Diridon to Airport Connector

Pre-Development Agreement for Business Case and Feasibility Validation





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San José Mineta International Airport
Department of Transportation
Item 5.2

Overview – What and Why

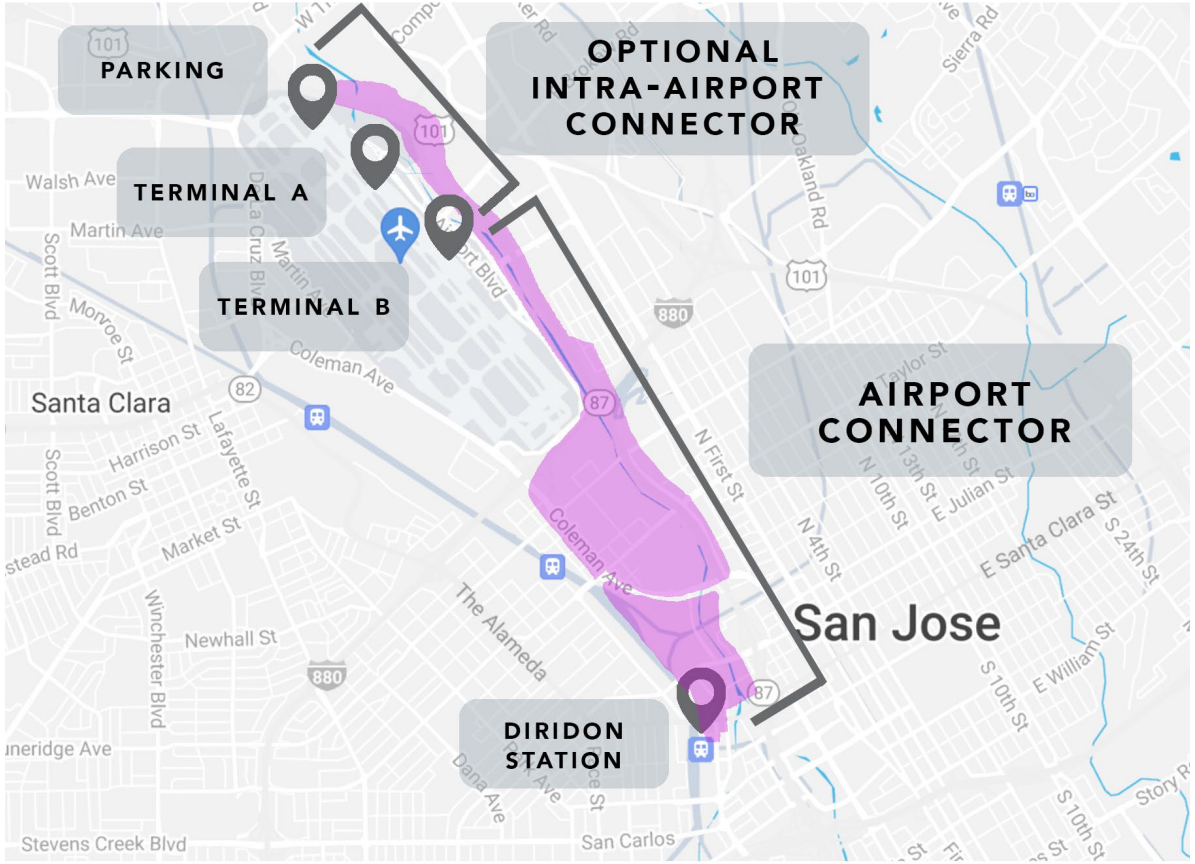
- Connects two important regional transportation hubs
- Automated transit vehicles on dedicated guideway
- Optional Intra-Airport Connector
- Potential for future expansion

Why City-Led?

- VTA focused elsewhere
- City is willing to innovate
- City has full partner integration: Airport, City Streets, Permitting, Operating Franchise

Why Now?

