



PUBLIC PRIVATE PARTNERSHIP (P3)– CALL FOR PROJECTS 2017/2018

APPLICANT INFORMATION

APPLICANT: Jalbert Leasing, Inc. dba C&J Bus Lines

ADDRESS LINE 1: 185 Grafton Drive

ADDRESS LINE 2: _____

CITY: Portsmouth

STATE: New Hampshire

ZIP CODE: 03801

PHONE NUMBER: (603) 430 -1100

EMAIL ADDRESS: imj@ridecj.com

PROJECT DESCRIPTION

PROJECT NAME: The Privatization of the Dover & Portsmouth Bus Terminals

TYPE OF PROJECT

- | | |
|--------------------------------------|---|
| <input type="checkbox"/> AERONAUTICS | <input checked="" type="checkbox"/> TRANSIT |
| <input type="checkbox"/> HIGHWAY | <input type="checkbox"/> OTHER _____ |
| <input type="checkbox"/> RAIL | |

EXPLANATION OF PROJECT NEED:

This proposal has been submitted by Jalbert Leasing, Inc., dba C&J Bus Lines, (herein referred to as the applicant), operator of the State-owned Portsmouth Transportation Center and the Dover Intercity Bus Terminal. The applicant respectfully requests the consideration by the committee for the privatization of both facilities resulting in the issuance of a long-term lease between the State of New Hampshire and the applicant.

The applicant has, during its tenancy, experienced significant growth in the use of the aforementioned facilities by transit riders and rideshare users alike. Use has outstripped capacity at both locations within years of opening as a result of extensive transit options offered and of the security and comfort provided through well-maintained facilities. The number of parked vehicles exceeded facility design capacity for over 180 days at both locations in 2016. By comparison, park and ride locations in Dover, Portsmouth, Hampton, and Epping continually fail to reach half-capacity (and are occasionally empty).

To meet the expanding needs of users, cost-prohibitive services comprised of remote parking lot rentals and valet services have been introduced with the majority of the expenses assumed by the applicant. These arrangements do not provide for finance-dependent capital expansion. They are only short-term solutions possible within facility operating agreements for both Dover and Portsmouth.

Free parking has resulted in the abuse of the facilities. The accommodation of both transit and non-transit patrons without a financial offset has resulted in a rapid increase of terminal operation expenses. In addition, securing public funding for facility maintenance (or expansion) has become difficult because of the limited state and federal resources.

The applicant proposes to solve this problem with the introduction of fee-based parking. Nominal daily parking fees will be assessed against patrons with revenues utilized for capital maintenance, future expansion, rent, parking control systems, and terminal operations. Parking fees will better manage facility use and will encourage a greater frequency of ridesharing, not only from the facilities, but also off-site. Finally, with the securement of long-term leases, the applicant can obtain financing for lease/acquisition and expansion of both facilities.

Recognizing the importance of fare/fee elasticity, parking rates will be competitive both in daily and monthly form to accommodate frequent users to include bus commuter and rideshare. Rates will be similar to and will not exceed transit-oriented parking in Maine, New Hampshire and Northern Massachusetts.

In order to be successful, any lease agreement must include a fee-based parking component operated by an intercity bus carrier who is cognizant of the issues related to both parking and bus fares, insuring that fares/fees are established to maximize moving people (rather than a revenue-first model).

All FHWA rules pertaining to accesses by transit providers, both public and private, shall be maintained.

DESCRIPTION OF PROJECT: (Include general scope, limits of work, duration of project, etc.)

The project consists of the reconfiguration of both the Portsmouth Transportation Center (185 Grafton Drive, Portsmouth, NH) and the Dover Bus Terminal (23 Indian Brook Road, Dover, NH) to accommodate the introduction of fee-based parking. Parking and traffic flow will be reconfigured to accommodate entrance and exit gates with validation and payment systems. Communication infrastructure will be improved to accommodate parking systems and fencing will be installed for vehicle control measures. Additional validation systems and mobile applications will also be employed.

