

#### BENEFITS OF PUBLIC PRIVATE PARTNERSHIPS

Accelerate the delivery of major transportation projects

Access private sector skills and innovation

Leverage private investment to enable major projects

Shift appropriate risks to private sector (away from taxpayers)

#### WHY UNDERTAKE A PROJECT AS A P3?

When the public sector can get more value using P3 approach.

- Lower construction and/or operation costs
- Time savings in construction and/or delivery
- Innovation -- cutting edge technologies or expertise

Public entity must assess "value"

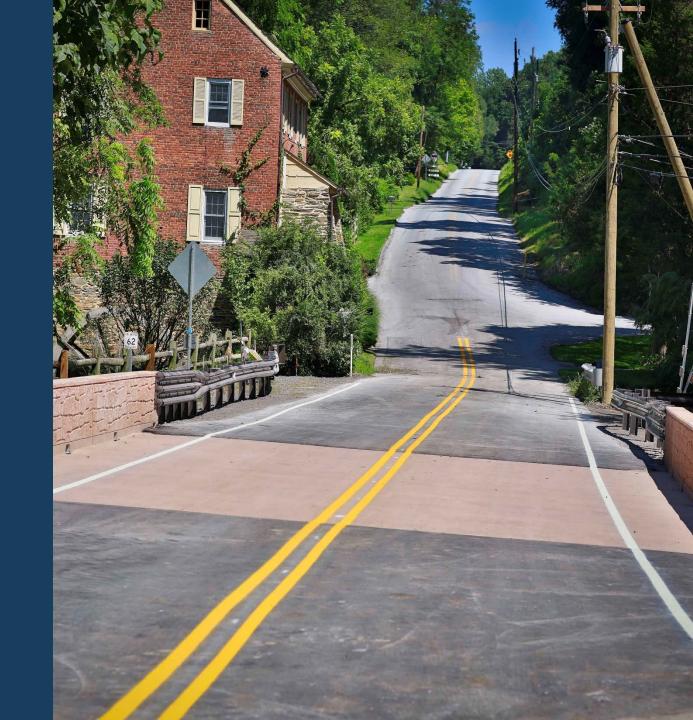
- Value for Money Analysis
- Value of risks transferred to private partner
- Potential for efficiencies
- Qualitative factors



