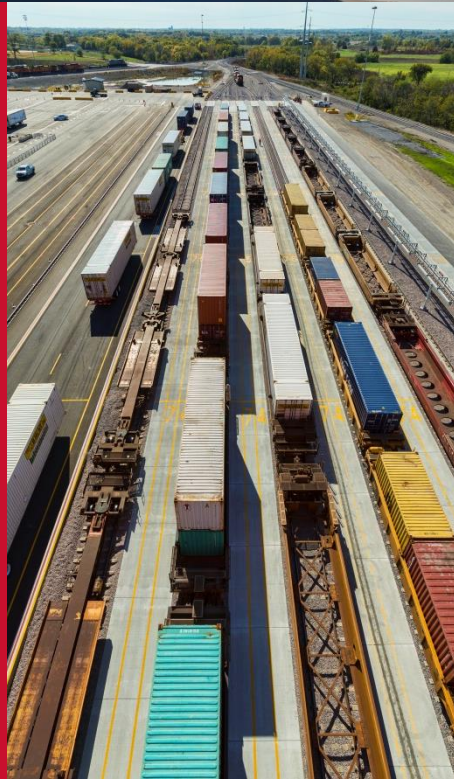
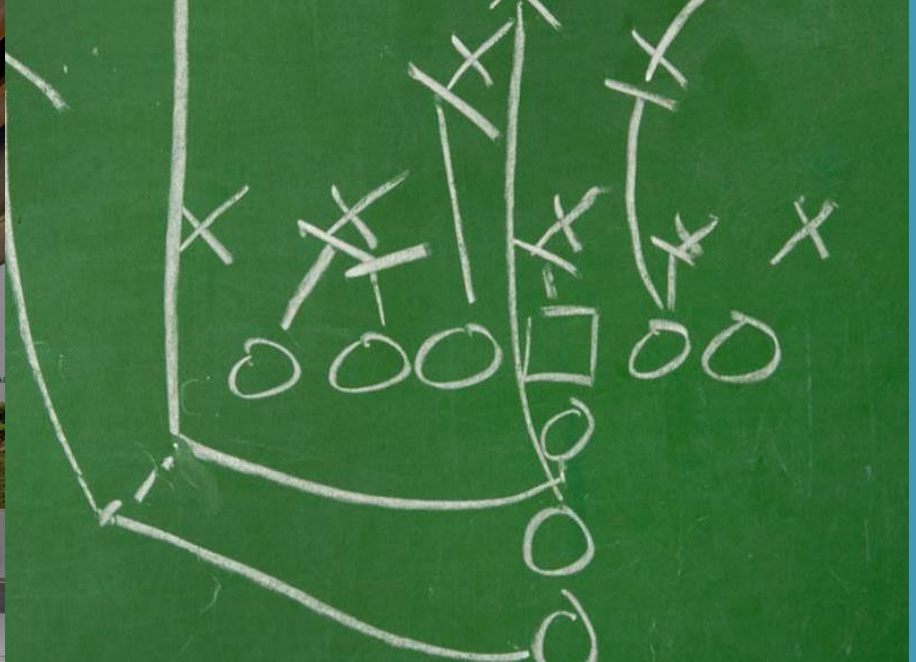


HDR



The P3 Experience

Perspectives on the Benefits and Implementation of P3s



Tesse Rasmussen
Vice-president
HDR



Top 4 Reasons to consider P3

- 01** Saves total life-cycle cost; establishes known future O&M costs
- 02** Can advance projects faster to realize economic development & QoL benefits
- 03** Creates a contractual obligation to ensure adequate levels of facility maintenance
- 04** Private operation of revenue-producing facilities can maximize revenue

Challenges To Implementing P3s

- Public perception
- Trust in private involvement
- Long term commitments required for annual availability payments
- The myth of “free money”
- Agency expertise in negotiations and analysis of P3 project proposals / assigning risk
- Inconsistent P3 legislation in different states and countries



Agency Expertise

- Continuous Political & Agency support is essential (P3s are long-term investments)
- Utilize competent team of advisors based on need
- Ensure all partners are on-board and educated
- Direct line to decision maker(s)
- Policy decisions must be made expeditiously
- Transparency is key