The Dover project will include the acquisition of adjoining property to the existing facility to accommodate an expansion of 150 parking spaces. The Portsmouth project will include the development of a new parking facility in close proximity to the existing facility. This expansion is subject to the approval of the Pease Development Authority and will consist of a small terminal-style building and 400-500 additional parking spaces. All capital expansion for Dover and the new facility in Portsmouth are identified separately so as to demonstrate the capital investment and related operating costs only.

ESTIMATED COST & FINANCING

There are two phases to the project with the first being the reconfiguration and installation of parking controls in both the Portsmouth and Dover facilities and the future expansion of parking capacity (abutting and adjacent). Revenues, capital maintenance and operating expenses for both facilities for a period of 25 years are described below. Note that rent/revenue sharing with the State of New Hampshire is not included at this time and would be subject to negotiation. It is further noted that any expansion expense is noted separately without corresponding revenue projections.

Capital improvements and Maintenance	\$7,539,407
Debt Service	2,076,868
Equipment	734,490
Operating Expenses	\$44,343,969
Rent	TBD
Total	\$54,694,735
Revenues*	\$69,288,435
Net Gain/Loss	\$14,593,700

*Revenues are derived from a mixture of daily and discounted monthly rates assuming a blended average occupancy of 80%. Proposed parking fees (both daily and discounted) have not been shared in this submission. The future financial estimates for the expansion of Portsmouth and Dover, New Hampshire facilities are described as follows:

Capital Cost Estimate	\$3,740,000
Debt Service	\$2,708,421
Capital Maintenance	\$1,277,944
Total	\$7,726,365

All financing for expansion and improvements will be done with private sector resources and will not require any capital assistance from State or Federal Agencies. Revenue projections to be determined and are not part of revenue share with State of New Hampshire.

PROJECT READINESS

LEVEL OF PLANNING/DESIGN COMPLETED:

All phases of the project have been reviewed by the C&J Team and Civil Works PE with preliminary estimates prepared in terms of costs related to reconfiguration, expansion, capital maintenance, and operating expenses. Additional work will be performed subject to committee approval. We anticipate a total of 12-months from approval to completion of all on-site projects. This timeline assumes State of New Hampshire permit preemption on the construction process. The Dover expansion will be included in this timeline while the Portsmouth expansion may take up to 24-months from the date of the approval by the committee.

PROJECT MILESTONES/DURATION:

This timeline covers the entire approval and development completion dates for the reconfiguration of both the Portsmouth and Dover, New Hampshire facilities.

1. Project approval and award 6/30/2018
2. Project design and construction for reconfiguration and parking controls 5/30/2019

This timeline covers the acquisition of property and development of the Dover, New Hampshire facility. The development consists of acquiring approvals, property and construction of 150 parking spaces on land abutting the facility. This would expand the total parking capacity to 600 spaces.

1. Expansion design and approval 11/2018
2. Property acquisition 12/2018
3. Expansion completion 06/2019

This timeline covers the leasing and development of property located in close proximity to the Portsmouth New Hampshire facility. The development consists of leasing property from the Pease Development Authority and the construction of 500 parking spaces. This would expand the total parking capacity to 1897 spaces.

1. Option property from the Pease Development Authority 10/2018
2. Expansion and design approval 03/2019
3. Project completion 10/2019

PRIVATE/PUBLIC PARTNERS/ASSETS NECESSARY TO SUPPORT PROJECT

STATE OR MUNICIPAL AGENCIES IMPACTED:

1. State of New Hampshire, Department of Transportation Concord, NH
2. Pease Development Authority, Portsmouth, NH

PRIVATE ENTITIES INVOLVED IN PROPOSAL:

Jalbert Leasing Inc., dba C&J Bus Lines, Portsmouth NH

PUBLIC ASSETS NECESSARY TO ADVANCE PROJECT:

1. Portsmouth Transportation Center, 185 Grafton Drive Portsmouth, NH
2. Dover Bus Terminal/Park and Ride, Indian Brook Drive, Dover, NH

PRIVATE ASSETS NECESSARY TO ADVANCE PROJECT:

The applicant must provide the necessary financial resources for changes/improvements for the project, and long-term capital maintenance of both facilities. Cost estimates will include land acquisition/expansion (Dover NH), and general reconfiguration and infrastructure improvements at both facilities. Additional assets will be employed in terms of management and maintenance as required.

