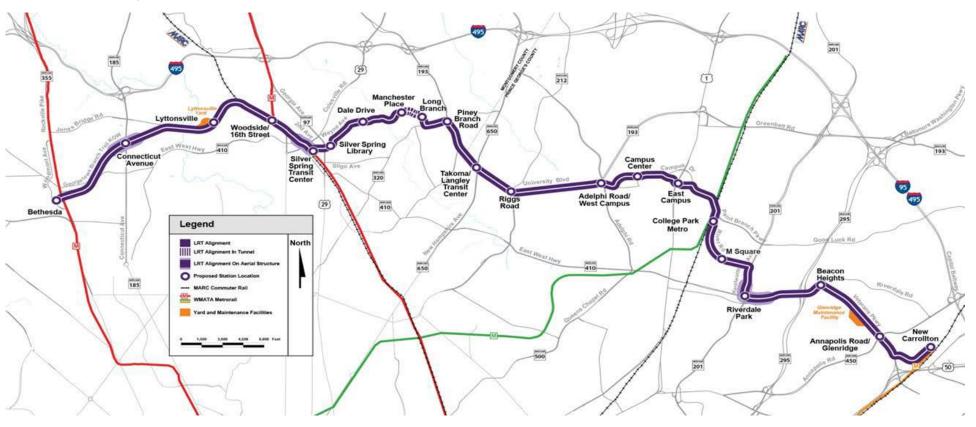


Prince George's County Council
Purple Line Briefing
March 3, 2022

Project Description



- 16.2 mile east-west light rail line between New Carrollton in Prince George's County and Bethesda in Montgomery County
- Operates mostly on the surface with 21 stations



Connecting Maryland's Transit Systems



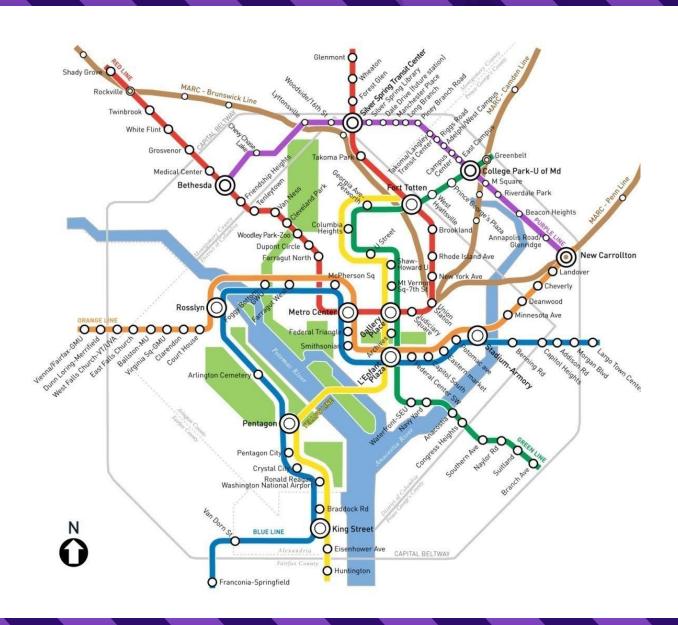
Links with Metro at:

- Red Line at Bethesda
- Red Line at Silver Spring
- Green Line at College Park
- Orange Line at New Carrollton

Connects to all three MARC lines.

Connects to Amtrak Northeast Corridor at New Carrollton.

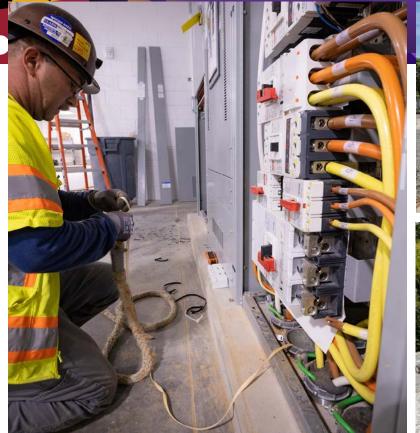
Links up with regional and local bus services.