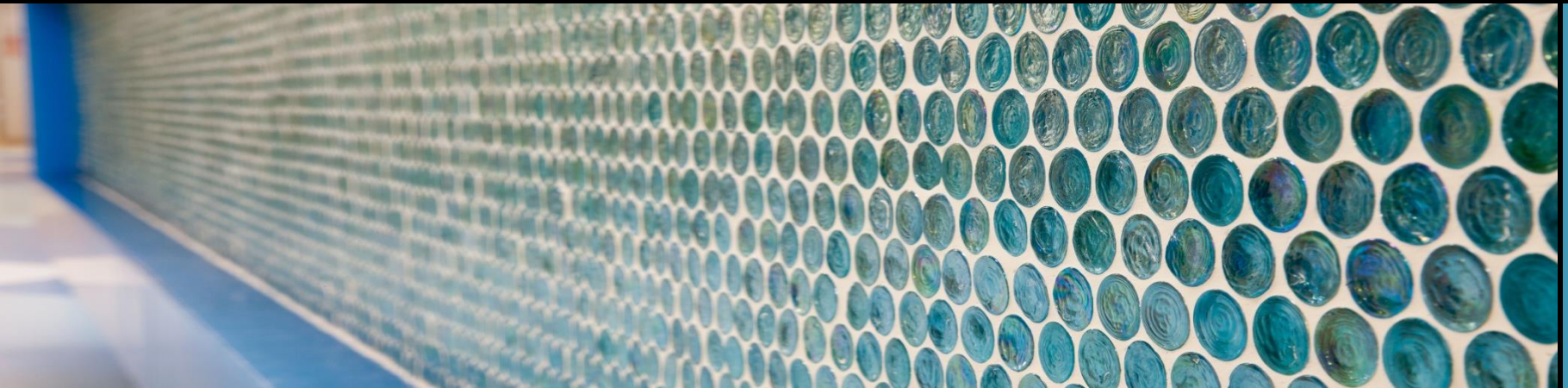
Assigning Risk to Those Best Able to Manage It

Public Partner – Project Development Risk

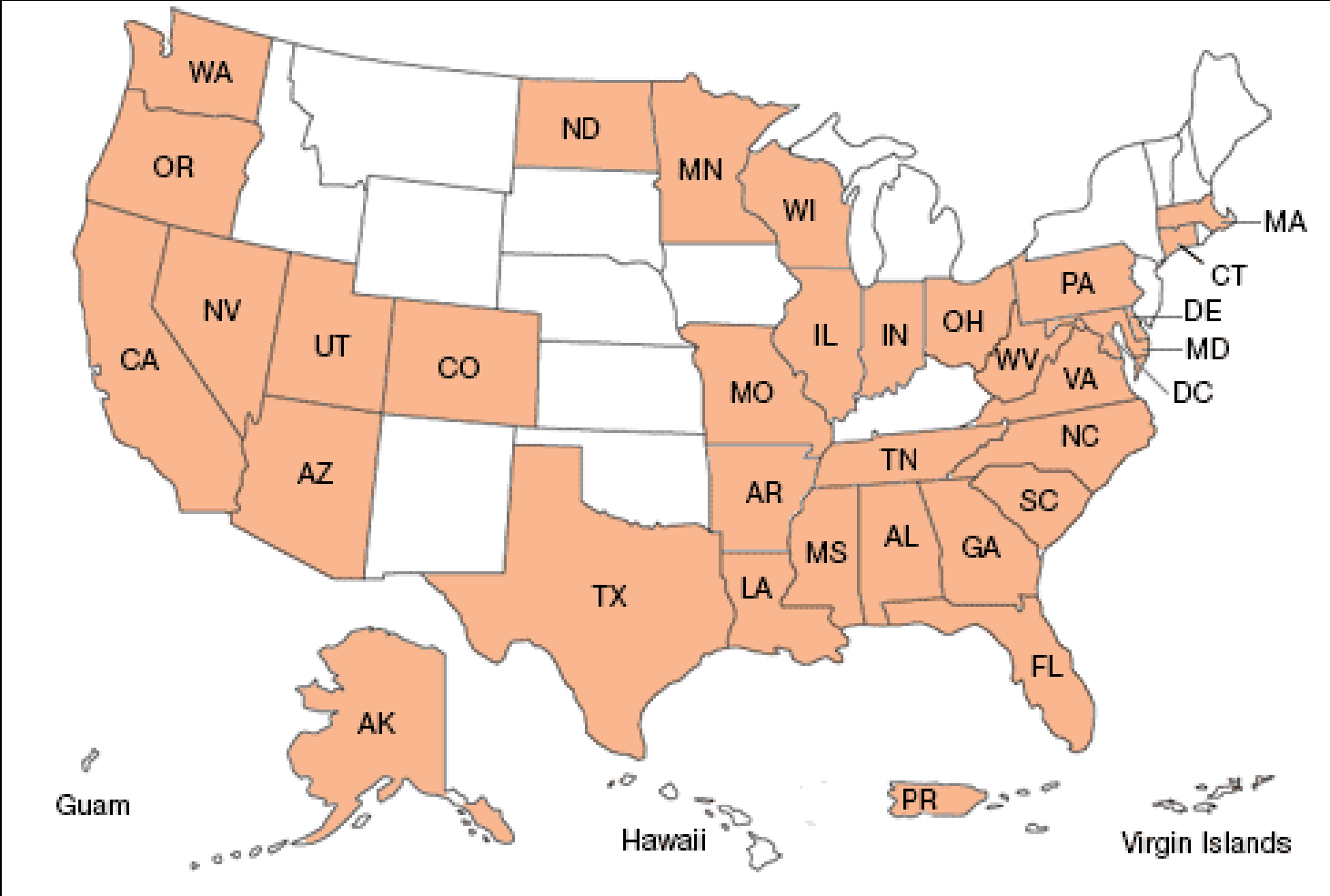
- Overall policies and control
- Environmental process and clearance
- Stakeholder support
- Political commitment
- Funding sources
- Operation/maintenance/management

