

- FRA's "*High Speed Rail Safety Strategy*" also addresses following:
 - Positive Train Control being developed based on "speed bands" – higher speeds/higher capability requirements
 - Maintenance of Way safety guidelines being developed
 - Right of Way safety plans required
 - vandalism,
 - vehicle intrusion from adjacent rights of way,
 - launching of objects into HSR right of way
- Bottom line – FDOT will be working closely with FRA to develop acceptable standards



TECHNOLOGY ISSUES IDENTIFIED

- **FRA STANDARDS NOT DEVELOPED**
- **DEFINING “PROVEN AND DEMONSTRABLE” PERFORMANCE**
- **OPERATION WITHIN OR ALONG HIGHWAY**
- **SYSTEM COMPATIBILITY**
- **TEST TRACK**
- **MAINTENANCE FACILITIES**
- **MANUFACTURING – REQUIREMENTS AND LEAD TIME**



BREAK



FINANCING



FINANCING BASIS OF APPLICATION

- GENERAL APPROACH:
 - STATE PROVIDES RIGHT OF WAY AND OVERSIGHT
 - FEDERAL ARRA FUNDS USED FOR D-B CIVIL PACKAGE AND PUBLIC PART OF PPP CONTRACT
 - PRIVATE PARTNER PROVIDES INVESTMENT IN PPP AND LONG TERM O&M IN EXCHANGE FOR RIDERSHIP REVENUE
- THE "FINANCE" ASPECTS RELATE PRIMARILY TO THE P3 CONTRACT



FINANCE ASPECTS OF P3 LAW IN FLORIDA

SECTION 334.30, FLORIDA STATUTES AND OTHERS

- BROAD P3 AUTHORITY
- FLEXIBILITY
- PROVIDES A "CREDIT-WORTHY" P3 PROGRAM
- STRONG CONTROLS AND OVERSIGHT OF THE P3 PROCESS



FINANCE ASPECTS OF P3 LAW IN FLORIDA

- REQUIRES INDEPENDENT COST EFFECTIVENESS/PUBLIC BENEFIT ANALYSIS
- MANDATES (AS APPLICABLE) INDEPENDENT INVESTMENT GRADE TRAFFIC & REVENUE ANALYSIS
- LIMITS FDOT FUNDS FOR P3s – 15% CAP OF FEDERAL AND STATE FUNDING IN ANY GIVEN YEAR
- TERMS:
 - UP TO 50 YEARS – BASE LAW
 - UP TO 75 YEARS WITH SECRETARY APPROVAL
 - OVER 75 YEARS REQUIRES APPROVAL BY LEGISLATURE



FINANCE ASPECTS OF P3 LAW IN FLORIDA

- REQUIRES PRIVATE ENTITIES TO ACQUIRE SURETY BONDS, LETTERS OF CREDIT, PARENT COMPANY GUARANTEES, AND/OR LENDER AND EQUITY PARTNER GUARANTEES
- PROVIDE FOR INNOVATIVE FINANCE TECHNIQUES SUCH AS HEDGES
- ALLOWS FDOT TO ENTER INTO AVAILABILITY PAYMENT AGREEMENTS
- AUTHORITY TO LEVERAGE FUNDS ON LARGE PROJECTS
- P3 PROJECTS ARE OWNED BY FDOT UPON COMPLETION OR TERMINATION OF THE P3 AGREEMENT
- INDICATES GOVERNOR & LEGISLATIVE SUPPORT FOR P3'S



FINANCING TAMPA-ORLANDO BASIS OF APPLICATION

REVENUE-POSITIVE FINANCES BASED ON RIDERSHIP

(millions \$2010)

| | <u>2015</u> | <u>2020</u> | <u>2030</u> |
|-----------------------|---------------|---------------|---------------|
| RIDERSHIP REVENUE | 53.0 | 61.0 | 71.3 |
| O&M COSTS | (50.6) | (54.7) | (59.1) |
| CAPITAL ASSET RENEWAL | <u>(2.0)</u> | <u>(3.0)</u> | <u>(4.0)</u> |
| | | | |
| SURPLUS/(DEFICIT) | 0.4 | 3.3 | 8.2 |

ASSUMES NO SYSTEM EXPANSION



FINANCING TAMPA-ORLANDO BASIS OF APPLICATION

– CAPITAL FINANCING PLAN

Sources and Uses of Funds \$ 000

| Sources of Funds | |
|-----------------------------------|-----------|
| FRA Grants | 2,654,339 |
| In Kind Contributions | 572,535 |
| Total Sources | 3,226,874 |
| Use of Funds | |
| Project Construction | 2,654,339 |
| Right of Way/Bridge Contributions | 572,535 |
| Total Uses | 3,226,874 |