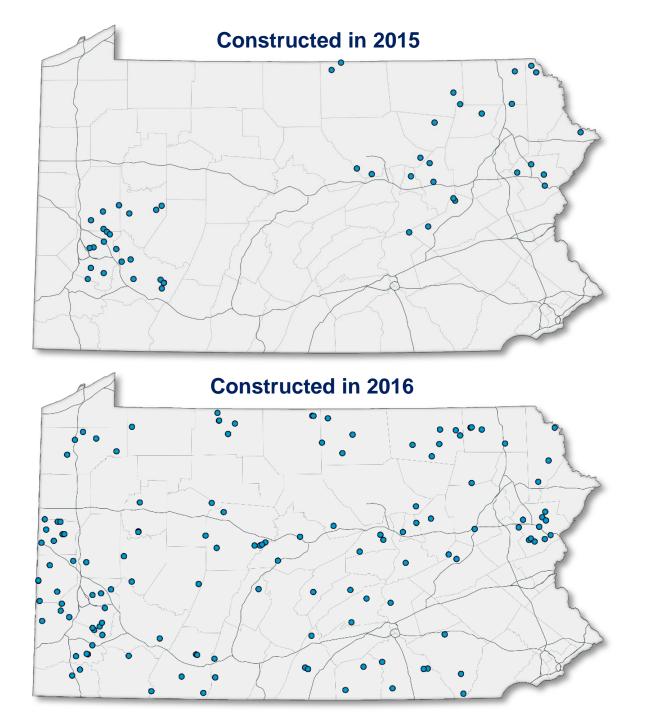


#### **PURPOSE**

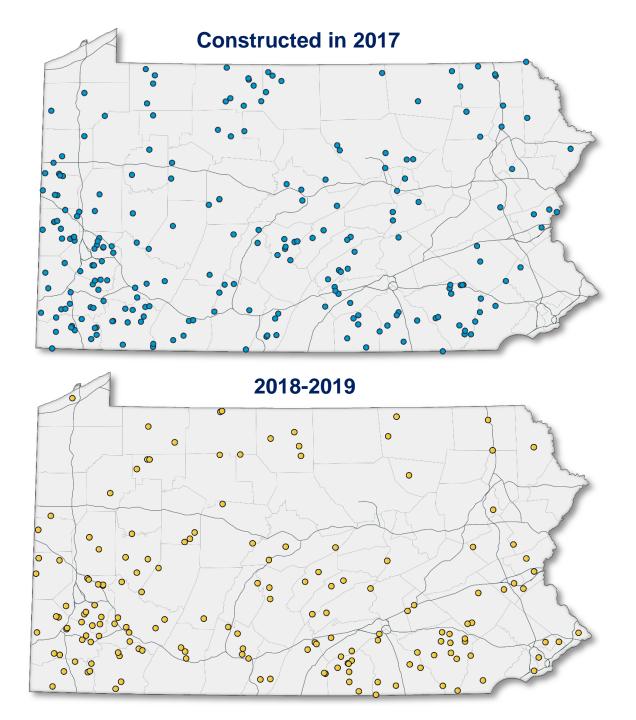
- Accelerate replacement of 558 poor bridges throughout Pennsylvania
- Minimize impact to traveling public
- Showcase P3 as a viable delivery method
- Allocate risks to party best able to manage them



# RAPID BRIDGE REPLACEMENT **PROJECT**



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| Year    | RBR Bridges<br>Constructed |
|---------|----------------------------|
| 2015    | 49                         |
| 2016    | 131                        |
| 2017    | 223                        |
| 2018-19 | 155* *Ongoing              |

| Construction Completed | 515 |
|------------------------|-----|
| Under Construction     | 38  |
| Planned                | 5   |

"I live [near bridge JV-26]. I just wanted to take a moment to recognize the outstanding efforts of the crew that built our new bridge. There was not one neighbor who gave this project a snowball's chance in hell of being completed on schedule! Tommy (foreman) and his crew proved them all wrong, opening the bridge on schedule on the morning of the 35th day.

These guys worked from 6:00 am until 8:00 pm almost every day in near 100-degree heat, brutal thunderstorms, and in the darkness of early morning with fierce determination to keep on schedule, and for this I want to say a big THANK YOU to all of them.

I hope you can pass on my appreciation to these men who made what we thought would be certain headaches, a pleasant lesson in how to tear out an old bridge and build up a new one in 34 days.

Once again, thank you!"

- Centre County resident



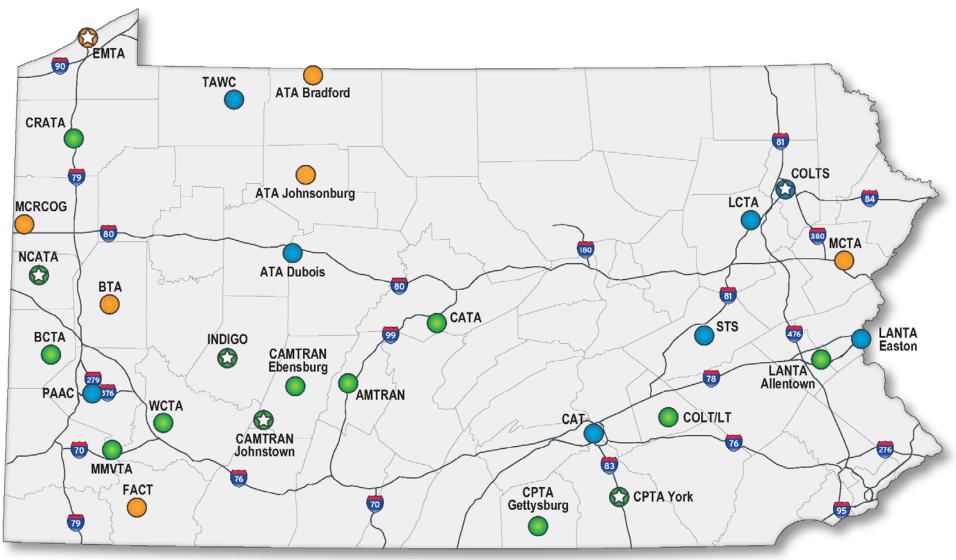
COMPRESSED
NATURAL GAS
(CNG) FUELING
STATIONS FOR
TRANSIT AGENCIES

#### **PURPOSE**

- Partner with Development Entity to supply Compressed Natural Gas (CNG) to 29 transit facilities and 1,600 buses throughout the Commonwealth
- Require Development Entity (Trillium CNG) to make safety upgrades and design, build, finance, operate and maintain stations
- Provide access to commercial CNG fueling stations for private vehicles and fleets

