

BOARD MEETING BOOK

OFFICE OF PUBLIC-PRIVATE
TRANSPORTATION PARTNERSHIPS



DEC 9, 2021 • 1:00 P.M. • MICROSOFT TEAMS MEETING

Agenda

DIAL-IN: 267-332-8737 | PASSCODE: 725 439 516#

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A. Call to Order

B. Roll Call

C. Adoption of Meeting Minutes of the June 16, 2021 Board Meeting

D. Chair's Remarks

E. Program / Project Updates

- Unsolicited Proposals Update
- Northampton County Bridge Renewal Program
- Rapid Bridge Replacement (RBR) Project
- PennDOT Sponsorship and Advertising Project
- Compressed Natural Gas (CNG) Fueling Stations for Public Transit Agencies
- Partnership 81 Project
- Major Bridge P3 Initiative

F. New Business

G. Other Business

H. Public Comments

I. Adjournment

PUBLIC-PRIVATE TRANSPORTATION PARTNERSHIP BOARD
SUMMARY MINUTES
HARRISBURG, PENNSYLVANIA
JUNE 16, 2021

CALL TO ORDER:

The eighteenth meeting of the Public-Private Transportation Partnership Board (Board) was convened by Secretary of Transportation Yassmin Gramian, at 1:02 p.m. on Wednesday, June 16, 2021, via Microsoft Teams virtual meeting.

ROLL CALL:

P3 Office Director Michael Bonini called roll and noted that all seven Board members were present, and as such a quorum was established.

Members Present:

Honorable Yassmin Gramian
Honorable Representative Michael Carroll
Mr. Geoffrey Clarke
Mr. Gregory Davis
Mr. Ronald Drnevich
Dr. Tim Murphy
Mr. Mark Ryan (designated alternate to Honorable Jen Swails)

ADOPTION OF MEETING MINUTES:

The November 12, 2020, meeting minutes were unanimously approved on a motion by Honorable Michael Carroll and seconded by Mr. Ronald Drnevich. For the record, Dr. Murphy and Mr. Clarke both voted "Present" for this item.

CHAIR'S REMARKS:

Secretary of Transportation (and P3 Board Chair) Yassmin Gramian welcomed everyone to the virtual Board meeting and began by introducing the two new Board members; Honorable Tim Murphy, appointed by the Senate Majority leader; and Geoffrey Clarke, appointed by the Senate Minority leader. She then asked the new Board members to introduce themselves and their backgrounds.

Honorable Tim Murphy thanked the Secretary, and noted that he is a former state senator and also worked in Congress for 15 years; he expressed his excitement to be a part of the Board and for future discussions. Geoffrey Clarke also thanked Secretary Gramian and added that he has worked in the construction industry for 46 years, beginning as a laborer and working his way up to various executive roles. He continued, noting that he is currently retired but very interested in highways, and looks forward to serving on the Board and helping Pennsylvania move forward. Secretary Gramian thanked the new Board members, and expressed gratitude for the service of the Board members they had replaced, James Kunz and Howard A. Cohen.

Secretary Gramian continued, noting that this is the first Board meeting since the passing of dear friend and colleague, Executive Deputy Secretary George W. McAuley. Mr. McAuley was a passionate supporter of public-private partnerships and was extremely proud of his work on the Rapid Bridge Replacement project. She continued, noting the impact of his 33 years of service as part of the PennDOT family.

Secretary Gramian noted that PennDOT has been focused on the education of stakeholders, partners and the highway and bridge industry related to the Major Bridge P3 Initiative, adding that the P3 Office and the Alternative Funding Program Office have held multiple working sessions and industry outreach events about the project. She explained that this work is in addition to efforts in the District Offices to conduct public outreach, environmental clearance activities and preliminary design.

Secretary Gramian continued, adding that the P3 Office has worked to onboard two new Sponsorship & Advertising program vendors who will assist in identifying candidate sponsorship projects, including the continued efforts on the Safety Service Patrol initiative. She noted that sponsorship of this highly visible program helps offset Department program costs to ensure safety and mobility on interstates in the most congested areas of the Commonwealth.

She also noted that during the meeting, the Board will be considering for approval the 2020-2021 P3 Report for Pennsylvania; adding that this annual report is a requirement of the P3 enabling legislation. She informed attendees that, once reviewed and approved, the report will be posted online and shared with the General Assembly. In closing, Secretary Gramian thanked the Board members who also serve as Transportation Revenue Options Commission (TROC) members. She explained that this commission was established in March 2021 through an Executive Order signed by Governor Tom Wolf and will develop comprehensive funding recommendations for Pennsylvania's vast transportation network.

NEW BUSINESS:

Secretary Gramian then turned the floor over to PennDOT P3 Office Director Michael Bonini, who noted that the only item on the agenda for new business was the approval of the 2020-2021 P3 Report for Pennsylvania, copies of which the Board members have been provided for review prior to the Board meeting. Mr. Bonini echoed Secretary Gramian's earlier statement that, once approved by the Board, the report will be made available to the public on the P3 website.

With no questions or comments from the Board, Secretary Gramian asked for a motion to approve the 2020-2021 P3 Report for Pennsylvania. Dr. Murphy noted that he would abstain from this action item, as he was not a member of the Board at the time.

The request to approve the 2020-2021 P3 Report for Pennsylvania was approved to proceed on a motion by Mr. Gregory Davis, seconded by Honorable Michael Carroll and unanimously approved. For the record, Dr. Murphy and Mr. Clarke both voted "Present" for this item.

PROJECT UPDATES:

MAJOR BRIDGE P3 INITIATIVE: PRESENTED BY MR. KENNETH MCCLAIN AND MR. MICHAEL BONINI

Mr. Bonini then turned the floor over to Mr. Kenneth McClain, PennDOT Alternative Funding Program Office Director. Mr. McClain thanked Mr. Bonini as well as Secretary Gramian and the Board. He began by noting that the PennDOT Alternative Funding Office was established in October 2020, which is when his work with the program began.

Mr. McClain continued with an update on PennDOT Pathways, the brand name PennDOT has developed for the alternative funding program in Pennsylvania. He noted that transportation departments nationwide have experienced downturns and troubles with potential revenue streams over the past decade, and Pennsylvania is among that group. Mr. McClain explained that a large component of this is the significantly lower revenue from gas taxes; combustible engine vehicles are much more efficient, hybrid vehicles are even more efficient than that, and all-electronic vehicles are much more prevalent. Although motorists are traveling more, they are not filling up their gas tank nearly as much, resulting in a significant downturn in gas tax revenue.

He noted that Pennsylvania also faces the challenge of unpredictable federal funding, as a result of previous assumed expanded federal funding not coming to fruition back when Act 89 was legislated. While PennDOT is hopeful for passage of upcoming initiatives that will provide additional funding, nothing is guaranteed. Mr. McClain also noted that as a direct result of the COVID-19 pandemic, vehicle miles traveled fell by 40% and have not yet fully recovered. This also had a negative effect on revenues.

He added that his team is currently working with the Federal Highway Administration (FHWA) on a Planning and Environmental Linkages (PEL) study to identify what types of alternative funding mechanisms to consider for the first time in Pennsylvania. Mr. McClain noted that this will serve as a guidebook for how the team analyzes and investigates programs moving forward and transparently relays this information to the public. The PEL study examines both mid/long-term solutions, such as congestion pricing and corridor tolling; and near-term solutions, such as managed lanes and bridge tolling. He noted that these studies will only grow in importance as revenues continue to shrink.

Mr. McClain then gave an overview of bridge tolling specific to the Major Bridge P3 Initiative, noting that this method allows for much quicker implementation than many other alternative funding options. He explained the overall goals of the initiative: accelerating renewal of major bridges to ensure public safety; avoiding time and financial impacts of travel diversion; offsetting gas tax revenue losses; ensuring users contribute fairly to the replacement/rehabilitation of the bridges; and creating a sustainable funding model for the Commonwealth major bridges. Regarding a designated revenue source, Mr. McClain noted that PennDOT currently carries an \$8.1 billion annual funding gap to maintain and improve state-owned bridges and highways, and that one way to address this is through applying alternative funding mechanisms through a P3 delivery model. Currently, PennDOT relies heavily on the state gas tax, which generates roughly 74% of PennDOT's revenues.