- Airport Expansion
- Diridon Integrated Station
- Land Availability



Recommendation

Enter Phase 1 Pre-Development Agreement with San Jose Connection Partners (Plenary)



SCOPE
Project Management Plan
Feasibility Validation Report
Transit Solution & Business Case

DURATION 6-12 Months

BUDGET Under $1 million

San Jose Connection Partners
Plenary Americas (Investor Member)
- Webcor/ Obayashi (Lead Contractors)
- HNTB (Lead Designer)
- Glydways (Technology Provider)
- ACI (O&M Provider)

Council Direction

- February 4, 2019 – Present technology and alignment options for connecting San José Mineta International Airport to Diridon Station

- August 25, 2020 – Advance Connector using either a Public or a Public Private Partnership delivery model

- April 19, 2022 – Approved an ordinance authorizing the use of Public-Private Partnership delivery model for the project

Aim: Significantly Reduce Cost

- Current construction price for Automated People Mover (APM) systems is over $800 million/mile
  - Operating and maintenance costs over time are higher than capital costs
- Lower capital cost systems such as busses would cost millions per year in operating subsidies

- City ask to market in RFP:
  - Build for under $500 million, less than a quarter the cost of APM systems
  - Private investor pays some of the capital costs and all operating and maintenance costs, in exchange for fare revenue

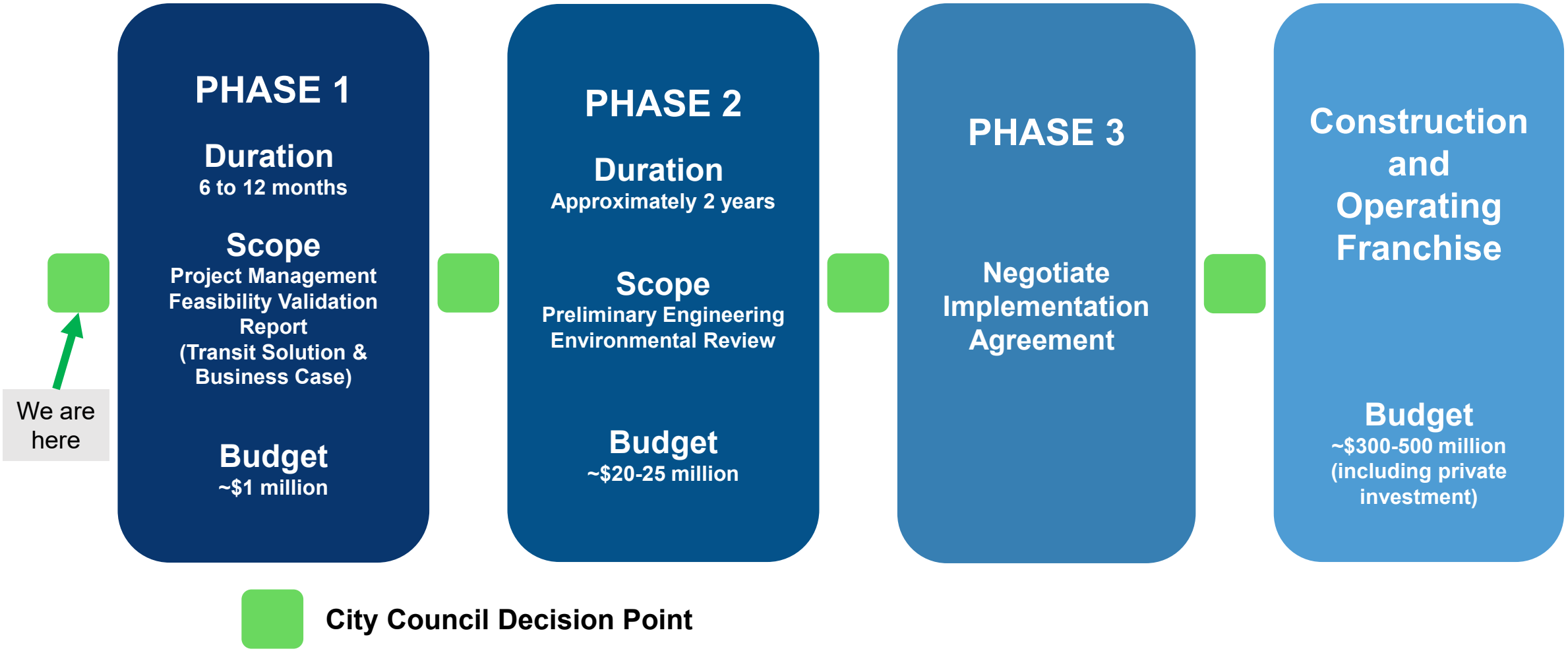
Public-Private Partnership (P3) Delivery

At-risk, multi-phase, Pre-Development Agreement (PDA)

Goals include:

- **Leveraging market know-how**
- **Finding the right technology solution**
- **Finding the right project partner**
- **Minimizing public funding**

Pre-Development Agreement Phases



Significant Market Outreach

Our eventual ‘Request for Proposal’ was informed by a comprehensive five-year planning effort, covering RFI, market testing, and even unsolicited proposals.