Project's Importance



- The Purple Line will:
 - Expand transit opportunities to two of the fastest growing counties in the state
 - Create better access to jobs and community services for neighborhoods that are highly transit dependent
 - Relieve automobile congestion on major arteries
 - Provide significant environmental benefits through the operation of electric vehicles and reduction in vehicular emissions
 - Spur economic growth
 - Revitalize communities











MTA's Construction Activities

Sewer Relocation – University Boulevard





College Park Bus Loop





Pepco Overhead Relocation – Kenilworth Avenue





Sewer Relocation Pavement Restoration – Riverdale Road





MSE Wall Parapet Concrete Placement – Glenridge OMF





DB Resolicitation and BPW Approval



Resolicitation Process



- Selected Maryland Transit Solutions (MTS) as new Design-Builder
 - MTS is a Joint Venture comprised of Dragados and OHL
- Modified P3 Agreement approved by Board of Public Works on 1/26/22.
 - Vote by Governor, Comptroller and Treasurer was unanimous

Design-Build Contractor Overview



- Maryland Transit Solutions (MTS), is a joint venture comprised of Dragados USA, Inc (60%). and OHL USA, Inc (40%).
- DRAGADOS USA Dragados USA, Inc., a wholly owned subsidiary of Dragados S.A. (Dragados), is a leading construction firm with unmatched capabilities in large scale civil infrastructure and engineering projects. As of 2020 Dragados is ranked No. 6 on both the ENR Top 20 Transportation Firms and Top 50 Domestic Heavy Contractors lists. Over the past eight decades, Dragados has built a reputation as a recognized leader in alternative project delivery having constructed over 200 design-build and more than 100 P3 projects worldwide. Dragados excels in the transportation sector having built over 1,600 miles of rail and transit projects.
- OHL USA, Inc. is the North American division of international construction company, Obrascon Hurte Lain, S.A. (The OHL Group). The OHL Group has a 100-year history of successful project deliveries. The firm's U.S. operations provide general contracting, at-risk construction management, design-build, and P3 services for public and private sector clients. OHL ranks No. 3 on ENR's list of Top 10 Transportation Contractors in New York and New Jersey, and No. 15 on the Top 50 Domestic Heavy Contractors list. OHL has owned multiple concessions globally and is well-versed in Design-Build and P3 project administration, financing, and delivery.

Dragados Project Experience

The LAX APM represents the client's first P3 procurement and is the cornerstone of its broader Landside Access Modernization Program. The project includes the DBF of 2.25 miles of elevated guideway, six stations, pedestrian bridges, and an automated people mover system.