Private Partner – Project Implementation Risk

- Financing
- Design and construction
- Facility



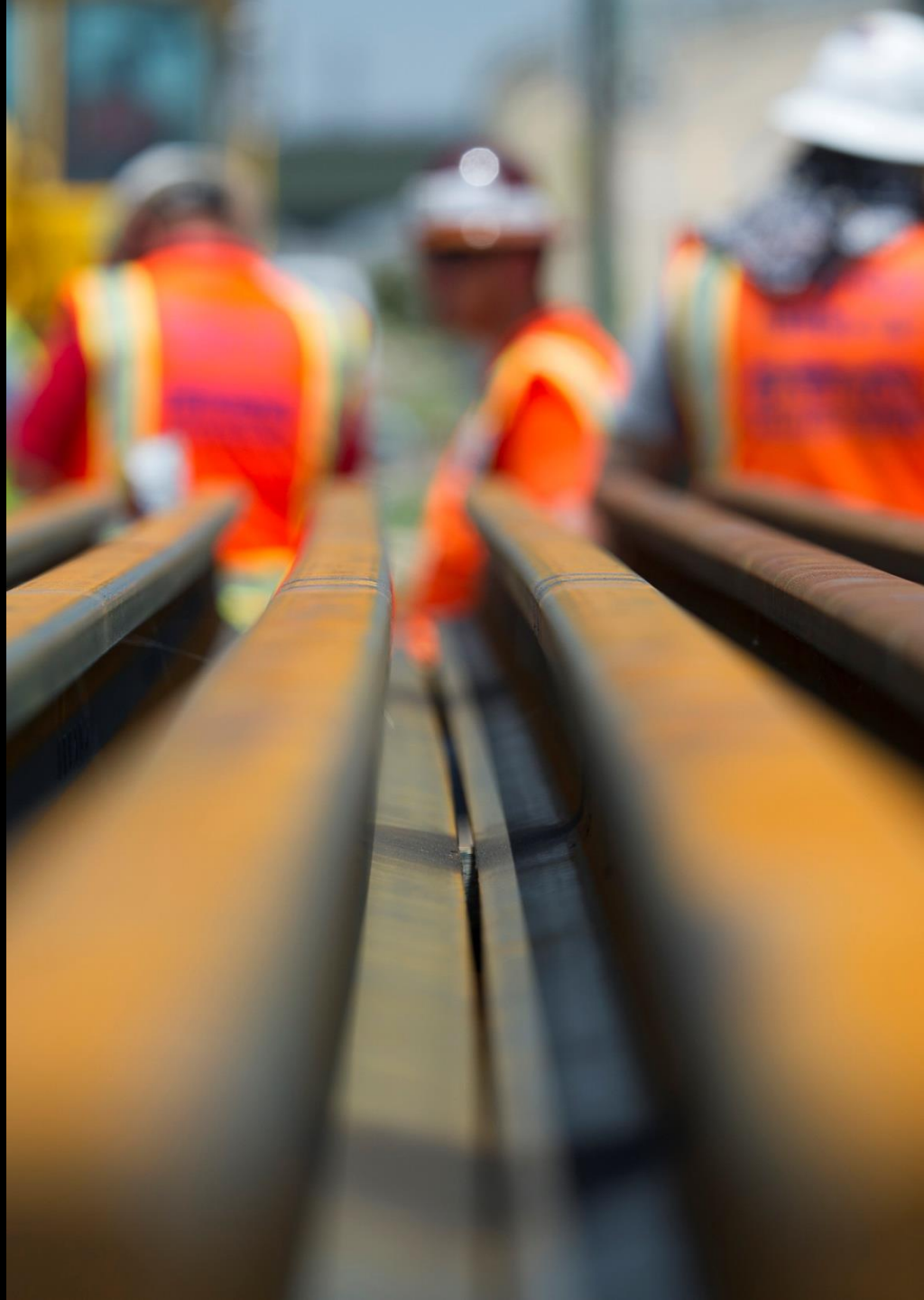
States with P3 Enabling Legislation



Source: FHWA Office of Innovative Program Delivery

P3 Legislation Status

- California
 - Transportation projects
 - Existing legislation expires 2017; AB 1265 extends existing P3 legislation
 - Requires CTC Approval
 - Presidio Parkway
- Colorado
 - DOT – tollroads, turnpikes, HOT lanes, bridges, toll tunnels
 - Eagle P3
- Washington
 - RCW Ch 47.29 – capital or operating P3 transportation projects
 - As of July 1 can accept unsolicited proposals
- Canada
 - Strategic Infrastructure Fund Act





HDR's P3 Offerings

- Program Management
- P3 / Toll Facility Development
- Feasibility / Financial Analysis
- Design
- Procurement
- Traffic & Revenue

Arizona DOT PPP Program Management (PM), Statewide, AZ

Los Angeles Metro PPP Consulting Services, Los Angeles, CA

Accelerated Regional Transportation Improvements PPP PM, Los Angeles, CA

East Side Access Project Strategic Advisory Services - New York MTA, New York, NY

Texas DOT SH 130 Central Texas Turnpike PPP PM, Austin, TX

Texas DOT Trans Texas Corridor PPP PM, Statewide, TX

Colorado DOT PPP PM Support, Statewide, CO

Albuquerque Rapid Transit Alternative Delivery Evaluation, Albuquerque, NM

Fast Start High Speed Rail Financial Feasibility, San Francisco, CA

Northeast Corridor Capital Investment Program—Amtrak, Washington, DC to MA

SR 520 Transit and High Occupancy Vehicle (HOV) Program, Seattle, WA

Central Texas Turnpike US 183A Toll Road Financing, Austin, TX

SR 91 High Occupancy Toll (HOT) Lanes, Riverside, CA

