



# Private Industry Perspectives

Evolution of Alternative Delivery Procurement in Texas



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# Enabling Legislation

## Authorization to Use P3s in 1991

- 1<sup>st</sup> Design-Build Project awarded in 2002
- 1<sup>st</sup> Concession Project awarded in 2007

## Moratorium in 2007

- Some projects allowed to continue forward

## Primacy and P3s in 2011

- Provided rules for determining primacy
- Authorized 11 P3 projects and 3 DB projects

## Limited Maintenance Terms in 2015

- Initial maintenance term no longer than 5 years
- Option to extend term in 5-year increments

# Program Information

## Alternative Delivery for Transportation Projects

- Texas Department of Transportation
  - ❖ 4 Concessions
  - ❖ 12 Design-Build Types
- Local Regional Mobility Authorities
- Local Toll Agencies

### Recent TxDOT Projects Delivered through Alternative Delivery

US 181 Harbor Bridge	DBFM	\$1.167B	\$114.9M 5-yr gap Finance
SH288 Managed Lanes	DBFOM	\$815.5M	\$27.6M Concession Pmt.
MidTown Express (SH183)	DBFM	\$1.013B	\$247.6M 5-yr gap Finance
Loop 375 Border Highway	DBM	\$637M	\$45.6M ATC Savings

# TxDOT Program Information

- **Under contract with 2-3 procurement engineers, 2006 - 2012**

- ❖ 1<sup>st</sup> Design-Build Project awarded in 2002
- ❖ 1<sup>st</sup> Concession Project awarded in 2007

- **Contracted with 3 procurement engineers, 2013-2020**

- ❖ 5-year, \$20-25M contracts
- ❖ Procurement engineer teams co-located with agency

- **Agency staff dedicated to the program ranges from 2 to 20**
- **Responsibilities shifted from central control to more district control**

# P3 Center for Excellence

## Center for Alternative Finance and Procurement A Texas P3 Center for Excellence

Established 2015

- ✓ Assist public sector entities in meeting public infrastructure needs through Public-Private Partnerships
- ✓ Provide education and guidance on P3s
- ✓ Serve as an alliance of local and regional governmental entities
- ✓ Give recommendations for the most effective and appropriate procurement model for delivery infrastructure
- ✓ Dedicated staff and budget

**THANK YOU**

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