Continuing, Mr. McClain displayed a map of the initiative's nine candidate bridge locations, which are located on major interstates throughout the Commonwealth. He explained that, in total, these nine bridges are anticipated to represent approximately \$1.5 billion in construction costs; with the I-83 South Bridge being the largest, estimated at \$650 million. He noted that the other bridges are anticipated to cost between \$40 million - \$200 million each. Mr. McClain highlighted bridges, as labeled on the map, G (I-80 Canoe Creek) and H (I-80 North Fork), as being fracture critical; noting most of the bridges listed were not designed for the types of vehicles and amount of traffic carried today. He also informed attendees that further information on the bridges can be found at the individual websites set up for each candidate bridge, as well as on PennDOT's Major Bridge P3 Initiative project website. He noted that more defined information on the bridges and their costs are anticipated to be included in the upcoming Request for Qualifications (RFQ) release.

Mr. McClain then provided an overview of the outreach and engagement initiatives and progress to this point; detailing the efforts made to inform the public and stakeholders, as well as receive comments and feedback. This included various press releases, media briefings and interviews, and community and industry group presentations. He added that significant efforts were made virtually as well, highlighting monthly e-newsletters and email alerts distributed, and the amount of engagement the team has received via website and social media.

He then concluded his presentation with an overview of the next steps for the Major Bridge P3 Initiative, noting that the nine candidate bridges remain candidates until the proper processes mandated by FHWA are completed. Mr. McClain explained that much work is still left to be done, including an Environmental Justice effort to ensure low income and minority populations in the areas surrounding the candidate bridge locations are properly represented and impacts properly mitigated. In terms of status update, he estimated that the project team is currently halfway through the necessary technical studies.

Mr. McClain then concluded his presentation, thanked the Board and turned the floor back over to Mr. Bonini, who began with a procurement overview of the Major Bridge P3 Initiative and several noteworthy details. He explained that the purpose of the initiative is to deliver infrastructure improvements focusing on the rehabilitation and replacement of nine candidate major bridges across the Commonwealth. PennDOT aims to pursue this through a Progressive P3 Design-Build-Finance-Maintain (DBFM) approach, with several finer details still to be determined, including concession period and repayment method. Mr. Bonini also noted that the toll collection component will be operated by the Pennsylvania Turnpike Commission (PTC), with toll-setting authority maintained by PennDOT.

He then detailed several key factors for P3 success that the project team has shared with the industry throughout the development of the project contract documents. Continuing, Mr. Bonini noted that, since receiving Board approval in November 2020, PennDOT has conducted a multitude of industry outreach events to promote the Major Bridge P3 Initiative and educated interested stakeholders in the process. Outreach has included holding industry events with APC and ACEC-PA; releasing a Project Request for Information (RFI) for industry input and feedback; and hosting various webinars and

one-on-one sessions with industry and RFI respondents. Mr. Bonini also emphasized the importance of the outreach that PennDOT has conducted focused on the Pennsylvania General Assembly, which has included Secretary Gramian participating in both Senate Transportation Committee and House of Representatives hearings in early 2021; and the participation of Department staff in a hearing related to the PEL study document.

Mr. Bonini proceeded to explain that these outreach efforts play a crucial role in providing PennDOT direction in how to proceed, specifically in the application of a Progressive P3 approach with a Development Entity to design, construct, finance and maintain the nine candidate bridges. He displayed a flow chart graphic that further detailed the outreach process and next steps for the project, highlighting that PennDOT is currently in a position to release the project Request for Qualifications (RFQ) document in late June or early July 2021. After next providing an overview of the elements of a Progressive P3, Mr. Bonini explained the importance of the pre-development agreement (PDA) which will govern the initial work between the Development Entity and public owner. He then displayed a timeline which visualized the Major Bridge P3 Initiative process, spanning from June 2021 through January 2022, highlighting key milestones such as issuance of the RFQ, RFP and the hosting of individual bridge project public meetings.

To conclude his presentation, Mr. Bonini reminded attendees that PennDOT will continue to evaluate the nine candidate bridges for the project, and that the project team is focused on delivering a program that is both financially solvent without the need for outside subsidies and also able to replace these large bridges without needing to divert funding away from regional projects. He added that PennDOT is committed to working with industry partners to enhance the P3 approach in Pennsylvania based on lessons learned from previous projects and best practices occurring nationwide. He then opened the floor to the Board for questions.

Dr. Tim Murphy raised an inquiry regarding whether the funding generated from tolling begins once the project starts or once it is complete. Mr. Bonini responded that tolling would be able to begin at the commencement of project financial close, and that PennDOT will determine when exactly that timeline would begin, pending the current ongoing financial study. Dr. Murphy then asked if this process was legally permitted. Mr. Bonini confirmed that it is. As a follow-up, Dr. Murphy inquired regarding where the funds generated from the user fees would accrue. Mr. Bonini explained that the funds would start with the Development Entity and be deposited into a public-private transportation account, and that these funds would be used to pay back the Development Entity for their upfront financing of the project; fund Operations & Maintenance; and create a project risk reserve; for example.

Dr. Murphy brought forth an issue regarding traffic diversion and mitigation, citing that he resides in the general area of the Bridgeville candidate bridge and is wary of the implications of potential local traffic diversion once the user fees are in place. Mr. McClain responded, explaining that each bridge location will have diversion mitigation conducted prior to user fees being in place. He continued, noting that PennDOT already has and continues to conduct a variety of traffic projections and models for each location, and that the project team is confident in the resulting data. Mr. McClain also

added that user fee revenue can also be used to address any additional mitigation needed throughout the project timeline.

With no additional questions from the Board, Mr. Bonini turned the floor over to Mr. Joseph Gurinko, Deputy Director of the P3 Office, to provide an update on the Partnership 81 Project.

PARTNERSHIP 81 PROJECT: PRESENTED BY MR. JOSEPH GURINKO

Mr. Gurinko began his presentation by noting that, while the Partnership 81 Project in its current form is a highway project, it has taken on several different forms in the time between Board approval and present day. He explained that in December 2019, the Board approved the project as a bundle of 15 interstate bridge replacements along a section of Interstate 81 (I-81) in Wilkes-Barre, PA. However, PennDOT conducted further analysis which recognized additional substantial needs for that corridor beyond strictly bridges. Mr. Gurinko continued, explaining that, in its current form, the Partnership 81 Project encompasses a corridor-based P3 project focusing on needed safety and mobility improvements; including widening to three lanes in both directions, elimination of a left-hand exit, improvements to adjacent intersections, and bridge replacements over a 7.5-mile section of I-81.

He then displayed a map of the project limits, noting that the project limits reached the 7.5-mile span as the result of an expansion to the project limits, approved by the Board in June 2020. At that time, the Board also approved the project to be procured through a Design-Build-Finance (DBF) approach. Mr. Gurinko then detailed the progress of project activities conducted since the previous Board meeting. Activities included receiving FHWA approval on the Purpose & Need document, identifying and onboarding the selected Preliminary Design Consultant, and performing an Alternatives Analysis.

Mr. Gurinko then opened the floor to the Board for any questions. With no questions from the Board, he turned the floor over to Mr. Bonini to provide an update on the Rapid Bridge Replacement (RBR) project.

RAPID BRIDGE REPLACEMENT (RBR) PROJECT: PRESENTED BY MR. MICHAEL BONINI

Mr. Bonini thanked Mr. Gurinko and provided an overview to the Board and attendees regarding the RBR project, noting that it was a Design-Build-Finance-Maintain project to replace 558 poor-condition bridges located across the Commonwealth. He explained that the Development Entity, Plenary Walsh Keystone Partners (PWKP), started construction in 2015 and established agreements with local contractors, which was essential in the project reaching over 95% of the bridges replaced within the first three years; with all 558 replaced by 2020. Mr. Bonini added that this successful project would not have been feasible without a P3 agreement, which allowed the bridges to be replaced more quickly and as a complement to the Department's traditional delivery program.

Providing a progress update, Mr. Bonini explained that the agreement is currently in the Maintenance Phase, meaning that the Development Entity, PWKP, is responsible for

maintaining these bridges until 2043, which marks the end of the 25-year maintenance period. At that point, the bridges will then be turned back over to PennDOT in the agreed suitable condition as established by handback requirements. He added that significant efforts and resources have been produced to ensure District and county forces are aware of the P3 requirements, including the development of the Maintenance Guidance Document, Publication 104, a user guidebook which articulates the details of the maintenance and handback requirements. In closing, Mr. Bonini noted that a considerable effort was placed into gathering lessons learned from the RBR project and that PennDOT aims to apply these to future projects.

