

Office of Policy & Public Private Partnerships

Pennsylvania Public Private Transportation Partnerships (P3)

Act 88 of 2012

Signed by Governor Tom Corbett on July 5, 2012

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Office of Policy & Public Private Partnerships

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Governor's Office of General Counsel

www.P3forPA.pa.gov

What is a P3 Project?

- Contractual Agreement between a Public Entity and Private Entity;
- Transfers responsibility of engineering, construction, operation and/or maintenance of a facility to the private sector for a defined period of time; or
- Allows the Private Sector to perform by contract a service previously provided by the Public Sector;
- The private firm receives payments either from existing revenue sources or through the collection of new tolls or user fees;

New Build vs. Existing Facilities

There are two basic P3 project types:

- **New Build Facilities** – Adding capacity to the system by building something new.
- **Existing Facilities** – Improving capacity or performance of the current system through a P3 arrangement.

To Whom It Applies

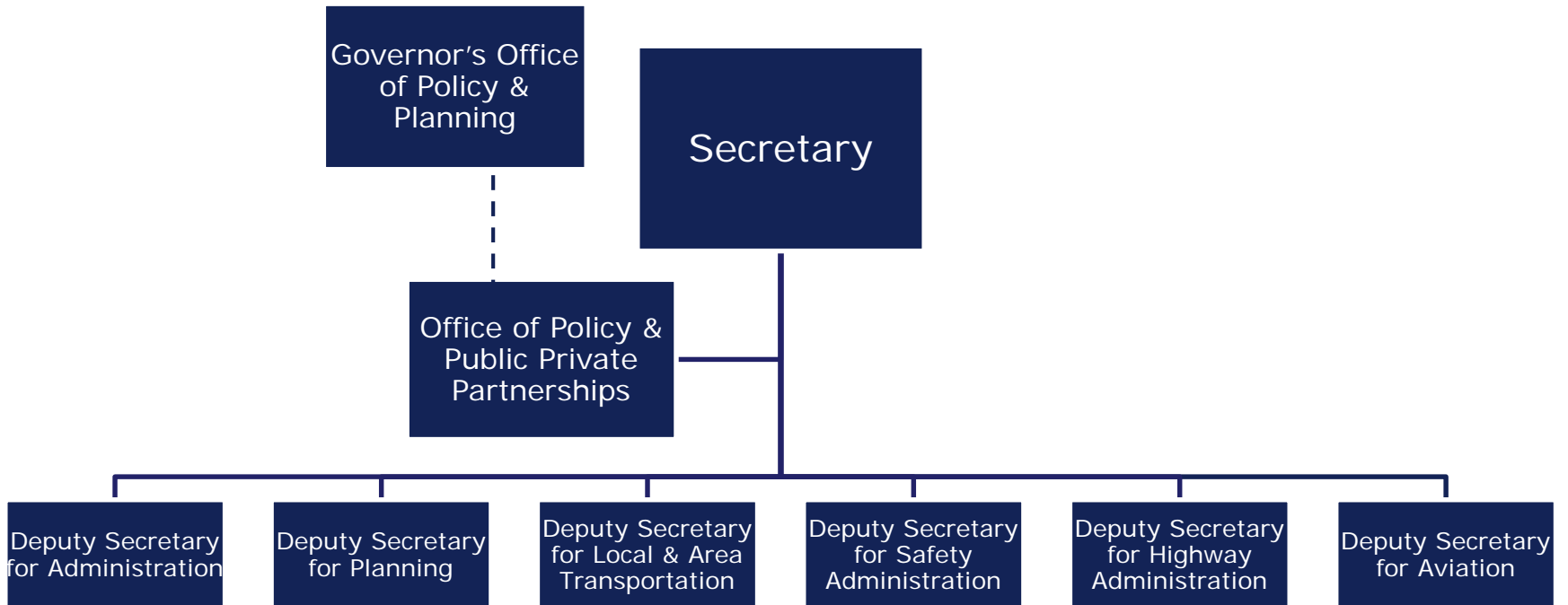


... and any other state agency, commission or authority with transportation facilities.

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Organization



Public Private Transportation Partnership Board

- Purpose: To approve potential Public-Private Transportation Projects.
- Appointed Members:
 - Barry Schoch, Secretary of Transportation (Chair)
 - Charles Zogby, Secretary of Budget
 - Nicholas DeBenedictis, Aqua America Inc. (Gov.)
 - Michael Murchie, M&T Bank (Senate Maj.)
 - Ryan Boyer, Laborers District Council of Phila (Senate Min.)
 - Ronald Drnevich, formerly of Gannett Fleming (House Maj.)
 - Hon. Steve Santarsiero, PA House (House Min.)

