

February 11, 2016

TransEd Partners Awarded \$1.8-Billion Contract for the City of Edmonton's Valley Line Light Rail Transit Project

Davies acted for the TransEd Partners consortium, comprising Fengate Capital Management Ltd., Bechtel Development Company, Inc., EllisDon Capital Inc. and Bombardier Transportation Canada Inc., in its winning bid in excess of \$1.8 billion for the design, build, finance, operation and maintenance of the City of Edmonton's Valley Line Light Rail Transit Project.

The project, which is Edmonton's first public-private partnership and the largest single infrastructure project in the city's history, involves the construction of the southeast leg of the Southeast to West light rail transit line, running 13.2 km from Mill Woods to downtown Edmonton. The line is an urban-style low-floor LRT that will integrate directly into existing communities, with an initial projected daily ridership of 28,000 passengers, increasing to 49,000 by 2044. The project also includes the construction of a signature bridge spanning the North Saskatchewan River, a 350m tunnel, and an operations and maintenance facility for the new line.

Davies acted as lead transaction counsel for the consortium, including in the negotiation of the project documents with the City of Edmonton, the design-build documentation with the design-build contractor (which includes vehicles on this project), the operation and maintenance documentation with the O&M contractor and the financing agreements with the lenders, as well as the shareholder arrangements between the equity investors. The financing included \$394-million senior long-term amortizing bonds with final maturity date of September 30, 2050 and a \$200-million senior construction period credit facility.

The Davies team on this transaction was Gregory Southam, Carol Pennycook, David White, Will Buchner, Geoffrey Rawle, Daniel Peterson and James Van Wyck.