With no questions from the Board, Mr. Bonini turned the floor over to Mr. Andy Batson, Bureau of Public Transportation, to provide an update on Compressed Natural Gas (CNG) Fueling Stations.

COMPRESSED NATURAL GAS (CNG) FUELING STATIONS: PRESENTED BY MR. ANDY BATSON

Mr. Batson provided a project status update and displayed a project map, noting that 19 of the 24 fueling stations are complete, with three opening in the past year: Mercer, Monroe and Erie. He continued, adding that five stations remain in the program for completion, with each of these five being located on the I-81 corridor. These stations are planned for opening between 2022 and 2024. Mr. Batson noted that, to date, the completed stations have pumped almost 8 million gasoline gallon equivalents and accrued savings of \$4.1 million. He explained that the P3 agreement extends through 2037, at which point the assets will be turned back over to PennDOT and respective transit agencies.

With no questions from the Board, Mr. Batson turned the floor over to Mr. Bonini to provide an update on the PennDOT Sponsorship and Advertising Program.

PENNDOT SPONSORSHIP AND ADVERTISING PROGRAM: PRESENTED BY MR. MICHAEL BONINI

Mr. Bonini explained that this project aims to generate sponsorship and advertising revenue to offset the costs of sponsored programs, as well as provide an additional source of funds for other transportation-related projects and initiatives. The main sponsorship program included is the Safety Service Patrol, which provides free assistance to motorists on the Commonwealth's busiest interstates and expressways in 5 metropolitan areas across the State.

He also provided a status update, noting that two firms have been selected based on last year's Request for Proposals (RFP) issuance, with these firms being The Superlative Group and 2i Group. The two teams are currently conducting an evaluation of sponsorship opportunities to present to the P3 Office and PennDOT for consideration. Mr. Bonini concluded by adding that over \$1.5 million was generated to offset operational costs in the past four years, and they look forward to effectively continuing this program.

With no questions from the Board, he turned the floor over to Mr. Charles Dertinger, Director of Administration for Northampton County, to provide an update on the Northampton County Bridge Renewal Program.

NORTHAMPTON COUNTY BRIDGE RENEWAL PROGRAM: PRESENTED BY MR. CHARLES DERTINGER

Mr. Dertinger provided an overview of the project, originally aimed to replace and/or rehabilitate 33 bridges located within Northampton County, with eight eventually being recommended for removal from the program, cited as being unnecessary to replace. He noted that since work began in 2017, 19 bridges have been completed; with five of those 19 still with punch list items remaining. He then explained that, in 2019, they experienced a complete work stoppage and thus no bridges were completed that year, which necessitated litigation. Mr. Dertinger noted that, despite no success garnered in the mediation that followed, substantial progress was made during the COVID-19 pandemic, with five previously dormant program bridges reaching completion in 2020. He added that 2021 began encouragingly, with three bridges beginning work and one reaching substantial completion, but another complete stoppage in March 2021 has halted progress. He concluded his presentation by noting that seven bridges remain to be replaced; two of which may take several years.

With no questions from the Board, he turned the floor over to Mr. Bonini.

UNSOLICITED PROPOSALS UPDATE: PRESENTED BY MR. MICHAEL BONINI

Mr. Bonini then shifted focus to provide an update on Unsolicited Proposals, which the P3 Office accepts twice each year in pursuit of new, innovative opportunities. He displayed data tables which placed the current Unsolicited Proposals into three categories: Under Consideration, On Hold and Dismissed. The Under Consideration table encompasses items on which the Department is conducting feasibility analyses to determine merit in pursuing as a public-private partnership; four proposals fall under this categorization, two of which were received in the April 2021 submission window. He then explained that the items categorized as On Hold were projects that have passed a high-level screening stage but require further coordination with the proposer and/or stakeholders. This additional coordination will then lead to either further consideration or dismissal. Mr. Bonini concluded the update by explaining that the seven items listed as Dismissed had each been recommended for dismissal in the past year, specifics of which are provided in the 2020-2021 P3 Report for Pennsylvania. He explained that dismissal is typically determined due to a project not having merit as a P3 or if decided as the best approach following Department review.

With no comments from the Board, Mr. Bonini turned the floor over to Secretary Gramian.

OTHER BUSINESS:

Secretary Gramian thanked Mr. Bonini before asking if any attendees wished to provide public comment. With no comments from the public, she opened the floor to the Board for any remaining comments. With no comments from the Board, Secretary Gramian thanked all attendees for their time and support of the P3 program and thanked all presenters. After noting that the next Board meeting is scheduled for December 9, 2021, at 1 p.m., she brought forth a request for a motion to adjourn.

ADJOURNMENT:

On a motion by Dr. Tim Murphy, seconded by Mr. Ronald Drnevich and unanimously approved, the meeting was adjourned at 2:56 p.m.

UNSOLICITED PROPOSALS | CANDIDATE – UNDER CONSIDERATION | Dec. 2021

PROJECT:	UP No. 154 – PennDOT Solar Initiative
BOUNDARY:	Statewide <i>April 2019 submission</i>

PROPOSED BY: Solar Renewable Energy, LLC (SRE)

DESCRIPTION:

An Unsolicited Proposal was received by the P3 Office for a Design-Build-Finance-Operate-Maintain (DBFOM) project to design and install a 5 MW DC solar array on one or more sites located within PennDOT right-of-way. The location of the site(s) would be determined jointly between PennDOT and the proposer to maximize benefits. The proposal highlights that the 5 MW capacity could be increased or decreased depending on interest and that the system could be completed in stages over time.

PRELIMINARY FINANCIAL PLAN:

Total Estimated Project Cost:	\$5,300,000
Projected Revenue:	\$200,000/yr. in years 1 to 5 \$450,000/yr. from year 6 on
Projected Term:	40 year

For the first 5 years, SRE will design-build-operate-finance-maintain the site(s) and PennDOT would receive approximately \$200,000 in annual cash flow. In Year 6, PennDOT would purchase the system for approximately \$5,300,000 and begin to receive an increased cash flow of approximately \$450,000 annually. This is based on projected average direct and indirect revenue approximating \$745,000 per year, and average costs being approximately \$335,000 per year. Potential savings to PennDOT over the 40-year term could range between \$5.8M and \$16.3M, depending on the purchase terms and SREC values.

SUMMARY EVALUATION OF P3/ALTERNATIVE DELIVERY:

The project would provide PennDOT with a mechanism to re-purpose PennDOT owned lands, reduce PennDOT’s energy costs, and contribute to sustainability benefits offered by renewable energy. The proposer also has the potential to offer significant financial value to PennDOT in three (3) areas:

- savings in electricity costs,
- rebates and tax credits for implementing renewable energy programs,
- and value in Solar Renewable Energy Certificates (SERC’s).

Since first submitted, the P3 Office has met with PennDOT staff, the Proposer (twice), and the Department of General Services (DGS). DGS indicated that the Governor’s Green Council is also evaluating a statewide-agency approach to solar banks developed on Commonwealth lands.

The project is also best delivered as a P3/Alternate Delivery project in lieu of a conventional design-bid-build. A conventional design-bid-build delivery would require PennDOT solicit, manage, and deliver design and construction services of a facility for which they have little experience. Whereas a P3 project enables PennDOT to employ an outside service whose primary function is providing and packaging solar renewable energy facilities.

P3 STEERING COMMITTEE RECOMMENDATION:

Based on the above noted benefits, the P3 Office is recommending that the Proposal continue to be developed and progressed to a Detailed Level Screening Report (DLSR) in accordance with the P3 Implementation Manual & Guidelines. The DLSR will research the outstanding issues, quantify financials, and confirm a financial model to sustain this proposal as a P3 project.

P3 TRANSPORTATION BOARD ACTION: No action required

UPDATE/ACTION ITEMS:

A High-Level Screening Report (HLSR) was completed and is under final review by the P3 Office. Once the HLSR is accepted and a Detailed Level Screening Report is initiated, the following specific action items will be progressed before the next Board Meeting. Information from these action items will ultimately be incorporated into the DLSR:

- Finalize and accept the High-Level Screening Report
- Investigate spatial opportunities within PennDOT ROW, quantify the areas, and identify respective power supplies.
- Discuss maintenance and traffic safety concerns with PennDOT and FHWA.
- Identify ownership issues with the Office of Chief Counsel
- Coordinate with Governor’s Green Council to develop joint implementation strategy.
- Identify major technical component needs, power-distribution options, and power sources.

