



CAPITAL CITY LINK  
GENERAL PARTNERSHIP

July 16, 2012

## Construction digs-in on final leg of Edmonton ring road

### ***Final leg of Anthony Henday Drive set to open to traffic in 2016***

*Edmonton...* The finish line on the Edmonton ring road is in sight with the final northeast leg of the Anthony Henday Drive scheduled to open in fall 2016.

"It is very rewarding to turn sod on a project that is so far reaching. This new road improves our quality of life, supports a changing and expanding population and furthers Alberta's economic growth," said Minister of Transportation Ric Mclver. "This is an exciting step in moving toward the long-range vision of the Edmonton Ring Road that began in the 1970s."

More than 50,000 Albertans use the Henday each day. The ring road, once completed, will change the way residents in the Capital Region connect with the people and services that matter to them – reducing commute times and traffic congestion. It will also dramatically benefit industry that uses the freeway as a vital route in all four directions, getting our products to market more quickly and efficiently.

The Alberta government signed a 34-year contract with the Capital City Link General Partnership to design, build, operate, and partially finance Northeast Anthony Henday Drive. The public-private partnership (P3) contract is worth \$1.81 billion in 2012 dollars, to be paid over the term of the contract, and follows a P3 selection process which began in March 2011.

This is a savings of \$370 million, compared to the estimated cost of \$2.18 billion using traditional delivery. The other two bids received were \$2.03 billion and \$2.22 billion.

As a representative of the newly formed partnership, Elisabeth Hivon commented, "This is a great opportunity for Capital City Link General Partnership to partner with the province, delivering new, high quality transportation infrastructure in an accelerated manner under a single P3 contract. We look forward to partnering with the Province of Alberta for the next 34 years. Together we will develop a project that will provide for a safe transportation network bringing both mobility and further economic growth to the region."

The Capital City Link General Partnership's (CCLGP) partners are:

- Meridiam Infrastructure NEAH ULC (a subsidiary of Meridiam Infrastructure North America Inc.),
- ACS NEAH Partner Inc. (a subsidiary of ACS Infrastructure Canada Inc.), and
- HOCHTIEF NEAH Partner Inc. (a subsidiary of HOCHTIEF PPP Solutions GmbH).

The design and construction of the project will be subcontracted to a construction joint venture made up of:

- Flatiron Constructors Canada Limited,
- Dragados Canada, Inc.,
- Aecon Construction Management Inc., and
- Lafarge Canada Inc.

The operations and maintenance will be subcontracted to Volker Stevin Highways Ltd.

Running from Manning Drive to just south of Whitemud Drive, the project includes 27 kilometres of six- and eight-lane divided roadway, nine interchanges, two road flyovers, eight rail crossings (flyovers), and two bridges across the North Saskatchewan River, for a total of 46 bridge structures.

Using Alberta's P3 model for highways allows the Northeast Anthony Henday Drive to be finished three years earlier than through conventional delivery. Including the Northeast section, the Alberta government has committed more than \$4 billion toward the construction of the Edmonton Ring Road. Visit [www.transportation.alberta.ca/3787.htm](http://www.transportation.alberta.ca/3787.htm) for more information on the Edmonton ring road.

**Backgrounders:** Map of Northeast Anthony Henday Drive, Alberta's public-private partnership for highways

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## Map of Northeast Anthony Henday Drive



### Project Feature:

- 27 kilometres of six- and eight-lane divided roadway (9 kilometres of new highway construction and 18 kilometres of highway reconstruction)
- nine interchanges
- two road flyovers
- eight railway crossings (flyovers)
- two bridges across the North Saskatchewan River
- 46 total bridge structures

### Interchanges locations:

- Manning Drive (partly completed with the Northwest Anthony Henday Drive project)
- 153 Avenue
- 130 Avenue
- Highway 16 (Yellowhead Trail)
- Broadmoor Boulevard at Highway 16
- Sherwood Drive at Highway 16
- Baseline Road
- Sherwood Park Freeway/Wye Road
- 17 Street at Sherwood Park Freeway

### Flyover locations:

- Various CNR/CPR Rail Crossings
- Victoria Trail Flyover
- Petroleum Way Flyover

### Inquiries may be directed to:

Heather Kaszuba, Communications, Alberta Transportation, 780-717-3913 (cell), 780-422-7070  
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## Alberta's public-private partnerships for highways

### Design, Build, Finance, Operate (P3) Process

- Under this process, a private-sector partner is responsible for the design, construction, partial financing, and operation and maintenance of a roadway for 30 years. Once the road opens to traffic, government makes monthly payments to the partner over 30 years. Government will advance funds during construction to lower the monthly payments.
- Government is guaranteed a fixed price and delivery date for the road. The private contractor assumes risks such as inflation and weather-related delays. The contractor can be penalized for late delivery.
- Government also receives a 30-year warranty on the work. Under traditional delivery, warranties are usually only one to two years.
- Part of the process includes a comprehensive evaluation of a project's suitability for a P3. P3s are used only when there are clear benefits to government and taxpayers.
- Previous P3 projects have included the southeast and northwest legs of the Edmonton Ring Road and the northeast and southeast legs of the Calgary Ring Road.

### Request for Qualifications (RFQ)

- The RFQ determines potential partners' qualifications and short-lists potential partners to three proponents. RFQs usually take up to three months to prepare, submit, and review.
- Potential partners may be headquartered or operate in any part of the world.
- Potential partners are usually consortia of engineering, construction, financing, and road maintenance companies.

### Request for Proposals (RFP)

- The three potential bidding consortia identified by the RFQ process are invited to submit proposals for the project. Three bidders are optimal because the competitors have a reasonable chance of success and the process remains competitive should one of the bidders withdraw.
- Preparation, submission, and review of proposals take approximately 11 months.
- Proposals are evaluated to determine if they represent good value. A proposal's net present value, or its value in today's dollars, is used to compare the proposals with each other and with the traditional delivery estimate. If all proposals exceed the upper limit of the traditional delivery estimate, the project does not proceed as a P3.

### Final Contract Award

- Government awards the contract to the qualified proposal with the lowest net present value.
- The successful proponent enters into an agreement with government.

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