SH 45 SE Toll Road, Houston, TX

SH 121 Toll Road, Dallas, TX

SH 161 HOT Lanes, Dallas/Fort Worth, TX

Chicago Skyway Traffic, Revenue/ Financial Forecast, Chicago, IL

Dulles Greenway Toll Road Financing, Leesburg, VA

Hays County Priority Road GEC, Austin, TX

WSDOT I-405 Program Management, Seattle, WA

UDOT Mountain View Corridor, Salt Lake City, UT

ODOT Oregon Bridge Delivery Partnership PM, Statewide, OR

North Tarrant Expressway, Dallas/Fort Worth, TX

Route 3 North PM, New Hampshire, MA

Knik Arm Bridge & Toll Authority PPP Advisor, Anchorage, AK

INDOT I-69 Technical Procurement Advisor, Evansville to Indianapolis, IN

TWO-STEP P3 SCREENING TOOL

1

FATAL FLAW



CATEGORY

ACCEPTABILITY



CRITERION

PENDING LAWSUIT?

IF...

NO
YES **X**

SCHEDULE



ENVIRONMENTAL APPROVALS?
ADOPTION INTO LONG-RANGE PLAN?

STARTED
NOT STARTED **X**
YES
NO **X**

DESIGN &
CONSTRUCTION



DEVELOPMENT STATUS?

MID-PROCESS
TOO EARLY/LATE **X**



2

**SECONDARY
SCREEN**

OPERATIONS &
MAINTENANCE



PRIVATE PARTICIPATION IN O&M OK?
COSTING ASSUMPTIONS AVAILABLE?

YES
YES

LEGISLATION



SPECIAL LEGISLATIVE APPROVAL NEEDED?

NO

SYSTEM INTERFACE



IMPROVES OVERALL SYSTEM?
SUFFICIENTLY SEPARATE FROM SYSTEM
FOR PERFORMANCE MONITORING?

YES
YES

FINANCIAL
FEASIBILITY



STATUS OF PROJECT FUNDING/REVENUES?
DEFINITION OF CAPITAL COST & SCHEDULE?

IDENTIFIED
YES

**WARRANTS
FURTHER P3
CONSIDERATION**



Every P3 is different, but there are ways to standardize the approach (legislation, procurement processes, agency organization, risk allocation) to make it a successful project that is attractive to private involvement.



The Best Way to Predict the Future is to Invent It.



HDR