

Restructuring the Purple Line Project: Back on Track

Study Questions

1. The Purple Line partnership nearly completely broke down in the summer of 2020, then recovered in the fall. What were the causes of the change in trajectory? How were participants able to recover the negotiation and get to a settlement?
2. Appraise the terms of the settlement approved in late 2020? How did the various members of the project concessionaire make out under the settlement terms? Was the settlement a good deal for Maryland taxpayers? Why or why not? What about the firms comprising PLTP?
3. Evaluate the restructured Purple Line P3 after the design-build readvertisement. How has the partnership itself been improved or worsened by the restructuring? Has the restructured partnership adequately addressed the problems and challenges that the project faced under the original partnership structure? If yes, how so? If not, how could the new partnership be improved?
4. What were the drivers of the increase in total capital costs for the Purple Line between the original contract and the restructured concession at the end of the case?