

# Colorado P3 Market Snapshot

Colorado has adopted P3 legislation which authorizes the Colorado Department of Transportation (CDOT) to pursue alternative means of financing for surface transportation infrastructure projects. In 2009, Colorado Governor John Hickenlooper created the HPTE (High Performance Transportation Enterprise) to facilitate P3s at the state level and to provide guidance to local and regional entities. While Colorado P3 legislation has been in place for many years, it is only recently that the P3 model has been implemented in the state through the US 36 highway express lanes, which connect the 30 mile stretch between Denver and Boulder. The Plenary Group was awarded Colorado's first P3 project in Feb. 2014 and the project consists of a 50 year DBFOM toll concession in partnership with the Colo. Dept. of Transportation (CDOT) and valued at US\$120m. The US 36 concession agreement could serve as a model for other major highway ventures in Colorado, including expansion and improvement projects being considered for C-470; I-25 north of the Denver metro area; and Interstate 70 in both the mountain corridor and central Denver.

Colorado will continue to pursue P3 projects in the future since federal and state fuel taxes are insufficient to meet the growing demands placed upon an aging infrastructure and an ever-expanding population of new residents migrating to the Front Range communities of Colorado. Furthermore, traditional funding is not available at this time to CDOT and over 80% of CDOT's

budget is dedicated to the maintenance of the current transportation network with the remaining 20% of the budget going towards debt servicing. With no additional federal funds being sent to assist Colorado in meeting its infrastructure needs, it looks like future construction projects will need more P3s in order to keep pace with the growing demands being placed upon Colorado's transportation system.

## Eagle P3 Project

The US\$2.2 billion dollar Eagle P3 project is currently the largest P3 infrastructure project in the U.S. In August 2011, the Eagle P3 project received a US\$1.03 billion Full Funding Grant Agreement (FFGA) from the Federal Transit Administration and as of today it represents the largest grant awarded for an infrastructure project under the Obama administration. Eagle P3 is the first full DBFOM transit public-private partnership in the United States. Eagle P3 is being managed by the Denver Transit Partners (DTP), a consortium led by Fluor Corporation and Macquarie Group, with Uberior Infrastructure Investments and Balfour Beatty as the other major partners. The project was completed in 2016 and the 23-mile electric commuter rail line connects Denver's Union Station with Denver International Airport in less than 35 minutes.

## I-70 East P3 Project

CDOT and HPTE selected Kiewit/Meridiam as the lead contractor partners for Colorado's largest infrastructure project. The \$1.2 billion dollar DBFOM project for I-70 East includes adding an Express Lane in each direction on I-70 from I-25 to I-225, removing the 50-year-old viaduct between Brighton Boulevard and Colorado Boulevard and lowering the interstate



along this stretch, and constructing a four-acre park over a portion of the lowered interstate. Construction is set to begin in spring 2018 and is projected to take four years to complete.

### **C-470 Express Lanes Project**

CDOT and HPTE will oversee the expansion of the Denver beltway of C-470 that will add new Express Lanes and improve traffic flow between I-25 and Wadsworth Boulevard. The 12.5 mile \$276 million dollar project includes more than \$109 million in federal financing funds (TIFIA) and is scheduled to be completed in May 2019. Flatiron and AECOM were selected to be the lead partners on the project for a highway that is projected to see a 40% increase in traffic volume by 2035.

*Colorado is committed to improve its infrastructure in various areas and is willing to see more Canadian companies developing those projects. The decision is yours!*

For additional information please contact:

[David.B.Smith@international.gc.ca](mailto:David.B.Smith@international.gc.ca)