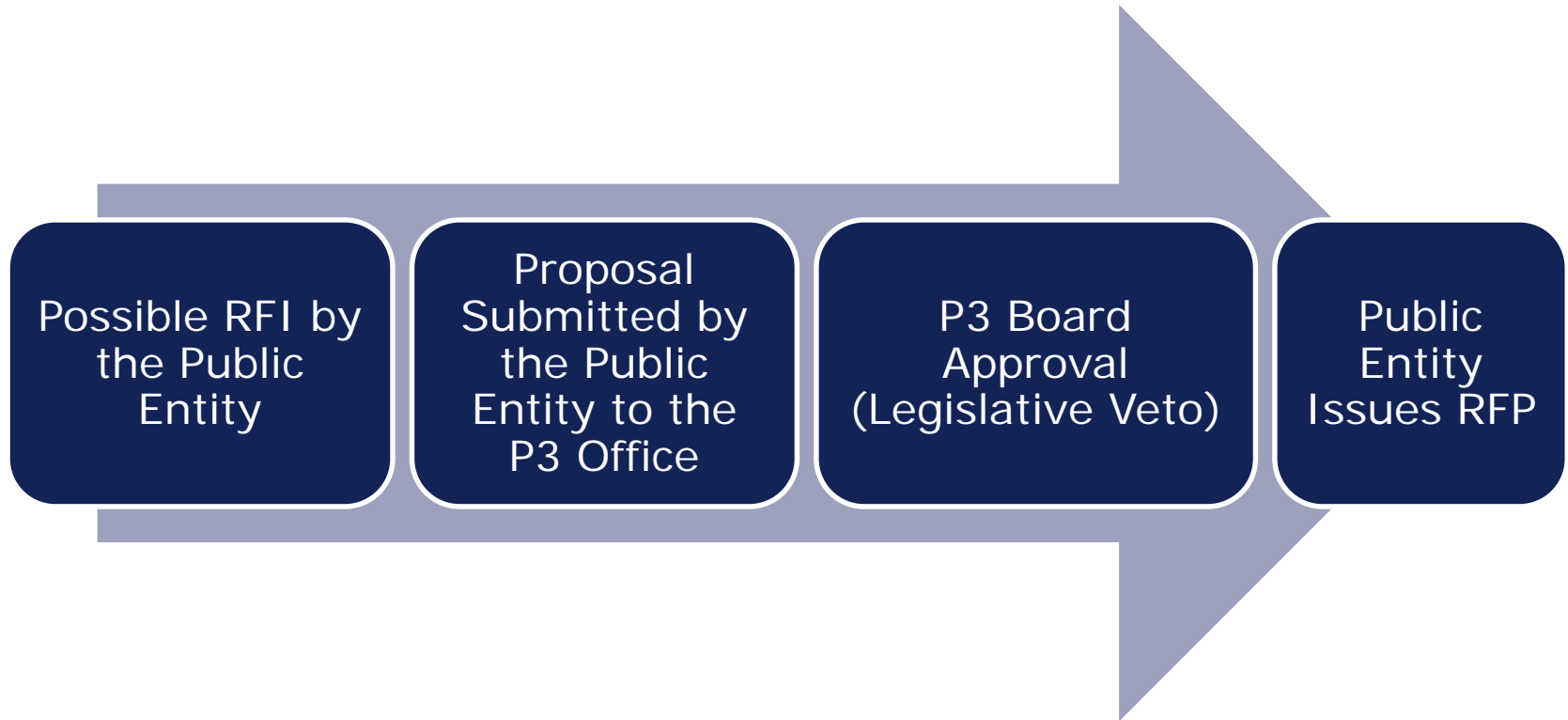
Public-Private Transportation Partnership Board

- Four members required for a quorum;
- Must meet and report its actions to the General Assembly at least annually;
- Must adopt guidelines for receiving and reviewing solicited and unsolicited proposals; and
- Simple majority required to approve a project.