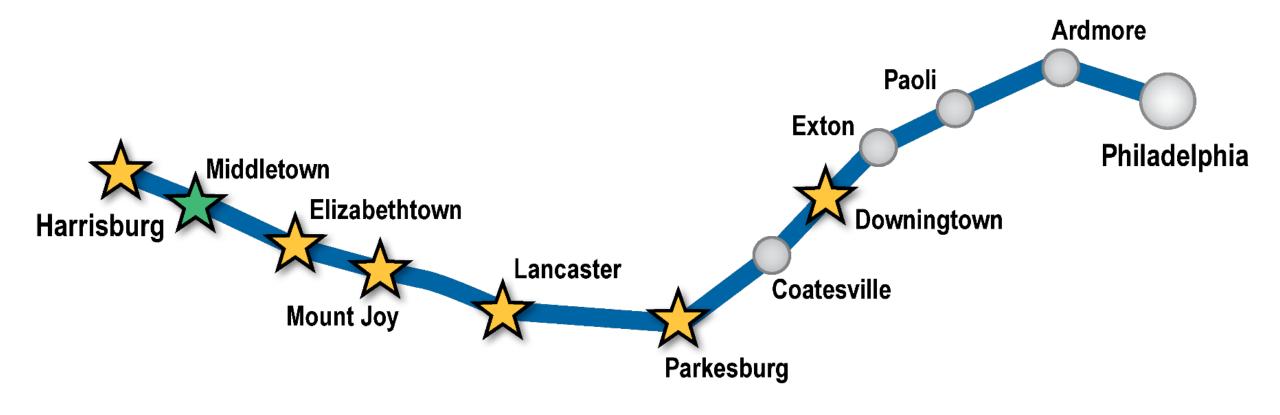


#### **CNG TRANSIT FUELING STATIONS**





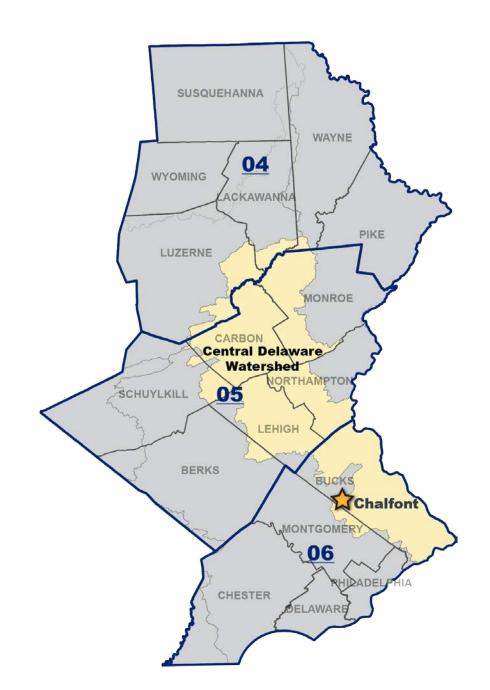
#### **KEYSTONE CORRIDOR**





#### **PURPOSE**

- Develop 140 acres of PennDOTowned land in Chalfont, Bucks County
- Chalfont Site is located in Central Delaware Watershed
- Development Entity will design, build, finance, operate, and maintain site
- Provide on-demand wetland mitigation credits for PennDOT projects
- Development Entity may sell excess credits with opportunity for revenue sharing



## CHALFONT MITIGATION BANKING INDUSTRY FORUM



Come see the Wetlands Mitigation Banking Project site firsthand and hear further details about the project.

PennDOT's vision is that the P3 partner managing the mitigation bank would design, build, finance and operate the site that will provide on-demand wetland mitigation credits for PennDOT projects, as well as be responsible for maintaining the land associated with the credits for a period of no less than 30 years. In addition, the Development Entity will be able to sell excess credits with an opportunity for revenue sharing.



