

CAPITAL

PARTNERSHIPS (VA), Inc.

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December 2004 Update



Arizona Approach to the Bypass Bridge at the Hoover Dam Nears Completion

Language in the FY 04 and FY 05 Omnibus Appropriations bills provides that Arizona and Nevada may reimburse debt service payments on the Hoover Dam Bypass Bridge with future apportionments. In addition, the states of Arizona and Nevada have each committed \$50 million in bond funding to assist with the funding of the Colorado River Bridge. The bridge will be named the MIKE O'CALLAGHAN-PAT TILLMAN MEMORIAL BRIDGE. Arizona honors Army Corporal Pat Tillman, a former member of the Arizona Cardinals.

Construction of the Colorado River Bridge connecting the Arizona and Nevada approaches began in 2004 and is expected to be complete by early 2008. The Bypass will be open for travel in 2008. For more information, please visit the web site: www.hooverdambypass.org.



Artist rendering of The Jobs Tunnel between Detroit, Michigan and Windsor, Ontario

The Detroit River Tunnel Partnership's Jobs Tunnel proposal was featured in the November 15, 2004 edition of Forbes magazine in an article titled "The Troll Under the Bridge." The article profiles the billion-dollar transportation empire of Matty Moroun, the private owner of the Ambassador Bridge. According to Forbes, Mr. Moroun "controls the best monopoly you never heard of" and "politicians, auto execs and citizen groups are calling for measures that could threaten his cozy hold on the nation's most critical choke point." The DRTP plans to bore a new single-track rail tunnel under the Detroit River and modify the existing twin-tube rail tunnel to accommodate two-way commercial truck traffic. With a projected completion date in 2009, the Jobs Tunnel will improve security and mobility at the Windsor-Detroit gateway. For more information, please visit the web site: www.thejobstunnel.com.

CAPITAL PARTNERSHIPS (VA), Inc. LAUNCHES WEB SITE!

WWW.CPIVA.COM

2004 Conferences and Annual Meetings

National Council for Public-Private Partnerships sponsors “Partnerships in Transportation” conference held in Sacramento, California on October 20, 2004

This historic conference brought together representatives from the California Department of Transportation, private developers, construction firms and consultants to further educate all concerned about the benefits, limits and current activity in the transportation public/private partnership arena. Congressman Doug Ose (CA-3rd), a long-time champion for the private sector, spoke about the resistance to promoting and enforcing private sector initiatives that he has faced in Washington DC. One of the biggest successes of the conference is the exchange of recently evolving innovative concepts that can be utilized to further PPP projects throughout the U.S. For more information about the conference or the National Council for Public-Private Partnerships, please visit www.ncppp.org.

Annual Meeting of the Taxicab, Limousine and Paratransit Association (TLPA)

Ken Butler attended his ninth consecutive annual meeting of the TLPA in Orlando, Florida in October. The TLPA Political Action Committee supported ten key 2004 Senate races and the candidates they supported won eight of those races. With its enhanced Republican majority, the Senate is poised to pass one of the most pro-private transportation operator transit titles in history when it considers the TEA-21 Reauthorization bill in the 109th Congress. It will take much more work, but the stage is set to advance the cause for improving the rights of private operators in the pursuit of public transportation services.

For more information about the TLPA, please visit www.tlpa.org.

Annual Meeting of the National Council for Public-Private Partnerships (NCPPP) November 17-18, 2004

The NCPPP has advanced the cause of public-private partnerships for twenty years. As a sponsor of NCPPP, CPI is active in helping the NCPPP move forward. The passage of the reauthorization of TEA-21 could be a big step forward to implement private activity bonds and innovative transportation financing. The annual meeting was a success and several CPI clients attended at the invitation of CPI. If you would like to know more about the NCPPP, please visit the NCPPP web site: www.ncppp.org or contact Ken Butler.

Ken Butler serves the NCPPP as the Vice President for Finance and as the Chairman of the Transportation Institute.