UNSOLICITED PROPOSALS | CANDIDATE – UNDER CONSIDERATION | Dec. 2021

PROJECT: UP No. 155 – District 4 Northern Tier County Bridge Replacements
BOUNDARY: Susquehanna, Wyoming, & Wayne Co.'s in District 4-0
July 2020 submission

PROPOSED BY: CDR Maguire

DESCRIPTION:

The project is a Design/Build/Finance to replace or reconstruct (32) structurally deficient PennDOT-owned bridges located in the “Northern Tier” Counties of Susquehanna, Wayne, and Wyoming in District 4-0. The scope would include preliminary engineering and final design, survey, geotechnical services, environmental permitting, right-of-way acquisition, utility coordination, construction, quality assurance, construction inspection, and finance.

PRELIMINARY FINANCIAL PLAN:

Total Estimated Project Cost:	\$38,500,000
Projected Revenue:	None Anticipated
Projected Term:	5 yr. Design-Build, 20 yr. financing

The structure is a Design-Build-Finance; Operate or Maintain components were not included. The estimated cost is based on an assumed lump sum \$1,000,000 for any structure less than 30' span; for structures longer than 30', the Proposer added a premium equal to \$350/sq. ft. of deck area to the \$1,000,000 lump sum base.

SUMMARY EVALUATION OF P3/ALTERNATIVE DELIVERY:

The P3 Office performed an initial screening of the concept. The project would return a minimum of 12 closed or posted bridges to full service and remove as many as 20 bridges from poor sufficiency rating lists. Subsequent to the initial submission, the Proposer did provide a bridge list. However, the bridges on the list are located in different settings, and involve a wide range of structure types, span lengths, ADT, and impacts associated with their replacement. Precedent of similar P3/Alternative Delivery projects include the Statewide Rapid Bridge Replacement (RBR) and the Northampton County Bridge Bundle.

The proposal lacks detailed information needed to determine if a P3/Alternative delivery offer cost or time savings. Such needed information includes criteria for identifying bridges, a basis for the estimated project cost, shared risk and financing details, and the implications associated with salvaging the existing substructures.

Conversations with the District indicated that the District is interested in using this approach to address numerous posted or closed rural bridges. Although low in Average Daily Traffic, these bridges pose long detours and increased delivery costs for businesses needing to access the regional road network. Depending on the financing terms and business model, a P3/Alternative Delivery could enable the District to address a significant number of structurally-deficient bridges for which they presently do not have the funding or resources.

P3 STEERING COMMITTEE RECOMMENDATION:

There is potential to gain significant value by combining public and private resources which is the intent of P3 Delivery. And the precedent projects support using P3/Alternative Delivery as a mechanism to address deficient bridges. Therefore, the P3 Office is recommending the Proposal continue to be developed and progressed to a Detailed Level Screening Report (DLSR) in accordance with the P3 Implementation Manual & Guidelines. The DLSR will research the outstanding issues, establish criteria for bridges to be included, and quantify the financials.

P3 TRANSPORTATION BOARD ACTION: No action required.

UPDATE/ACTION ITEMS:

A High-Level Screening Report (HLSR) was submitted and is under review by the P3 Office. Once the HLSR and P3 Office recommendation are accepted, the DLSR will be initiated. Initial action items in the DLSR phase include:

- Prepare scope and engage financial consultant to begin evaluating the financial considerations.
- Coordinate with District 4 to identify bridge selection criteria
- Develop cost estimates and return-on-investment analysis that can quantify the potential value.
- Develop agenda and approach for a report to be used by the District in a presentation to MPO.

UNSOLICITED PROPOSALS | CANDIDATE – UNDER CONSIDERATION | Dec. 2021

PROJECT: UP No. 161 – Shared Mobility Incentives
BOUNDARY: Coordinated with Tolled Bridges locations
April 2021 submission

PROPOSED BY: Hytch Rewards

DESCRIPTION:

The Developing Entity proposes to use a communications program to help make P3 projects and bridge tolling more accepted by the public. The program uses incentive strategies to engage impacted communities in a creative way that may reduce opposition to tolls. The proposer intends on focusing on mitigating impacts on minority and low-income populations for projects in the Harrisburg and Philadelphia areas.

Shared Mobility Incentives is a financial technology platform that functions as smart phone application fully owned, operated and maintained by Hytch Rewards. Users that subscribe to the application would agree to let Hytch Rewards sell their data to third parties in exchange for Hytch Rewards pushing notifications or advertisements to the users based on their data uses, location or other markers targeted by the marketing.

PRELIMINARY FINANCIAL PLAN:

Total Estimated Project Cost:	Not Provided
Projected Revenue:	None
Projected Term:	Not Provided

The Proposer is requesting PennDOT provide a grant for the yet-to-be determined program costs.

SUMMARY EVALUATION OF P3/ALTERNATE DELIVERY:

No formal proposal or supporting information was provided by the proposer. The proposer did provide video example of their technique used for a transit projects in Nashville, TN and a USDOT Study (*Alternatives of Travel Changes and Scenarios for Sharing Rides*) that provides data on incentives for ridesharing (TNC) carpooling.

The intent to reduce opposition to tolling and mitigate toll impacts to minority and low-income communities is consistent with PennDOT's goals for the Pathways Program and the Major Bridge Initiative. Also, there are precedent programs being implemented by FHWA to aid under-served populations with transportation user-fees, including a recent initiative led by Virginia DOT.

In this format, PennDOT would not be procuring a transportation facility nor is the Department directly receiving any services through a public private partnership between PennDOT and Hytch Rewards. Instead, PennDOT would be a funding partner with Hytch Rewards to provide cash rewards to motorists for choosing shared mobility modes of transportation. Hytch would also invite local businesses to participate in the incentive program.

P3 STEERING COMMITTEE RECOMMENDATION:

Despite the above noted benefits, the proposal does not involve creating a new or improving and existing transportation facility that is owned by PennDOT. The proposal does not appear to comply with Title 74 Pa. C.S. Chapter 91 and is therefore being recommended for dismissal by the P3 Office.

P3 TRANSPORTATION BOARD ACTION: No action needed.

UPDATE/ACTION ITEMS:

The following items will be completed to close out the initial screening:

- Conduct follow-up meeting with Proposer (Mark Cleveland) on September 27, 2021
- Coordinate with Office of Chief Counsel to discuss and confirm the initial screening.

UNSOLICITED PROPOSALS | CANDIDATE – UNDER CONSIDERATION | Dec. 2021

PROJECT: UP No. 164 – Weigh Station Bypass (Pre-Clear)
BOUNDARY: Statewide
April 2021 submission

PROPOSED BY: Drivewyze

DESCRIPTION:

The Developing Entity proposes to use their Pre-Clear product with existing Electronic Logging Device (ELD) technology to implement a weigh station bypass notification system on PennDOT highways. The system would enable freight carriers to make in-cab, live requests to bypass an approaching PennDOT weigh station. The request would include carrier and vehicle identifiers that are already on file, including vehicle ID, and compliance and safety history. PennDOT would review the request and issue either an approval to bypass or directive to enter the weigh station. The interactive process would start a minimum of 2 miles in advance of the weigh station.

PRELIMINARY FINANCIAL PLAN:

Total Estimated Project Cost:	None
Projected Revenue:	None
Projected Term:	Not Provided

The Proposal did not include any financial information other than to state it would be implemented at no cost to PennDOT. It was also not clear how Drivewyze would be compensated, or if the system would incur additional costs to the users (freight carriers).

SUMMARY EVALUATION OF P3/ALTERNATE DELIVERY:

Pre-Clear by Drivewyze is in operation at over 800 locations in North America. According to the Proposer, Pre-Clear would improve PennDOT’s operational efficiency of roadside operations by enabling enforcement officers to prioritize trucks with active violations and lower safety scores for pull-in and inspection, while minimizing disruption to truck flow on and off the highway mainline.

An initial review indicates that the system could improve PennDOT efficiencies by allowing Motor Carrier Enforcement to focus on those with problematic history. It could also provide incentive/benefit to those carriers having good safety and compliance records.

PennDOT would not own the software or supporting hardware used to implement the program. But the technology would impact PennDOT owned facilities and PennDOT staff. Additional details are needed to determine if this would be best implemented as a service agreement or P3 delivery.

P3 STEERING COMMITTEE RECOMMENDATION:

Additional information and coordination with the Proposer, End Users and Stakeholders are required before a recommendation can be made to the steering committee.