PROPERTY/FACILITIES IMPACTED AND CURRENT OWNERSHIP:

1. Portsmouth Transportation Center, 185 Grafton Drive, Portsmouth New Hampshire. Owned by the New Hampshire Department of Transportation and the United States Air Force.
2. The Dover Bus Terminal, Indian Brook Drive, Dover New Hampshire owned by the New Hampshire Department of Transportation, State of New Hampshire.

PROJECT BENEFITS

BENEFITS/HOW THIS PROJECT ADDRESSES A NEED:

The public benefit is long-term sustainability of terminal parking, operations, for both transit users and rideshare. Secondary benefits include financial relief to the State of New Hampshire for capital maintenance and facility expansion. It is important to note that expanded parking capacity will play a role in the expanded use of alternative transit. Parking revenues will offset terminal operating expenses which contribute to fare stabilization (see terminal increases over the last five (5) years below).

Combined Dover & Portsmouth Facility Operating Expenses

2012	2013	2014	2015*	2016
\$ 790,313	\$ 880,051	\$ 1,033,767	\$ 1,162,283	\$ 1,120,088

**Surge in labor costs due to construction project in Portsmouth, and snow removal.*

The applicant proposes that the State of New Hampshire create a transit funding source for statewide public transit systems funded by shared revenue proceeds. Both terminal operating expenses and public transit services may utilize shared revenue under FHWA Guidelines.

BENEFITS OF P3 IMPLEMENTATION VERSUS CONVENTIONAL DELIVERY:

P3 projects, due to the mix of public and private funds and innovation, are more likely to be completed in a timely manner and be completed at/or under budget as compared to public infrastructure projects. P3 projects typically afford greater transparency and are more adaptable to design build and changing dynamic of difficult construction projects.

SIMILAR PROJECT EXAMPLES:

1. The Portland Transportation Center, 100 Thompson Point Road, Portland Maine is owned by Concord Coach Lines a private sector inter-city bus company providing terminal services for Concord Coach and the Down-easter Passenger Rail Service. A portion of the facility features a publicly-funded 300 vehicle parking facility which assesses a daily parking fee of \$5.00. Funds derived from the parking revenues are utilized to support terminal operations for the rail service.
2. Dartmouth Coach, Lebanon, New Hampshire, a privately-owned transportation center, consisting of a bus terminal and 400-parking spaces assessing a daily fee of \$4.00.
3. Los Angeles County Metropolitan Transportation Authority- In 2016, LA Metro initiated a fee based parking program as a means of managing abuse of 9 high capacity/occupied parking lots collectively totaling 4,753 spaces. The number of lots has increased to where 27 parking facilities now assess daily fees for parking where the majority were free two years ago.

CONTACT INFORMATION

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SUPPORTING DOCUMENTATION

LIST OF SUPPORTING DOCUMENTATION & ATTACHMENTS, INCLUDING MAPS:

1. METRO Board Report, Planning and Programming Committee, February 17, 2016
2. A Resolution of the Metro Board of Los Angeles County Metropolitan Transportation Authority Establishing Parking Rates and Permit Fees for all Metro Parking Facilities and Resources
3. STREETS BLOG – Interview with Frank Ching, Metro’s Director of Parking Management
4. Sunday Valley News Business Notes: New Dartmouth Coach Station to Open Dec. 1
5. KPCC Member – supported news for South California, Meghan McCarty Carino