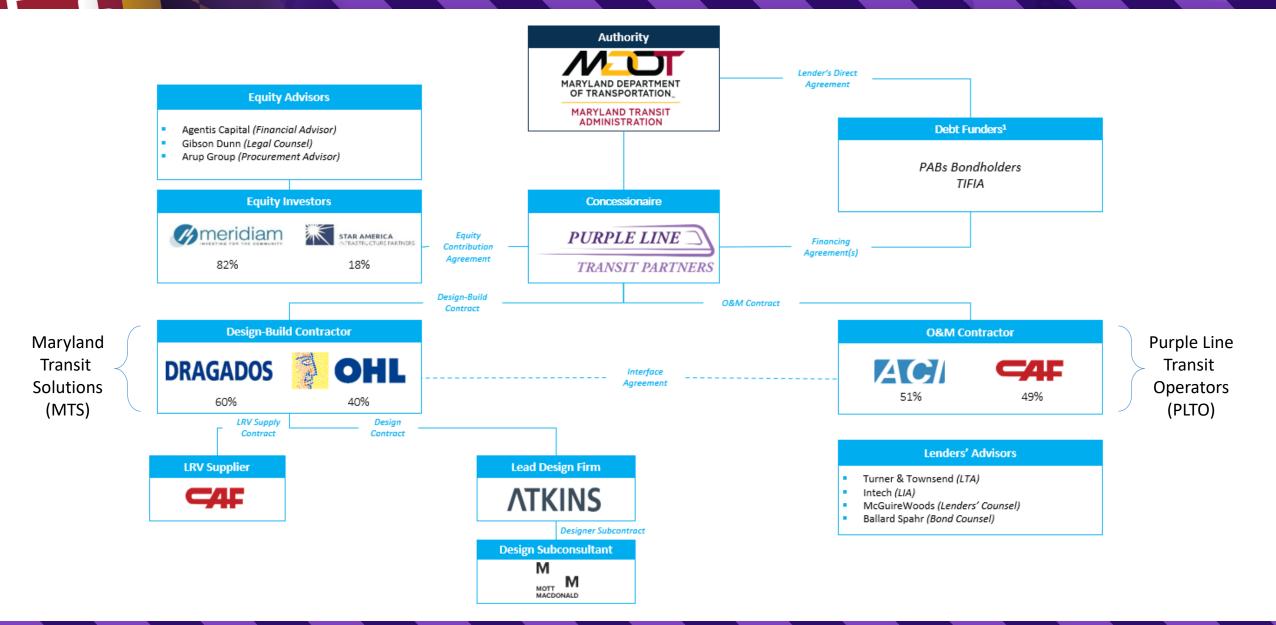
OHL Project Experience





Concessionaire Organization Structure





P3 Agreement Changes - Cost



The updated design-build contract cost \$3.4 billion, including all prior and future work. The increase in the design-build contract has a multiplying effect on the cost of financing, operations, and maintenance. The P3 Agreement total cost includes:

- PLTP's cost to design and construct the highly complex light rail system, including all related financing costs for:
 - All construction completed to date by the previous design-builder
 - The replacement design-builder's fixed price to complete the project
 - Work completed by MDOT MTA during the resolicitation period
- Costs related to the Settlement Agreement
 - Settlement payments made to the previous design-builder
 - Repayment of the private activity bonds for construction work previously completed
- Capital renewal costs for the 30-year operating period
- Operations, maintenance, and insurance costs over the 30-year operating period
 - Deductions to O&M payments will be made if performance specifications are not met

P3 Agreement Changes - Cost (continued)



The cost of the P3 Agreement has increased for a number of reasons:

- Delay impact of federal court action that was later overturned;
- Impacts of global COVID-19 pandemic:
 - Rising materials costs rising and supply chain issues across the construction industry;
 - Labor shortages/workforce challenges;
- Mandatory wage increases for living wage laws in Maryland and Montgomery County;
- Changes in the insurance market, making insurance harder and more costly to obtain;
- Inflation experienced over the last five years; and
- Bringing on a new design-build contractor to the Project mid-construction.

Project Financing



P3 Agreement Cost Overview \$ in Millions

	2016 Funding	2022 Funding	
	(2016-2052)	(2016-2056)	
esign-build Contract	1,971,885	3,435,839	
ettlement Payment	-	250,000	
Vork completed by MDOT MTA since Sept. 2020	-	218,673	
perations and Maintenance	1,744,297	1,977,179	
nsurance	272,638	340,642	
apital Renewal	289,144	295,908	
inancing	1,312,036	2,765,759	
otal P3 Agreement	5,590,000	9,284,000	66%
ettlement Payment Vork completed by MDOT MTA since Sept. 2020 Operations and Maintenance Issurance Isapital Renewal inancing	- 1,744,297 272,638 289,144 1,312,036	250,000 218,673 1,977,179 340,642 295,908 2,765,759	66

Project Financing



- The remaining construction cost of the project will be financed with:
 - \$1.7 billion TIFIA loan (replacement and restructuring of original loan)
 - \$0.7 billion private activity bonds
 - \$0.3 billion private equity
- The debt and equity will be non-recourse to the State and MDOT
- The State will make availability payments over the 30-year O&M period of the contract to provide for the repayment of these amounts
- MDOT is working with the State Treasurer's Office to confirm those payments will not count as State tax-supported debt

Revised Project Schedule



Coming Weeks Financial and Commercial Close

Spring 2022

Full-scale construction will commence by MTS

Fall 2023

 Light rail vehicles will arrive at Glenridge Operations & Maintenance Facility in Prince George's County

Summer 2024

Test track will be complete for local testing and operator training

Winter 2025

 Construction will be complete, commence system-wide testing and commissioning activities will be ongoing

Fall 2026

 Revenue service will begin – full line and all 21 stations operational at one time

Thank You

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