P3 TRANSPORTATION BOARD ACTION: No action needed.

UPDATE/ACTION ITEMS:

A draft High Level Screening Report (HLSR) is presently under development. Following are next action items to be performed towards completion of the HLSR:

- Meet and discuss proposal with PSP
- Meet and discuss proposal with DGS
- Meet and discuss proposal with PennDOT BOMO and Freight Working Group
- Hold follow-up meeting with Proposer (Drivewyze)

UNSOLICITED PROPOSALS | CANDIDATE – UNDER CONSIDERATION | Dec. 2021

PROJECT: UP No. 165 – Mobile Trash Compaction
BOUNDARY: District 8
October 2021 submission

PROPOSED BY: DC Lehman Co. (d/b/a Smash My Trash)

DESCRIPTION:

Smash My Trash is a new mobile waste service that can be coupled with new and existing projects to reduce overall waste hauling costs. Smash My Trash uses mobile waste hydraulic compaction equipment to service construction sites, distribution and warehouse locations where open top dumpsters are used for waste deposits. The mobile equipment compacts the trash collected in the dumpsters to consolidate the volume allowing for more trash to be collected while reducing the number of hauling trips needed to remove the full dumpster to the waste location.

The proprietary mobile compaction service can reduce waste volumes by as much as 70% and helps the environment through fewer hauling trucks on the road resulting in lower CO2 and particulate emissions and increased waste density reduces the amount of landfill space required.

PRELIMINARY FINANCIAL PLAN:

Total Estimated Project Cost:	None Offered
Projected Revenue:	None
Projected Term:	Not Provided

SUMMARY EVALUATION OF P3/ALTERNATE DELIVERY:

The proposal does not involve an existing PennDOT transportation facility or building a new one. The proposal is service oriented and does not involve alternative delivery strategies. More review will be conducted and coordinated discussions with Office of Chief Counsel will be scheduled. However, the high-level overview for this unsolicited proposal does not constitute a public-private partnership nor does it appear to satisfy the definition of a transportation project in Title 74 Pa. C.S. Chapter 91.

P3 STEERING COMMITTEE RECOMMENDATION:

None at this time.

P3 TRANSPORTATION BOARD ACTION: No action needed.

UPDATE/ACTION ITEMS:

- Complete review of Unsolicited Proposal #165
- Review proposal with P3 Office and OCC

UNSOLICITED PROPOSALS | CANDIDATE – UNDER CONSIDERATION | Dec. 2021

PROJECT: UP No. 166 – I-76 Schuylkill Express Way Managed Lanes
BOUNDARY: District 6
October 2021 submission

PROPOSED BY: CINTRA

DESCRIPTION:

Proposal to improve 16.9 miles of I-76 between SR 202 interchange and I-676 split, known as the Schuylkill Expressway. Project includes building 4 new tolled, managed lanes (2 in each direction), integration of public transit, new technologies, social integration and development programs as well as upgrade the General Purpose Lanes (GPLs) to improve the existing free capacity along the corridor. Additional connectivity would be added to the corridor, including additional ramps and new interchanges. Proposer plans to deliver this project through a Design-Build-Finance-Operate-Maintain agreement for a term of 50 years. Responsibility would include fence-to-fence management of the entire project corridor including the GPLs, tolling operations, customer service, back office and O&M of toll equipment.

PRELIMINARY FINANCIAL PLAN:

Total Estimated Project Cost:	\$3.25 Billion (\$0 to PennDOT)
Projected Revenue:	\$200 million concession fee to PennDOT
Projected Term:	50 years

SUMMARY EVALUATION OF P3/ALTERNATE DELIVERY:

Unsolicited Proposal just submitted during October 2021 window – evaluation forthcoming.

P3 STEERING COMMITTEE RECOMMENDATION:

None at this time.

P3 TRANSPORTATION BOARD ACTION: No action needed.

UPDATE/ACTION ITEMS:

- Identify and engage technical subject matter experts to review components of the proposal.
- Upon meeting technical considerations, evaluate proposal documents with legal and financial advisors
- Meet with P3 Office on evaluation development and coordinate with OCC.
- Assemble high-level risks, target schedule and activities going forward.

PROJECT:	UP No. 138 – PennDOT Truck Parking Expansion Program (TPEP)
BOUNDARY:	Statewide <i>April 2018 submission</i>

PROPOSED BY: Truck Specialized Parking Services, Inc.

DESCRIPTION:

An Unsolicited Proposal was received by the P3 Office to enable underutilized public and private real estate assets along key interstates and highways in eastern Pennsylvania that are most likely to relieve truck parking congestion. The proposed solution incorporates a technology platform developed specifically to manage parking availability and reservations for commercial vehicles.

PRELIMINARY FINANCIAL PLAN:

Total Estimated Project Cost:	\$1,800,000
Projected Revenue:	None Anticipated
Projected Term:	Details not provided

SUMMARY EVALUATION OF P3/ALTERNATIVE DELIVERY:

The P3 Office has conducted multiple discussions with the proposer. In coordination with the Freight Working Group, the P3 Office released a Request for Information in the fall 2018 to gather feedback related to the development, design, construction, implementation, maintenance, operation and commercialization of truck parking facilities. Nineteen (19) responses were received for this RFI; supplemental one-on-one meetings have been conducted with selected respondents and their input was incorporated into findings for the project.

This proposal, offered by Truck Specialized Parking Services, Inc., will be incorporated into a Department truck parking initiative potentially scoped to include new or modified capacity in addition to the technology capturing vacancy inventory and disseminated to truck drivers.

P3 STEERING COMMITTEE RECOMMENDATION:

Continue communication with the Freight Working Group (FWG) to identify their overall strategy regarding truck parking facilities and develop potential ideas to advance solutions for truck parking using a P3 or Alternate Delivery process. After coordinating with the FWG, the P3 Office will finalize the screening evaluation for this unsolicited proposal.

P3 TRANSPORTATION BOARD ACTION: No action required.

UPDATE/ACTION ITEMS:

- Coordinate with Freight Working Group and report on truck parking strategies
- Reactivate the proposal once when more scope details exist to fully screen as P3 opportunity.

PROJECT:	UP No. 159 – PA Smart Transportation Infrastructure Initiative
BOUNDARY:	Statewide <i>July 2020 submission</i>

PROPOSED BY: Keystone Initiative for Network Based Education & Research (KINBER)

DESCRIPTION:

KINBER is proposing to offer PennDOT access to KINBER’s 1800 miles of existing fiber network to connect PennDOT’s statewide assets. KINBER will provide two (2) fibers within the network at no cost, while building the connections from the PennDOT asset to the KINBER network. The project would involve multiple phases with the first phase connecting the eleven (11) District offices. Subsequent phases could address smart traffic signals, autonomous vehicles and 5G connectivity.

PRELIMINARY FINANCIAL PLAN:

Total Estimated Project Cost:	\$9,800,000
Projected Revenue:	None Anticipated
Projected Term:	Details not provided

PennDOT would pay for engineering and construction required to complete the connections and compensate KINBER for coordination services at a negotiated percentage of the total project. KINBER’s proceeds would be reinvested into KINBER assets.

SUMMARY EVALUATION OF P3/ALTERNATIVE DELIVERY:

The P3 Office performed an initial screening of the concept, held two (2) Q&A sessions with the Proposer, and discussed the proposal with Mark Kopko, Office of Transformational Technology.

By accessing KINBER’s existing network, PennDOT would be able to create an intelligent transportation fiber-based infrastructure at 1/5th to 1/10th the cost it would take to build the network from scratch. The concept may also offer future opportunities to address present rural, remote broadband limitations. However, the work included in the estimated project cost needs to be broken down in order to determine the real value.

Also, the proposal does not address facility ownership to sufficient detail to determine whether the concept fits within the confines of the P3 legislation. PennDOT would own the last-mile connections that would be constructed under this proposal. KINBER would maintain ownership of the inner core and the two (2) fibers in the core that will be dedicated to PennDOT data communications. And subsequent to receipt and review of the proposal, the KINBER organization began the process of changing its ownership configuration. The final outcome of that process remains unclear.

PennDOT also indicated that the Office of Transformational Technology was working internally on the logistics of expanding and incorporating redundancy into the PennDOT network. This is an internal initiative separate from the KINBER proposal, but with a similar goal.

