The Federal Transit Administration has initiated a Public-Private Partnership Pilot Program (Penta P) to explore the advantages and disadvantages of public-private partnerships (PPPs) for new fixed guideway capital projects funded by FTA.

Projects selected will be eligible for a simplified and accelerated review process designed to reduce the time and cost associated with the New Starts process.

FTA plans to select up to three projects to participate in the program.

Thus far, the Bay Area Rapid Transit (BART) program and Houston Metro program have been selected for the Penta P. There is one slot remaining at this time.

The goal of the Penta P is to study whether PPPs, in comparison to conventional procurements, are beneficial in providing new fixed guideway projects that are seeking New Starts federal funding.

The Penta P will study projects that utilize procurement methods that integrate risk-sharing with streamlined project development, engineering, construction, operation and maintenance.

It’s anticipated that PPPs may achieve the following benefits:

- Improvements in reducing and allocating risks associated with new construction
- Accelerated project delivery
- Improvement in reliability of project cost and benefit projections
- Enhancement of project performance

Other potential benefits allow concurrent approval of the project into Preliminary Engineering and Final Design; early issuance by FTA of Letters of No Prejudice to accelerate start of pre-construction services; flexible uses of program income; and reduction in the amount of due diligence performed by FTA, particularly involving FTA’s review of user benefit projections and risk assessments.

While the Penta P does not provide any additional money to a project, FTA will approve previously identified federal funds for a selected Penta P project once the project sponsor (transit agency) and its private partner enter into a binding public-private agreement. This agreement establishes risk-sharing and private sector incentives necessary to safeguard the Federal funding investment.
**HOW WOULD “PENTA P” HELP FASTRACKS?**

- RTD is hoping to be the third and remaining selection to participate in the Penta P.

- The East Corridor, Gold Line and Commuter Rail Maintenance Facility projects are candidates for the program.

- If selected, the program will allow FasTracks to partner with private companies to implement these FasTracks projects through a streamlined federal funding process.

- Another potential advantage would be an accelerated construction schedule.