www. P3forPA.com

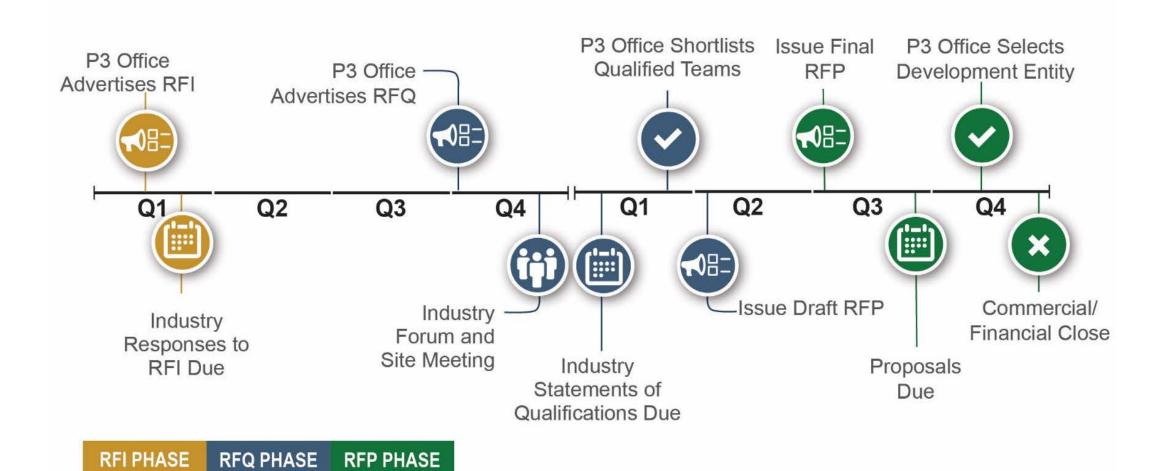
#### Presented By:

