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RTD opens door to tech

NEW TALK OF MAGLEV TRAIN

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RTD's decision to encourage private companies to finance, build and operate FasTracks commuter trains has revived the possibility of a high-tech "maglev" train to DIA, transit officials say.

Maglev refers to magnetic levitation, by which trains elevate over a guideway and are propelled for fast, frictionless travel.

The Regional Transportation District is seeking federal support for a plan to contract with private firms to finance, design, build, operate and maintain as many as four commuter rail lines.

The north metro, northwest, Gold and DIA rail lines will cost more than \$2 billion.

RTD is considering private partners for the projects because the FasTracks budget has been caught in a vise between rising construction costs and lower-than-projected sales-tax revenues.

"We'd be remiss if we didn't look at every tool out there," RTD board member David Ruchman said about the agency's consideration of public-private partnerships for FasTracks. "We want to keep faith with the public and deliver everything we promised them."

RTD pledged to voters that all of FasTracks would be completed by 2016, including six new lines and extensions of the southeast light-rail line to Lone Tree and the southwest line to Highlands Ranch. Metro Denver voters endorsed FasTracks in 2004 when they backed an RTD sales-tax increase.

The most intriguing element of quasi-privatization would be the possibility of advanced rail technologies such as maglev for the Denver International Airport line and possibly others.

Private companies have contacted RTD about bidding on the rail partnerships, and some parties have talked about exploring maglev technologies for the DIA train, said RTD general manager Cal Marsella.

For years, promoters of a mass-transit solution for congestion in the Interstate 70 mountain corridor have talked about advanced rail from the Denver area to Vail. Proposals have considered monorail and maglev, but up to now, the Colorado Department of Transportation has shelved all rail alternatives to highway widening because of the higher expense.

It is not clear if private firms can submit a proposal for mag lev or other advanced rail technology for anything close to the \$702 million budget that RTD has for the DIA train.

But Marsella said the public-private partnership process "opens opportunities for any and all alternatives" and it will be up to firms to present proposals that meet RTD's needs.

RTD board member Ruchman endorses the exploration of public-private partnerships for bringing FasTracks in on schedule, but he offered a caution: "In our rush to be on time and on budget, I hope we don't sacrifice quality and excellence."

To get started, RTD applied late last month to join the Federal Transit Administration's public-private partnership pilot program, which promotes more extensive links between public transit agencies and private businesses.

The Bush administration is eager for successful projects showing the viability of more private-sector involvement in transit systems.

"We think these arrangements can expedite the design and construction of these projects, improve their performance once constructed and realize cost savings without compromising safety," said FTA chief counsel David Horner, who leads the pilot program.

In its FasTracks finance plan, RTD included the assumption that the federal government would underwrite at least \$815 million of the project's \$4.7 billion initial total cost.

Typically, transit agencies ask FTA for federal dollars to cover part of a line's cost.

In its application, RTD described how rising construction costs and lower sales-tax forecasts threaten FasTracks.

"The combination of these factors is leading to an overall funding shortfall, which would limit RTD's ability to deliver the program within the time frame approved by the voters of the district in 2004," the agency said.

The depth of problems facing FasTracks became clear in February when a draft analysis of FasTracks finances showed the entire program might cost \$2 billion more than planned.

Public-private partnerships for FasTracks rail, supported by FTA, could get RTD back on track, Marsella said. "It presents an opportunity to revise cost estimates downward, which could balance against cost increases we've experienced since we went to the ballot."

Proposals to let private firms design, build, operate and maintain new transportation projects are known as DBOM ventures. Government entities often add an F, looking for private financing as well.

"DBOM contracts have been quite common in the highway field," said Ken Orski, who edits a national newsletter that charts innovations in transportation policy. "What FTA is trying to do is adopt the same approach in the field of transit."

Transit agencies save money in public-private arrangements because private companies assume some of the risk of avoiding cost overruns and delivering projects on time, Orski said.

"Contracts can be very tightly written so the transit agency specifies the level of performance, service and maintenance" that private operators must meet, he added.

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Transit competitors

The Regional Transportation District and its FasTracks project are competing with three other transit agencies for acceptance in a Federal Transit Administration pilot program that encourages public-private partnerships. The other agencies and projects in the running:

San Francisco Bay Area Rapid Transit's Oakland Airport connector project

Metropolitan Transit Authority of Harris County, Texas (Houston) METRO Solutions program

Georgia Regional Transportation Authority's Northwest Corridor bus rapid-transit project

Source: Federal Transit Administration

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