P3 STEERING COMMITTEE RECOMMENDATION:

As noted above, there are a number of outstanding issues regarding facility ownership, proposer status, and internal strategizing. Therefore, the P3 Office recommends this proposal be placed On-Hold. Once the issues are better defined and addressed, the P3 Office can decide whether to dismiss this proposal, continue to research the outstanding issues, or develop a separate internal solicitation.

P3 TRANSPORTATION BOARD ACTION: No action required.

UPDATE/ACTION ITEMS:

Proposal status is being revised from *Under Consideration* to *On-Hold*. The P3 Office will meet with the Office of Transformational Technology (OTT) to identify the OTT’s needs and strategy for expansion. After that meeting, the following specific steps will be taken to close the screening process and make a final recommendation:

- Circulate screening report to Office of Chief Counsel for input on the ownership issue.
- Evaluate the proposal fit within PennDOT’s strategic plan and potential funding.
- Obtain technical input from a Subject Matter Expert within OTT.
- Update the High Level Screening Report

UNSOLICITED PROPOSALS | CANDIDATE – DISMISSED | December 2021

PROJECT: UP No. 121 – Environmental Solutions P3
BOUNDARY: Statewide
April 2017 submission

PROPOSED BY: Resource Environmental Solutions (RES)

DESCRIPTION:

An Unsolicited Proposal has been received by the P3 Office to provide ecological solutions to PennDOT for stream, wetland, threatened and endangered species, and water quality impacts resulting from transportation projects over the next 20 years throughout the state.

The proposal included five (5) environmental solutions for consideration:

- Threatened and Endangered Species Mitigation
- Streams and Wetland Mitigation
- 102 NPDES Post Construction Stormwater Offsets
- MS4 Stormwater Permit Offsets
- New Stormwater Facility Construction and Retrofit

PRELIMINARY FINANCIAL PLAN:

Total Estimated Project Cost:	\$10,000,000
Projected Revenue:	None Anticipated
Projected Term:	20 years

RES would be responsible for all costs associated with developing performance-based ecological products. PennDOT would purchase credits and/or units of reduction from RES.

SUMMARY EVALUATION OF P3/ALTERNATIVE DELIVERY:

The P3 Office performed an initial screening on the concept and evaluated the proposal. It was determined that there are opportunities that should be explored and to assess further the merits of a Public-Private Partnership, particularly as it relates to streams and wetland mitigation. The P3 Office plans to take the lessons learned from the cancelled Chalfont Project and coordinate with stakeholders to determine if procurement under Act 88 is the best way to proceed to meet this important transportation need.

Upon further evaluation and screening, it was determined that a public-private partnership for open-ended mitigation needs is not in the best interest of the Commonwealth. Any benefits of a credit trading program are outweighed by the time and costs required for a P3/Alternative Delivery solicitation. Furthermore, there are other successful contracting structures currently utilized by both the Department and Pennsylvania Turnpike Commission to furnish mitigation needs on transportation projects.

P3 STEERING COMMITTEE RECOMMENDATION:

Recommend BOPD and PennDOT environmental managers to evaluate expanding existing contracting mechanisms to deliver mitigation needs for projects that yield more flexibility and value for the Commonwealth.

P3 TRANSPORTATION BOARD ACTION: No action required.

UPDATE/ACTION ITEMS:

- Finalize High-Level Screening Report
- P3 Office to issue dismissal letter.

Rapid Bridge Replacement (RBR) Project

Public Authority:

PennDOT

Private Partners:

Plenary Walsh Keystone Partners

Status:

Maintenance Term

P3 Office Staff Lead:

Michael Bonini

PennDOT Technical Advisor:

Gary Kleist, P.E.

P3 Board Meeting Approval Date:

September 2013

PROJECT OVERVIEW:

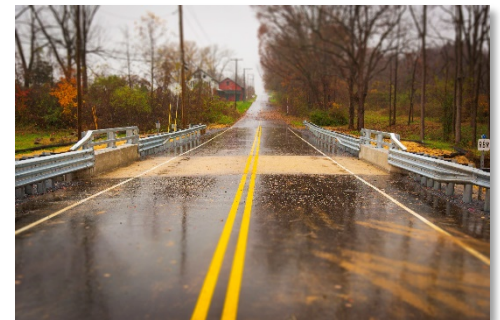
The project is bolstering PennDOT's ongoing effort to address Pennsylvania's more than 4,000 poor bridges. Plenary Walsh Keystone Partners (PWKP) was selected for the Department's Rapid Bridge Replacement (RBR) project to replace 558 bridges across the state. Commercial Close (execution of the contract) was achieved on January 9, 2015. The team, which includes over 50 Pennsylvania-based companies, began construction of the bridges in June 2015.

The commonwealth retains ownership of the bridges, but PWKP is responsible for maintaining each bridge for 25 years after its replacement. The team will manage bridge design, construction and maintenance under the contract. The team is responsible for financing the effort and PennDOT will make performance-based payments based on the contractor's adherence to the contract terms. PennDOT will be responsible for routine maintenance, such as snow plowing and debris removal.

BENEFITS:

The project will provide the following benefits:

- Construction of 558 bridges;
- Potential cost savings due to similar design of the P3 bridges, bulk purchase of materials, and standardization of pre-fabricated bridge elements;
- Contractor responsible for the maintenance of these bridges for 25 years;
- Transfer of risk to the PWKP team for the design and construction of the 558 bridges;
- Transfer of risk to PWKP for the maintenance of the bridges for 25 years (excluding routine maintenance like snow plowing/debris removal);



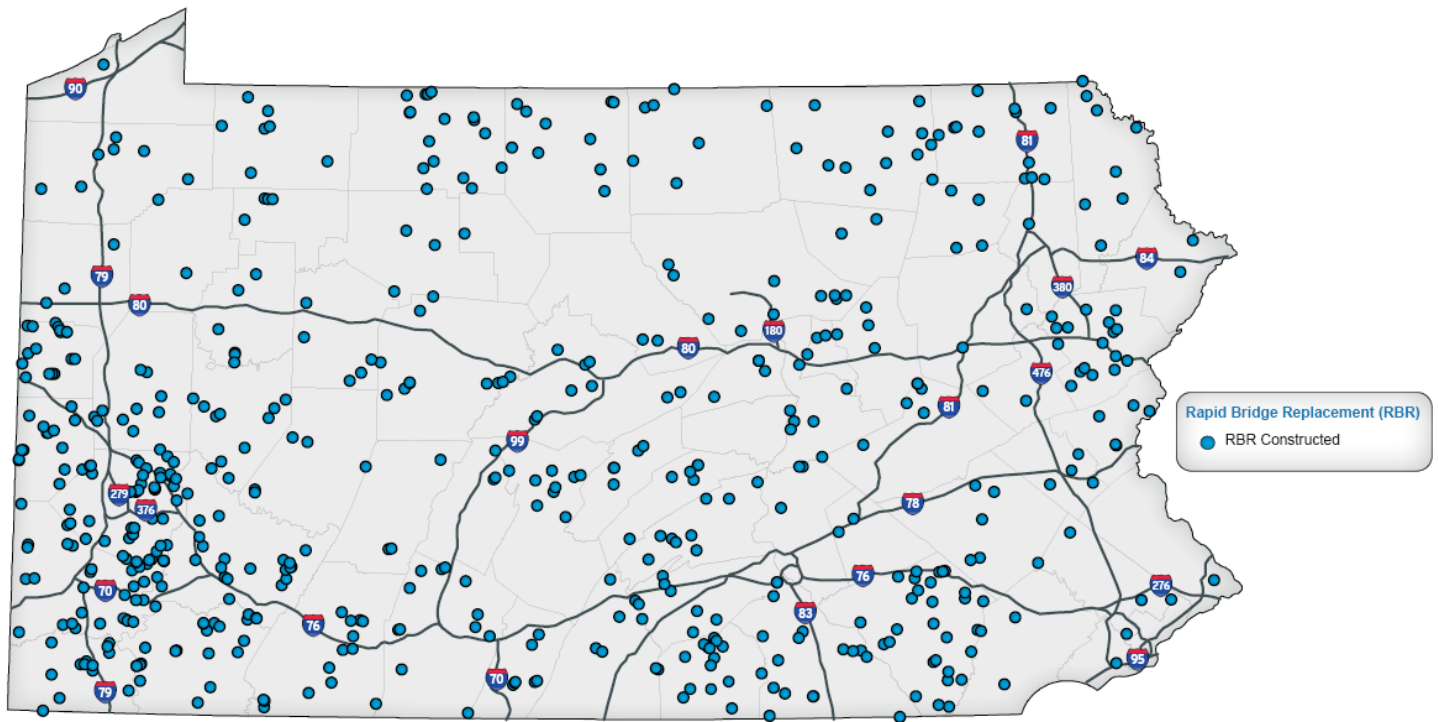
*Bridge JV-577, Jonestown Road (RT 4013)
Tributary to Raccoon Creek, Lebanon County*

Rapid Bridge Replacement (RBR) Project

- Financial cost for delivery of bridges and maintenance of bridges (post construction) is spread over 28 years (initial mobilization payment, milestone payments during the design and construction phases of the project, and availability payments spread over 25 years); and

STATUS:

As of June 1, 2021, all **558** bridges have been replaced and are open to traffic.