PennDOT Office of Public-Private Transportation Partnerships

CONTACT

#### CHALFONT MITIGATION BANKING

2018 2019





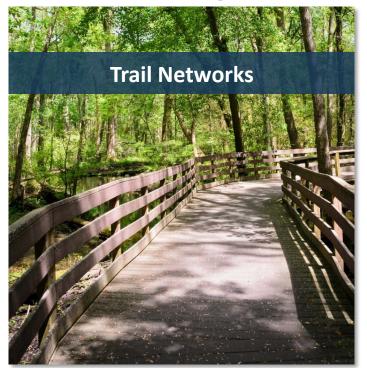
#### **FUTURE ACTIVITIES**

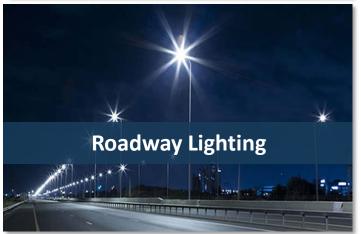
Capital Screening Activities

District 4-0 Interstate Bridges

**Unsolicited Proposals** 

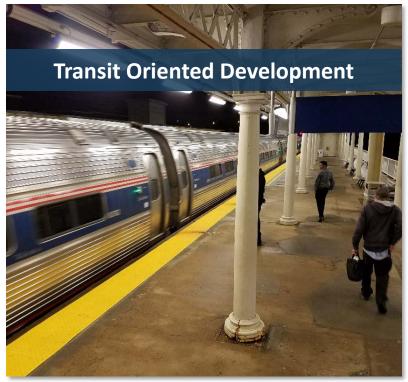
#### **CAPITAL SCREENING ACTIVITIES**





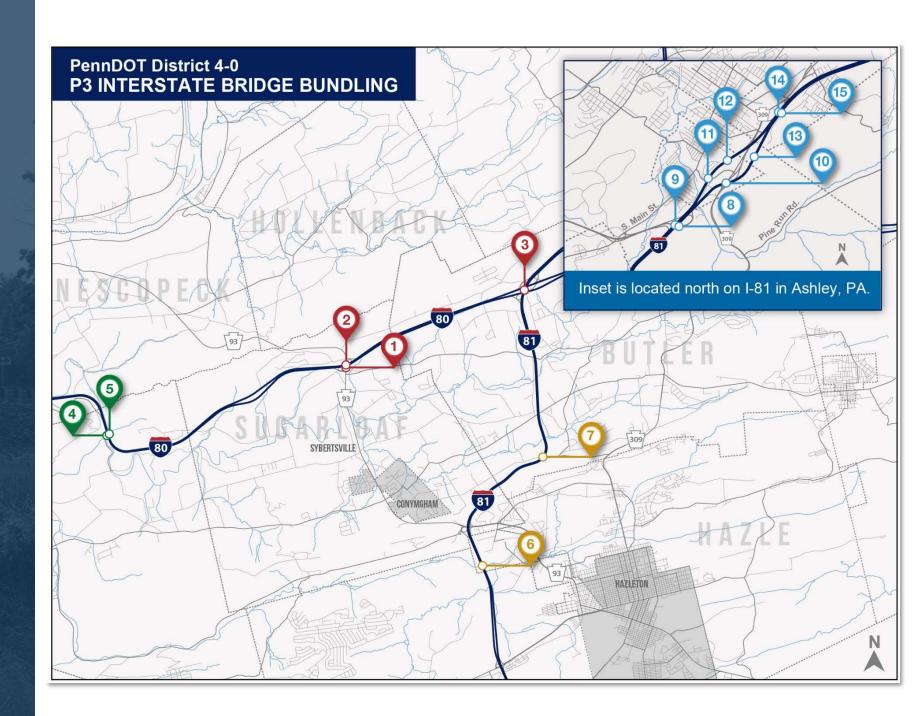








## DISTRICT 4-0 INTERSTATE BRIDGES



#### WHY P3 ALTERNATIVE DELIVERY?

#### **Transportation Issue:**

- 15 bridges identified for reconstruction by PennDOT District 4-0
  - o 10 bridges along I-81 over a 25-mile section
  - 5 bridges along I-80 over a 10-mile section

#### **Delivery Options Considered:**

- Design Bid Build (traditional delivery)
- A+Bx (traditional delivery)
- Dynamic Design Bid Build (D2B2)
- Adjusted Bid Design Build (AB-DB)
- Design Build Finance (DBF)
- Design Build Finance Maintain (DBFM)

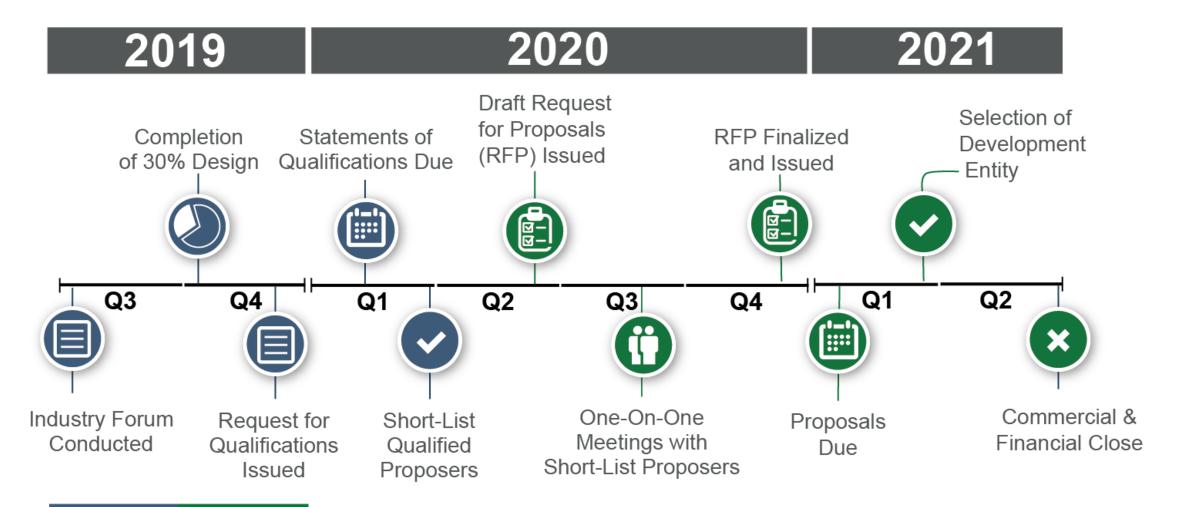
#### **P3 Benefits:**

- PennDOT evaluated traditional delivery and multiple P3 Alternative Delivery options to determine best way to construct this bundled bridge package
- P3 Board approval (Act 88) allows for innovation in delivery method

## WHY P3 ALTERNATIVE DELIVERY FOR THIS PROJECT?

| Adjusted Bid Design Build (AB-DB) Benefits  | Why Use Here?                        |
|---|--------------------------------------|
| Simplified design-build procurement process   | Opportunity for construction         |
| <ul> <li>Procurement process that provides early cost</li> </ul>  | staging for motorist safety          |
| certainty   | Accelerated construction             |
| <ul> <li>Allows for highest degree of owner interaction and<br/>control, ensuring all owner direction and intent is<br/>addressed during design and construction</li> </ul> | • Cost certainty (\$176M on the TIP) |
| <ul> <li>Transparent price development process - includes an<br/>off ramp to the owner should they decide not to<br/>proceed</li> </ul>                                     | Ability to incentivize innovation    |
| <ul> <li>Allows competing teams to leverage experience,<br/>particular design and construction strengths, and<br/>creativity</li> </ul>                                     |                                      |

#### **DISTRICT 4-0 INTERSTATE BRIDGES**



**RFQ PHASE** 

RFP PHASE



### ACCEPTING PROPOSALS THROUGH DECEMBER 31, 2018



#### QUESTIONS

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