

# Chalfont Mitigation Banking Project Industry Forum

December 18, 2018

# AGENDA

- Welcome and P3 Overview
- Chalfont Mitigation Banking Project Summary
- P3 Procurement Process and Next Steps
- Question and Answer Session

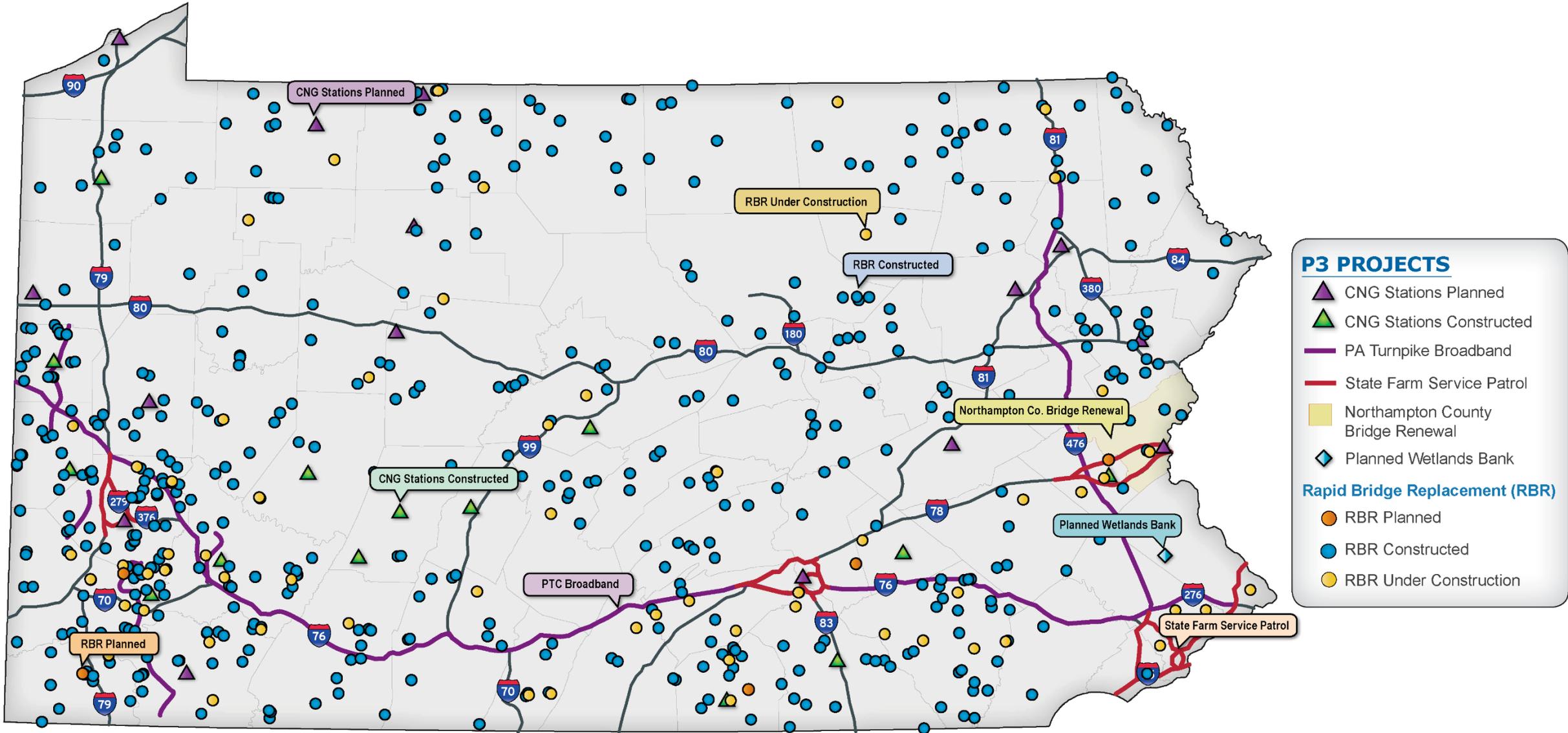




# P3 OVERVIEW

**Michael Bonini**, *Director, Office of Public-Private Transportation Partnerships*

# P3 PROJECTS STATEWIDE





# CHALFONT MITIGATION BANKING SUMMARY

**Joe Gurinko, AICP**, *Deputy Director, Office of Public-Private Transportation Partnerships*

**Drew Ames**, *Environmental Planning Manager, Bureau of Project Delivery*

**Chris Howsare**, *Senior Environmental Specialist, HNTB*



# PROJECT HISTORY

- Unsolicited Proposal received October 2016 from Magnolia Land Partners, LLC
- Approved by the P3 Board July 2017 to pursue project using P3 delivery
- P3 projects should achieve one or more of the following:
  - Accelerate project delivery
  - Take advantage of innovation
  - Leverage private sector investment
  - Transfer risks away from taxpayers