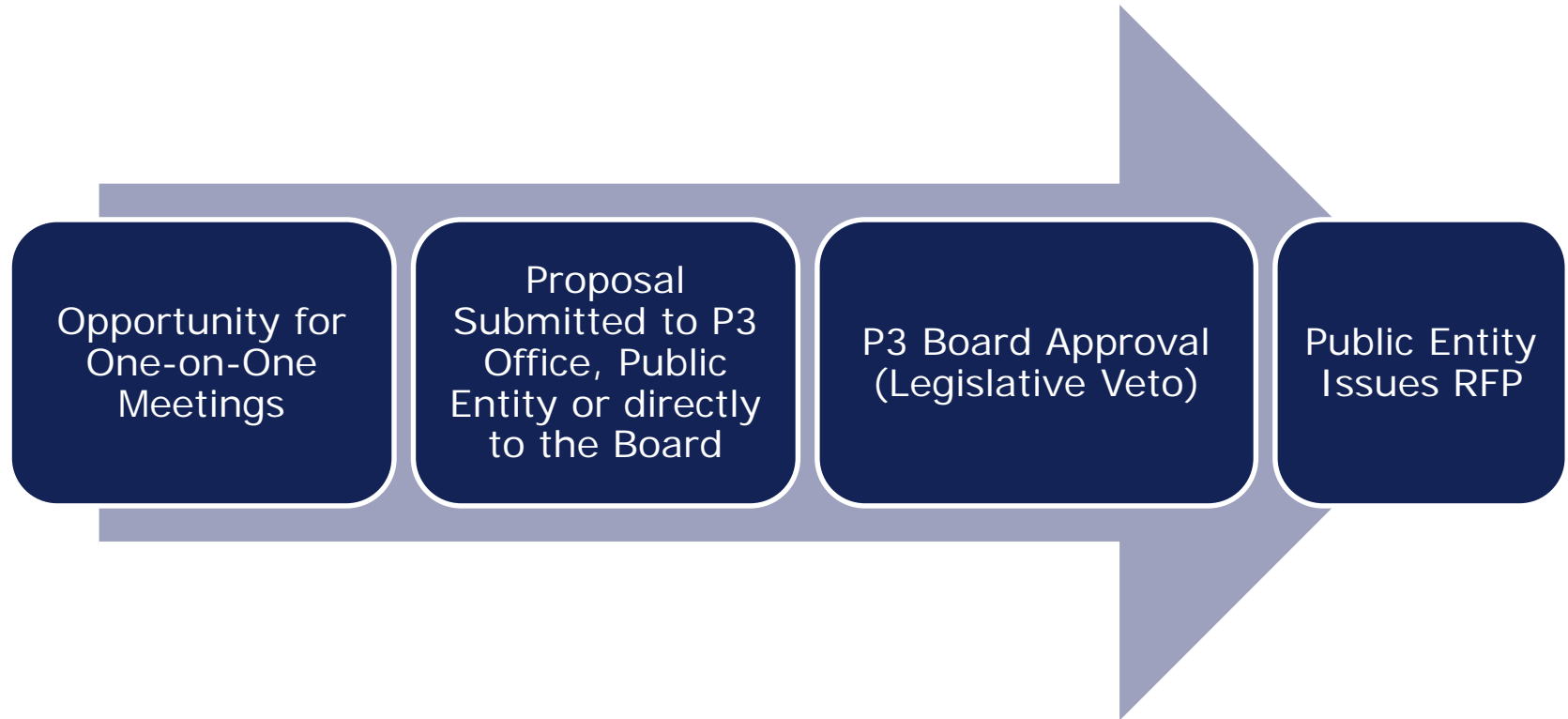
Department Responsibilities

- The Department supplies all necessary assistance to the Board in carrying out its duties and responsibilities, including retention of legal and financial expertise;
- The Department will develop a detailed analysis of a solicited or unsolicited proposal prior to approval by the Board; and
- If the project becomes a P3 project, the Department retains oversight and monitors its progress, including periodic reports to the Board.

Solicited Project Process



Unsolicited Project Process









Selection and Award

- Projects will be solicited through an RFP;
- Opportunity for industry meetings; due diligence by prospective offerors;
- Proposals evaluated on the basis of pre-established criteria with assigned weights;
- Public Entity conducts discussions and holds negotiations ; and
- Offeror whose proposal provides best value and is in the best interests of the Commonwealth and the Public Entity shall be selected for final negotiations for a contract.

Worker and Employee Protections

- The Private Entity is obligated to offer jobs to displaced public employees with salary and benefits that are identical to what they enjoyed prior to the execution of the P3 agreement; and
- Act 88 also requires compliance with applicable State and Federal Prevailing Wage laws.

Implementation

-  Organizational Support
-  Board Appointments
-  PennDOT Draft Guidelines
-  Stakeholder Outreach
-  Approval of Guidelines by the Board
-  PennDOT Draft Regulations

Next Steps

- **P3 Transportation Board Kick-Off Meeting**
 - Thursday, October 18
- **Stakeholder Outreach**
 - Continuing through November
- **Final Draft Guidelines Developed**
 - December 2012
- **Full Implementation**
 - January 2013

Contact Information

www.P3forPA.pa.gov

www.P3forPA.com

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