NCPPP Conducts Briefing on Innovative Financing Practices for Transportation Projects for the Northeast Association of Transportation Officials (NASTO) on December 3, 2004

Participants in the NASTO briefing included 11 state Secretaries of Transportation and their senior financial officers. The Honorable Emil Frankel, Assistant Secretary for Policy at the U.S. Department of Transportation, and six members of the NCPPP conducted a half-day seminar on public-private partnerships for this distinguished group of Northeast U.S. transportation leaders. Under the leadership of the NCPPP Executive Director Rick Norment, the day was a success and the horizon is broadened for transportation professionals committed to accomplishing more with fewer public resources.

Transportation Highlights in the 108th Congress

FY 05 Appropriations

The House and the Senate reconvened during the week of December 6 to finalize the FY 2005 Omnibus Appropriations bill and to attempt passage of an intelligence reform bill. The Omnibus was held up by language that would have given the chairmen of the House and Senate Appropriations committees and their staff access to confidential IRS information.

The FY 05 Omnibus Appropriations conference report (H.R. 4818) provides approximately \$34.9 billion for the federal-aid highway program, \$7.7 billion for the Federal Transit Administration and \$13.6 billion for the Federal Aviation Administration. All non-homeland security domestic programs are subject to a .80% cut designed to keep spending under the \$821.9 billion discretionary spending budget cap. Appropriators chose to earmark most of the major programs included in the transportation section of the bill with approximately \$25.8 billion for discretionary transportation projects.

Now that the FY 2005 appropriations process has been completed, the 109th Congress will be able to focus on drafting a budget resolution for FY 2006 and will start the appropriations process all over again early next year.

Reauthorization of TEA-21

Congress adjourned in December 2005 without completing action on the reauthorization of TEA-21. The current extension of TEA-21 expires on May 31, 2005. The overall funding level of the bill is still a roadblock to negotiations. House Republicans made a counteroffer of \$284 in response to the Senate's \$299 billion proposal during the conference negotiations in fall 2004 while Senate Democrats stood firm on the Senate's original \$318 billion proposal. The extension provides a total of \$29.1 billion in Highway Trust Fund contract authority from October 1, 2004 to May 31, 2005. Of that amount, \$24.5 billion is for highways and \$4.1 billion is for transit. House Transportation and Infrastructure Committee Chairman Don Young (R-AK) and Ranking Member Jim Oberstar (D-MN) are expected to maintain their posts. Bill Lipinski's (D-IL) retirement opens up the ranking member slot on the Highways, Transit and Pipelines Subcommittee for Congressman Peter DeFazio (D-OR). Overall, eight members of the committee will not return for the 109th Congress (Quinn (R-NY), Lipinski (D-IL), Hoeffel (D-PA), DeMint (R-SC), Isakson (R-GA), Burns (R-GA), Lampson (D-TX), and Carson (D-OK).

109th Congress 1st Session

House

Convenes January 4^{th-6th}
Reconvenes January 20th
President's Day Recess Feb 21-25
Easter Recess March 21-April 1

Memorial Day Recess May 30-June 3
Independence Day Recess July 4-8
August Recess August 1-September 5
Target Adjournment September 30

Senate

Convenes January 4^{th-6th}
Reconvenes January 20th
President's Day Recess Feb 21-25
Easter Recess March 21-April 1
Spring Recess May 2-6
Memorial Day Recess May 30-June 3
Independence Day Recess July 4-8
August Recess August 1-September 5

109th Congress

Senate

55 Republicans
44 Democrats
1 Independent

House

232 Republicans
202 Democrats
1 Independent

2005 Presidential Inauguration

January 20, 2005
Washington, D.C.

CAPITAL PARTNERSHIPS (VA) Inc. plans to participate in several inaugural activities including:

Attendance at the swearing in ceremony on the grounds of the U.S. Capitol
Viewing the parade from a location on Pennsylvania Avenue
Dinner at an exclusive venue near the White House
Attendance at one or more inaugural balls

For more information, please contact Robin Angle at rangle@cpiva.com or
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