FINANCING TAMPA-ORLANDO BASIS OF APPLICATION

- OPERATING FINANCING PLAN
 - FARE REVENUES SUPPORT
 - OPERATING AND MAINTENANCE COSTS
 - CAPITAL RENEWAL FUND—PROVIDES FOR ASSET MAINTENANCE NEEDS
 - OPERATING AND MAINTENANCE RESERVE
 - » FUNDED FROM SURPLUS CASH FLOW
 - » EQUALS THREE MONTH'S OPERATING AND MAINTENANCE EXPENSE
 - SURPLUS FUND RECEIVES REMAINING CASH



FINANCING TAMPA-ORLANDO BASIS OF APPLICATION

– OPERATING FINANCING PLAN

Flow of Funds (\$000)

| | Fare Revenues | Operating Expenses | Net Revenues | Deposit to O&M Reserve | Deposit to Capital Asset Reserve | Surplus Revenues |
|------|---------------|--------------------|--------------|------------------------|----------------------------------|------------------|
| 2015 | 62,373 | (59,573) | 2,799 | (299) | (2,500) | 0 |
| 2020 | 84,391 | (75,668) | 8,723 | (4,723) | (4,000) | 0 |
| 2025 | 116,097 | (96,288) | 19,810 | (789) | (6,500) | 12,521 |
| 2030 | 158,401 | (113,259) | 45,142 | (493) | (7,971) | 36,678 |
| 2040 | 294,869 | (156,703) | 138,166 | (683) | (11,028) | 126,456 |
| 2050 | 548,909 | (216,810) | 332,099 | (944) | (15,258) | 315,896 |



FINANCING TAMPA-ORLANDO BASIS OF APPLICATION

– OPERATING FINANCING PLAN

Operations & Maintenance Reserve
(\$000)

| | Beginning Balance | Reserve Deposit | Ending Balance |
|------|----------------------|--------------------|-------------------|
| 2015 | 0 | 299 | 299 |
| 2020 | 9,693 | 4,723 | 14,416 |
| 2025 | 22,939 | 789 | 23,728 |
| 2030 | 27,410 | 493 | 27,904 |
| 2040 | 37,924 | 683 | 38,607 |
| 2050 | 52,471 | 944 | 53,416 |

Capital Asset Renewal Reserve
(\$000)

| | Beginning Balance | Reserve Deposit | Rserve Draw | Ending Balance |
|------|----------------------|--------------------|-------------|-------------------|
| 2015 | 0 | 2,500 | (2,353) | 147 |
| 2020 | 256 | 4,000 | (4,151) | 106 |
| 2025 | 218 | 6,500 | (6,510) | 208 |
| 2030 | 1,416 | 7,971 | (7,657) | 1,730 |
| 2040 | 5,559 | 11,028 | (10,594) | 5,992 |
| 2050 | 11,868 | 15,258 | (14,658) | 12,468 |



FINANCING ISSUES IDENTIFIED

- FUNDING FROM ARRA UNCERTAIN
- MIX OF PUBLIC AND PRIVATE FUNDING
- WILLINGNESS OF PRIVATE SECTOR TO ACCEPT RIDERSHIP REVENUE RISK
- REVENUE SHARING
- FINANCING SYSTEM EXPANSIONS

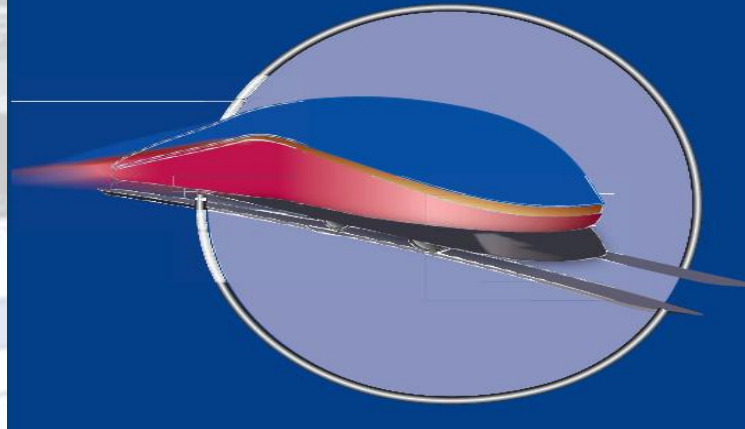


OPEN SESSION



FLORIDA HIGH SPEED RAIL INDUSTRY FORUM

Vision For
HIGH-SPEED RAIL
In America



Orlando, FL
December 2, 2009

FLORIDA HIGH SPEED RAIL