



Association for the Improvement  
of American Infrastructure

*Together, we move P3s forward.*

## Value For Money Analysis

A value for money (“VfM”) analysis compares the total costs of delivering an infrastructure project using different forms of procurement. Its purpose is to identify which procurement approach for a given project delivers the greatest value for the public sector. The VfM is a common practice to evaluate more traditional forms of project delivery including the Design-Bid-Build and Design-Build against Public-Private Partnerships delivery methods which incorporate private financing and risk transfer of responsibility for long-term operations, maintenance, and rehabilitation. Often times project owners will use a VfM analysis as a process for selecting the delivery model which can then be compared in post financial close VfM update against the Public Sector Comparator bid (PSC) to determine the outcome of the preliminary analysis. A post financial close recap of some of the recent outcomes of the VfM of North American Availability Payment P3s is found below:

Project	Project Type	Savings Relative to PSC
I-595, Florida	Road	14.3% lower than PSC (\$300m)
A30, Quebec	Road & Bridge	33% lower than PSC
Denver FasTracks, Colorado	Transit	13% lower than PSC
Southeast Stoney Trail, Alberta	Road & Bridge	NPV 63% below PSC
Alberta Road Projects (average of 5 projects)	Road	NPV 27% below PSC
Windsor Essex Parkway, Ontario	Road	NPV 15% below PSC
I-635 (LBJ Freeway), Texas	Road	NPV 15% below PSC
Port of Miami Tunnel, Florida	Road & Tunnel	12.5% lower capital costs than PSC
Goethals Bridge, New York	Road & Bridge	13.7% lower than PSC
Presidio Parkway, California	Road	20% lower than PSC