PennDOT Sponsorship & Advertising Program

Public Authority:

PennDOT

Private Partners:

Superlative Group / 2i Group

Status:

Contract Executed

P3 Office Staff Lead:

James Nicastro

PennDOT Technical Advisor:

Varies per sponsorship project

**P3 Board Meeting
Approval Date:**

January 2013

PROJECT OVERVIEW:

In January 2013, the P3 Board approved the P3 Traveler Information and Traffic Management Systems project. A key component of this program was to develop a Sponsorship and Advertising program to offset operational costs incurred by PennDOT. The Department proposed procuring the services of a team to evaluate the Department's assets to determine which had potential for generating sponsorship revenue. The procurement was structured to select firms to fully develop the Sponsorship and Advertising program, and then further explore and identify additional sponsorship and advertising opportunities.

BENEFITS:

This concept has generated Sponsorship and Advertising revenue to offset the costs of sponsored programs and provided an additional source of funds for other transportation-related projects and initiatives. In addition, the Safety Service Patrol, which is the main sponsorship program to be included, provides added benefits including, 1) enhancing the safety of the traveling public; 2) increasing efficiency; and 3) lessening congestion.

STATUS:

PennDOT has selected two (2) firms for the Sponsorship & Advertising program. The two firms are: The Superlative Group and 2i Group.

These teams are now conducting an evaluation of sponsorship opportunities to present to the P3 Office and PennDOT for consideration. Various highway safety related programs are currently under consideration and the teams are conducting feasibility analyses to determine best possible sponsorship structures.

P3 Project Update | December 2021

Compressed Natural Gas (CNG) Fueling Stations for Public Transit Agencies

Public Authority:

PennDOT

Private Partners:

Trillium CNG

Status:

Contract Executed –
Under Construction

P3 Office Staff Lead:

Joseph Gurinko, AICP

PennDOT Technical Advisor:

Nick Baldwin, Bureau of Public
Transportation

**P3 Board Meeting
Approval Date:**

September 2014

PROJECT OVERVIEW:



PennDOT selected Trillium CNG as the development entity and partner to supply CNG fueling equipment to 24 transit facilities which will fuel up to 750 buses throughout the Commonwealth. Trillium will make CNG-related safety upgrades to existing transit maintenance facilities and will design, build, finance, operate and maintain the CNG fueling stations. Trillium will be responsible for maintaining the stations until 2037.

The Department also entered into agreements with transit agencies, establishing commitments to CNG fuel purchases and operational requirements. The project

will provide access to commercial CNG fueling stations for owners of private vehicles and business fleets in areas with sufficient market demand. The Department will receive a portion of the commercial fuel sales revenue to support future capital projects for transit agencies.

BENEFITS:

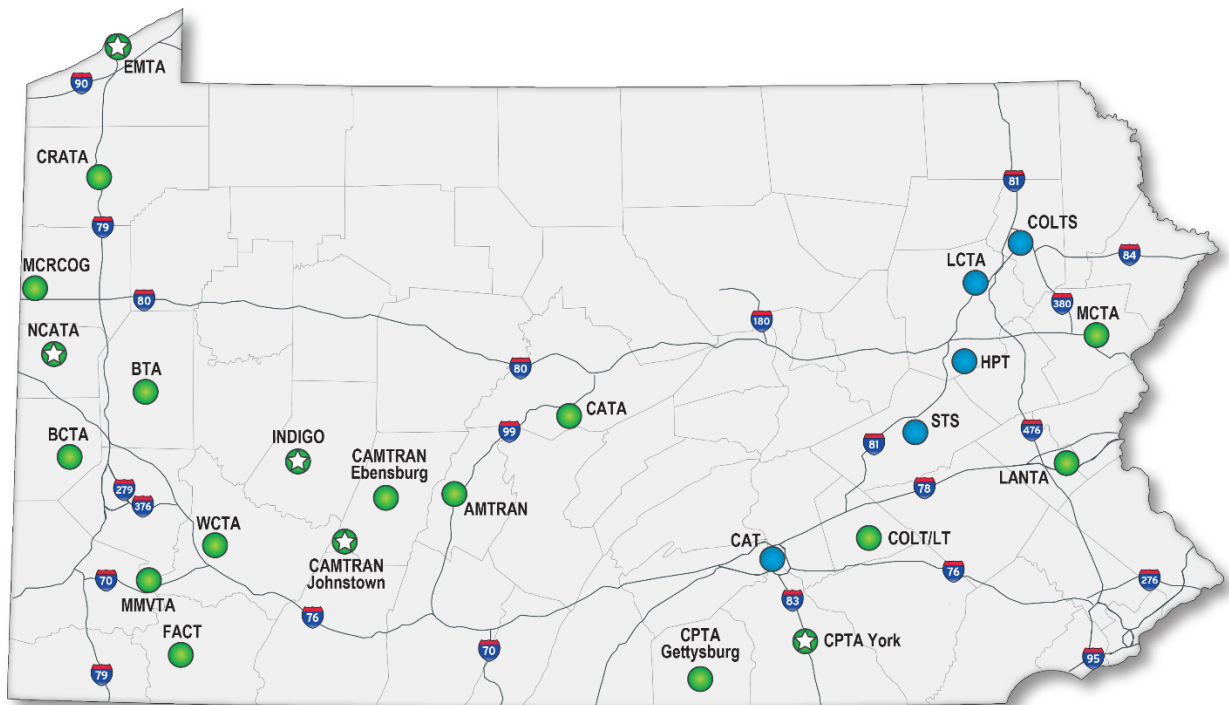
The construction of CNG fueling stations will provide many benefits including:

- Operational cost savings for transit agencies;
- Improved engine life of CNG vehicles;
- Reduced carbon emissions and greenhouse gases; and
- Enhanced access to CNG for individuals and owners of small fleets.

Compressed Natural Gas (CNG) Fueling Stations for Public Transit Agencies

STATUS:

On April 20, 2017, Governor Tom Wolf announced the opening of the CNG fueling station at the Cambria County Transportation Authority (CamTran) in Johnstown. This marked the first CNG fueling station constructed through the public-private partnership with Trillium CNG. As of June 2021, 19 stations have been completed. Of those stations, five (Johnstown, York, New Castle, Indiana and Erie) have public fueling positions.



As of December 2021

● Completed |
 ● Planned Construction (2022-2024) |
 ☆ Public Access

It is estimated that over the life of the P3 contract, this \$84.5 million project will pay for itself through economy of scale efficiencies in building the stations and through fuel cost savings to the transit agencies. When compared to the price of diesel fuel, Pennsylvania transit agencies have saved approximately \$4.9 million through October 2021 with the stations already open.

P3 Project Update | December 2021

Partnership 81 Project

Public Authority:

PennDOT

Private Partners:

To Be Selected

Status:

Pre-Development

P3 Office Staff Lead:

Joseph Gurinko, AICP

PennDOT Technical Advisor:

Susan Hazelton, P.E.

P3 Board Meeting Approval Date:

December 2019

PROJECT OVERVIEW:

Approved by the P3 Board in December 2019, the Partnership 81 Project aims to address needed safety, capacity and mobility improvements along a section of Interstate 81 near the City of Wilkes-Barre, Luzerne County. These improvements include the reconstruction and widening of I-81 to three lanes in each direction; replacement of poor condition bridges; the elimination of a left-hand exit currently existing on I-81; and the redesign of other intersections immediately off I-81.

In June 2020, the P3 Board approved an extension of the Partnership 81 project limits. The project limits, originally MM 163.3 to 168.7, now extend from MM 161.2 (current termini of the six-lane cross section) to 168.7 (Highland Park Boulevard interchange); a 7.5-mile reconstruction in total.