Our Ask From the ‘RFP’

- **Private partner for pre-development work**
- **Expertise and innovation in transit technology, project planning and risk allocation**
- **Long-term revenue-risk DBFOM project**
- **Total project cost of no more than $500m**

Resulted in...

Three Proposers

1. **San Jose Airport Connectors (ACS)**
2. **San Jose Connection Partners (Plenary)**
3. **The Boring Company**

Evaluation Process



1. Responsiveness and Responsibility Review
2. Pass/Fail Evaluation of Technical and Commercial Proposals
3. Evaluate Team Proposal
4. Evaluate Technical Proposal
5. Evaluate Financial Proposal

Scoring

	San José Connection Partners (Plenary)	San José Airport Connectors (ACS)
Team Proposal	2,683	2,557
Technical and Commercial Proposal	2,753	3,573
Financial Proposal	2,000	200
Overall Score	**7,436**	**6,340**
Overall Rank	**#1**	**#2**

Plenary Team

PARENT COMPANY
CDPQ

INVESTOR
PLENARY

PROPOSER
SAN JOSE CONNECTION PARTNERS

O&M PROVIDER
ACI

LEAD DESIGNER
HNTB

CONSTRUCTION CONTRACTOR
WEBCOR/OBAYASHI

TECHNOLOGY PROVIDER
GLYDWAYS

Reference Projects

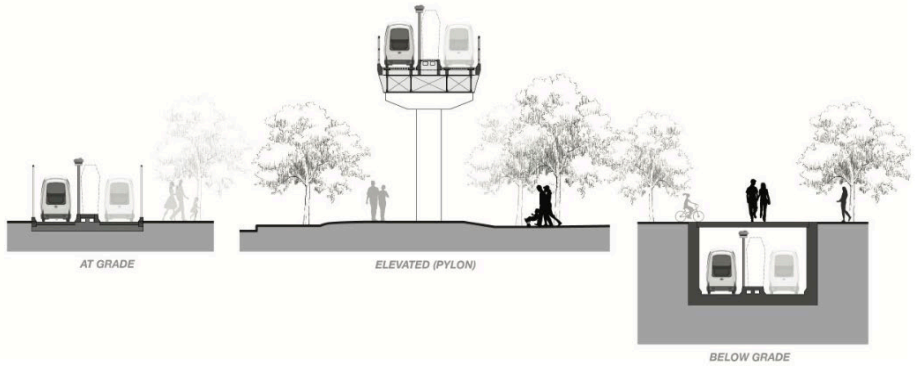
- **Réseau Express Métropolitain (~$4.5b), 42-mile automated light metro**
- Long Beach Civic Center ($500m), various civic facilities
- Crenshaw/ LAX Transit ($1.8b), 8.5-mile light rail transit system
- Ultimate Urban Circular – Jacksonville, 5-mile autonomous vehicle network
- Transbay Transit Center ($1.6b), Transportation Hub
- Dubai Metro – Red/ Green Lines (~$6.4b), 80-mile automated light rail



Glydways Transit Technology



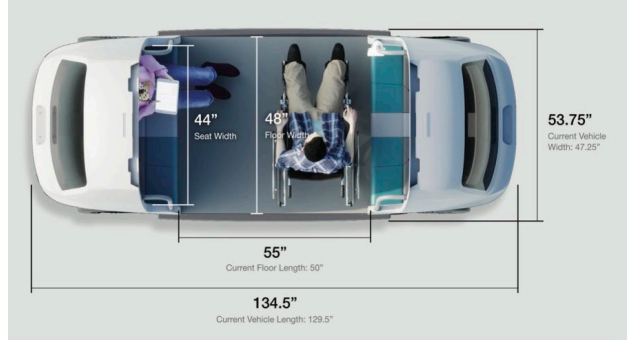
Autonomous Electric Vehicles





Low-Cost Infrastructure





Customer Experience

Questions?

Recommendation

a. Make findings for Design-Build-Finance-Operate-Maintain method of project delivery

b. Authorizing the City Manager or their designee to negotiate and execute Agreement with the San José Connection Partners, led by Plenary Americas and

c. Authorizing the City Attorney to negotiate and execute a Third Amendment to the Agreement with Ashurst LLP for legal services

Staff

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