# PROJECT HISTORY

- Request for Information issued February 2018 –
  - Provided information to develop Request for Qualifications
- RFQ issued November 2018
- Statements of Qualifications due February 19, 2019

# BACKGROUND

## *Transportation Issue:*

- Transportation projects with wetland impacts require mitigation
- No PennDOT Wetland Mitigation Banks permitted since 2008 because of regulatory barriers and risk

## *P3 Solution:*

- Wetland banking satisfies mitigation requirements
- Transfers liability from the credit purchaser (PennDOT) to the credit provider (private partner)



# PROJECT DESCRIPTION

## Wetland Mitigation Banking Proposal:

- Develop 140 acres of PennDOT-owned land in Chalfont, Bucks County
- Private entity will Design, Build, Finance, Operate, and Maintain (DBFOM)
- Provide on-demand wetland mitigation credits for PennDOT projects
- Private entity may sell excess wetland credits
- PennDOT is also interested in T&E, stream and stormwater mitigation credits



# BEST PRACTICES

## National:

- Wetland banking is the established regulatory preference for advanced mitigation
- USFWS Mitigation Policy

## State Case Studies:

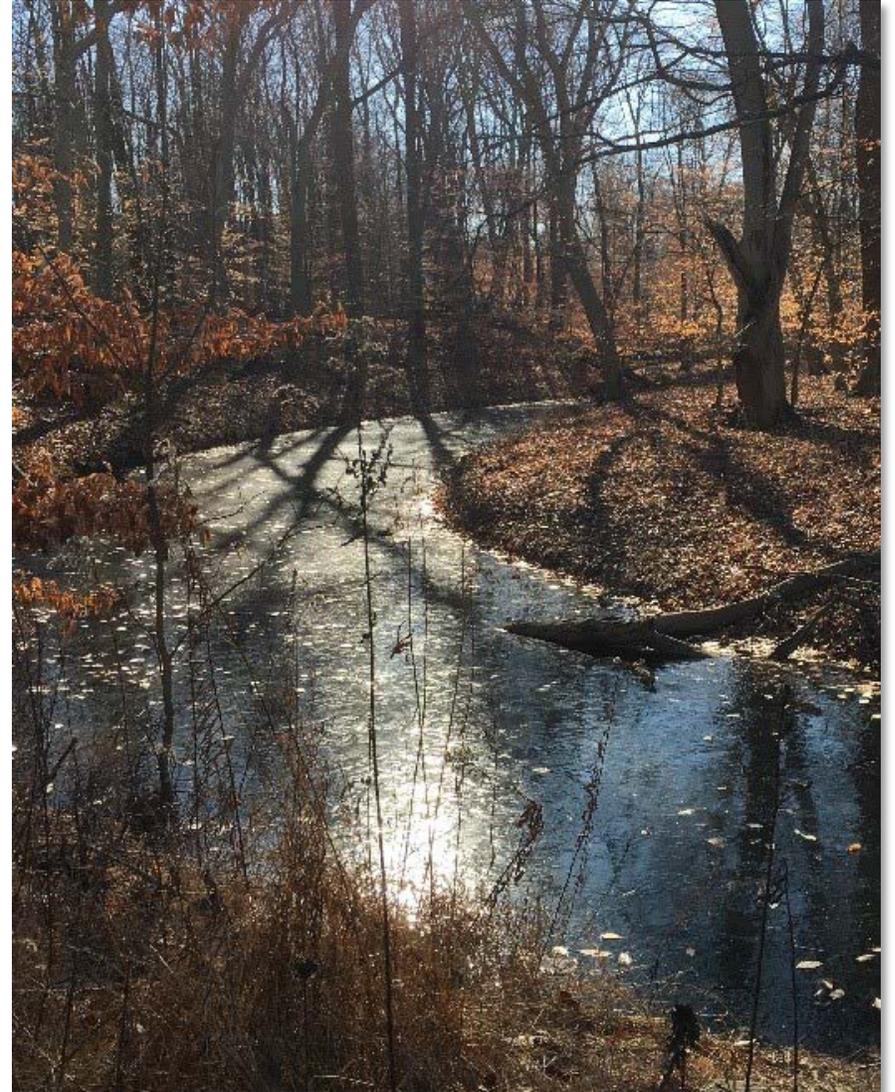
- Illinois developing mitigation banks for agriculture producers
- Iowa DOT and MDOT developing banking programs



# NEED FOR THE PROJECT

## More efficient and effective wetland mitigation methods are needed

- No economy of scale for single wetland mitigation projects
- Wetland construction, operations and maintenance are not core PennDOT services
- On-demand wetland credits can be provided over 20 or more years