The P3 Board also approved using Design-Build-Finance (DBF) delivery to procure the project. After a review of project delivery alternatives, it was determined that a DBF approach would provide the best opportunity to meet PennDOT's goals.

The Interstate TIP contains approximately \$60 million for the replacement of the eight bridges along the corridor; the source of funding for the remainder of this project may include additional Interstate TIP funds and innovative project financing.

BENEFITS:

- Reconstruction/widening of 7.5 miles of I-81 to 3 lanes in both directions
- Replacement of poor condition bridges
- Safety and mobility improvements, including elimination of a left-hand exit
- Opportunity to innovate and create efficiencies in scheduling and cost savings



Partnership 81 Project

STATUS:

As of November 2021, PennDOT continues to advance preliminary studies and engineering for the project. Earlier in 2021, PennDOT completed an Alternatives Alignment Study and Conceptual Point of Access Study and will submit to FHWA for concurrence by end of calendar year 2021. Concurrence on the alignment study will help solidify the preferred alignment that will become the basis for identifying and quantifying impacts and communications with the public and other stakeholders. Based on the level of effort for environmental impacts and preliminary engineering, achieving NEPA approval is targeted for Fall 2022.

Design-Build-Finance procurement activities for the project are linked to NEPA approval and are targeted to begin next year in spring 2022. PennDOT will host a project Industry Forum to present the project to industry and identify goals and objectives. One-on-one meetings with industry partners to discuss the project further will be held immediately adjacent to the Industry Forum day. The remaining calendar year of 2022 procurement activities will focus on the first phase: Request for Qualifications and shortlisting of industry partners. The second phase, Request for Proposal (RFP) will begin in 2022 with issuing draft versions of the RFP to the shortlisted partners leading to Final RFP issuance to occur after NEPA approval.

Subsequent procurement steps (final due date and selection), Commercial and Financial close for the project are targeted for Winter/Spring 2023. NTP to the successful partner to begin work is anticipated for Summer 2023.

PennDOT Pathways Major Bridge P3 Initiative

Public Authority:

PennDOT

Private Partners:

To Be Selected

Status:

Active Procurement

P3 Office Staff Lead:

Michael Bonini

PennDOT Technical Advisor:

Kenneth McClain

**P3 Board Meeting
Approval Date:**

November 12, 2020

PROJECT OVERVIEW:

Approved by the P3 Board in November 2020, the PennDOT Pathways Major Bridges P3 Initiative aims to provide Pennsylvania travelers, residents and businesses with cost-efficient and high-quality transportation infrastructure by accelerating the replacement or rehabilitation of major bridges through the use of federally permitted use fee options that have been successfully used already by several states across the country.

PennDOT plans to develop the Project using a Predevelopment Agreement (“PDA”), where a Preferred PDA Entity will be selected by PennDOT through a competitive procurement process to collaborate with PennDOT on advancing pre-development work and to assemble the bridge packages for delivery under separate Project Agreements.

The Preferred PDA Entity will establish a SPV to design, build, finance and maintain (“DBFM”) the bridges within each bridge package, in exchange for availability payments. Availability payments will start following substantial completion of each package and continue throughout the operating term. While PennDOT plans to toll the bridges and utilize such toll revenue to fund the availability payments, PennDOT will retain all revenue risk and PennDOT’s obligation to make availability payments will be independent of actual toll revenues generated.

PennDOT identified nine candidate bridges for [the Project](#) based on the following criteria:

- Located on interstate highways or expressways,
- Structures of significance based on size, location and cost to replace or rehabilitate,
- Ability for the Project to be financially viable at reasonable toll rates,
- Structural conditions that warrant timely attention to enhance safety and avoid disruption and community impacts if closure or weight restrictions were imposed,
- Geographic balance throughout the state,
- Ability to begin construction in near-term.

PennDOT Pathways Major Bridge P3 Initiative

STATUS:

As part of the PennDOT Pathways Program, the Department finalized a [Planning and Environmental Linkages \(PEL\) Study](#) in September which analyzed new future-focused sources of funding for highways and bridges that could better serve Pennsylvanians for the next generation. The PEL Study noted these key takeaways:

1. Major Sources of Revenue are Declining
 - PennDOT relies on gas taxes for 74% of its funding
 - Gas taxes are decreasing due to fuel efficiency and have not been increased since 1993
 - PTC transfers to PennDOT will reduce from \$450m annually to \$50m in FY2022-23
2. PennDOT Needs are Large and Increasing
 - Available funding for highways and bridges is \$6.9b annually, while the funding needed is \$15b
 - PennDOT spends between \$450m-\$500m annually on the Interstate Highway System, but \$1.2b annually is required to meet O&M needs which results in an underfunding of ~60%
3. Lack of Funding Impacts Pennsylvanians
 - Delaying maintenance work means higher costs for these repairs in the long run
 - A commuter will spend more in vehicle maintenance costs driving on poor-quality pavement
 - In PA, not resolving congestion can cause 325m hours of delay per year and \$350m in fuel wasted annually

To address the above issues, multiple funding options were evaluated, including: sales tax, personal income tax, real estate and property taxes, fuel/gas tax increases, other taxes and fees, mileage-based user fee, and various forms of tolling. Options were analyzed based on those that could be advanced in near-term (2-4 years). Near-term is essential because bridges are in critical need of repairs today. Each option has merit for PennDOT's long-term strategy. However, without action by legislature, only bridge tolling and managed lanes can be advanced near-term.

Request for Qualifications was issued in June 2021 requiring a Development Entity Structure made up of Equity Member(s), a Lead Construction Contractor, a Lead Engineering Firm and an Independent Quality Firm. PennDOT received Statement of Qualifications in August 2021 and announced the three Shortlisted Proposers on September 20, 2021. The three teams are:

- Bridging Pennsylvania Partners: Macquarie Infrastructure Developments LLC, Shikun & Binui Concessions USA Inc, Shikun & Binui - America Inc, FCC Construcción, SA, STV Incorporated, SAI Consulting Engineers, Inc.
- Keystone Pathway Developers: Kiewit Development Company, Star America PA Bridges LLC, Kiewit Infrastructure Co. dba Keystone Pathway Constructors, Kiewit engineering Group Inc, Urban Engineers

PennDOT Pathways Major Bridge P3 Initiative

- Keystone Pathway Mobility Partners: Cintra Infrastructure SE, Itinera Infrastructure and Concessions Inc, North Tarrant Infrastructure LLC, Halmar International LLC, Jacobs Engineering Group Inc, KS Engineers PC

PennDOT released a Request for Proposals September 30, 2021 with proposals due from the Shortlisted Proposers January 12, 2022. All activities for the Project are linked to NEPA approval. Based on the level of effort for preliminary engineering and tolling impacts, achieving NEPA approval for all bridges is anticipated by June 2022. The NEPA approval schedule is shown in greater detail below.

	Scheduled Public Comment Period	Scheduled Public Meeting	Anticipated NEPA Document Approval
I-78 Lenhartsville	11/1/2021 – 11/24/2021	11/1/2021	Early February 2022
I-80 Canoe Creek	11/1/2021 – 11/30/2021	11/8/2021	Early February 2022
I-83 South Bridge	3/21/2022 – 4/21/2022	4/5/2022	Late June 2022
I-81 Susquehanna River	11/8/2021 – 12/8/2021	11/15/2021	Early February 2022
I-80 Nescopeck	11/15/2021 – 12/15/2021	12/7/2021	Mid February 2022
I-80 White Haven (Lehigh River)	11/17/2021 – 12/17/2021	12/8/2021	Late February 2022
I-80 North Fork	11/22/2021 – 12/22/2021	12/15/2021	Late February 2022
I-79 Bridgeville	1/11/2022 – 2/10/2022	1/18/2022	Early June 2022
I-95 Girard Point	2/6/2022 – 3/10/2022		Early June 2022

Commercial and Financial close for the first package of bridges and DBFM Project Agreement are targeted for Fall 2022 and December 2022, respectively.



PennDOT P3 Board | Members and P3 Office Contacts

P3 BOARD MEMBERS:

Name:

Member Appointment (as per Act 88):

Yassmin Gramian, P.E., Chair

Secretary of Transportation

Honorable Michael Carroll

House Minority Leader appointee

Geoffrey Clarke

Senate Minority Leader appointee

Gregory Davis

Office of the Governor appointee

Ronald Drnevich

House Majority Leader appointee

Dr. Timothy Murphy

Senate Majority Leader appointee

Gregory Thall

Secretary of the Budget

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