# PROJECT BENEFIT SUMMARY

Project leverages PennDOT's real estate assets and private sector expertise to develop and market mitigation bank credits

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## **Commonwealth Benefits:**

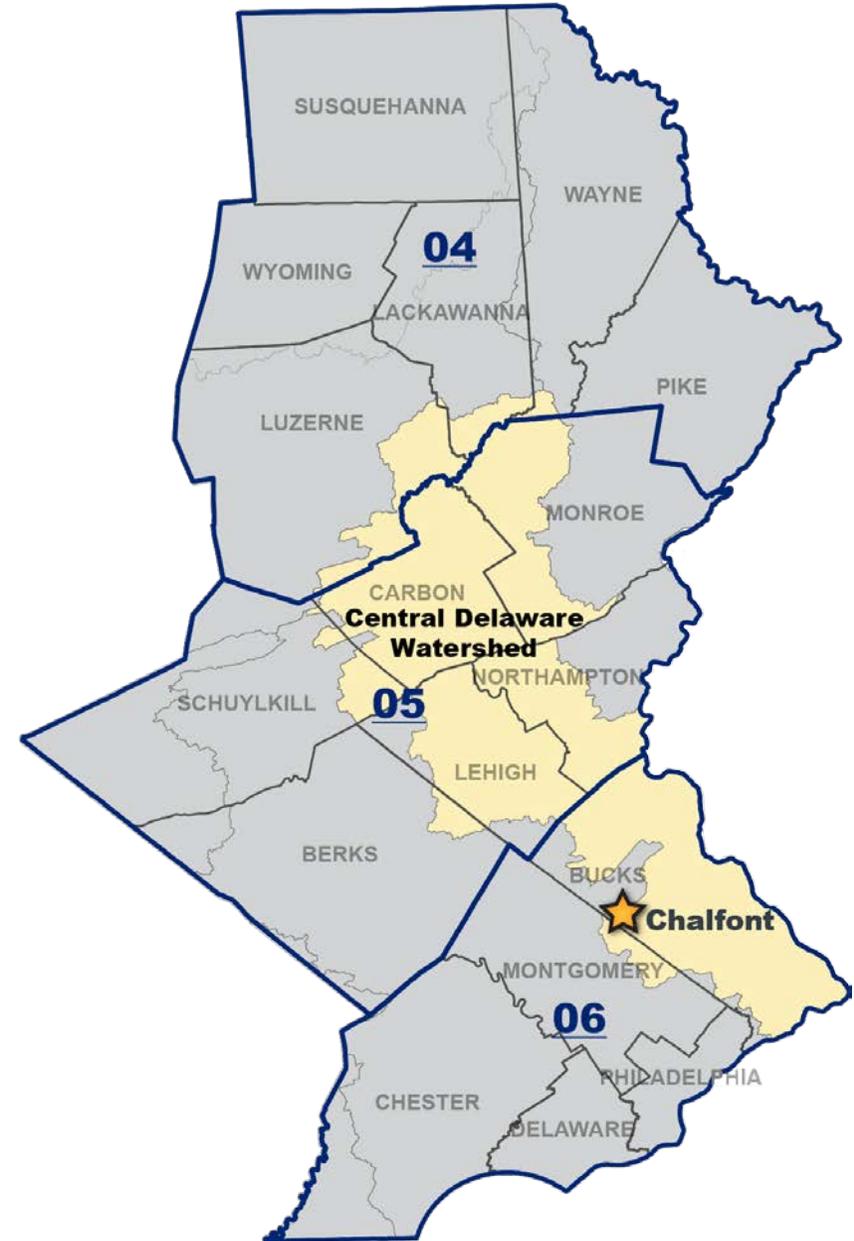
- Long-term cost savings
- Reduces permitting time
- Higher success rate for larger bank sites
- Mitigation banking not a core service for PennDOT
  - Private sector better positioned to manage these services

## **Private Partner Benefits:**

- Land contributed by PennDOT
- Revenue generation
- Private partner sells excess credits

# SITE CHARACTERISTICS

- Develop 140 acres of PennDOT-owned land in Chalfont, Bucks County
- Chalfont Site is located in Central Delaware Watershed
- West Branch Neshaminy Creek and tributaries
- Sewer Easements
- Existing Wetlands being delineated – Mapping to be provided
- PNDI shows no potential conflicts



# P3 PROCUREMENT AND NEXT STEPS

**Alan Williamson, PE**, *Senior Project  
Manager, HNTB*

**Katherine Peters**, *Director, Bureau of  
Equal Opportunity*

# PROCUREMENT AND NEXT STEPS

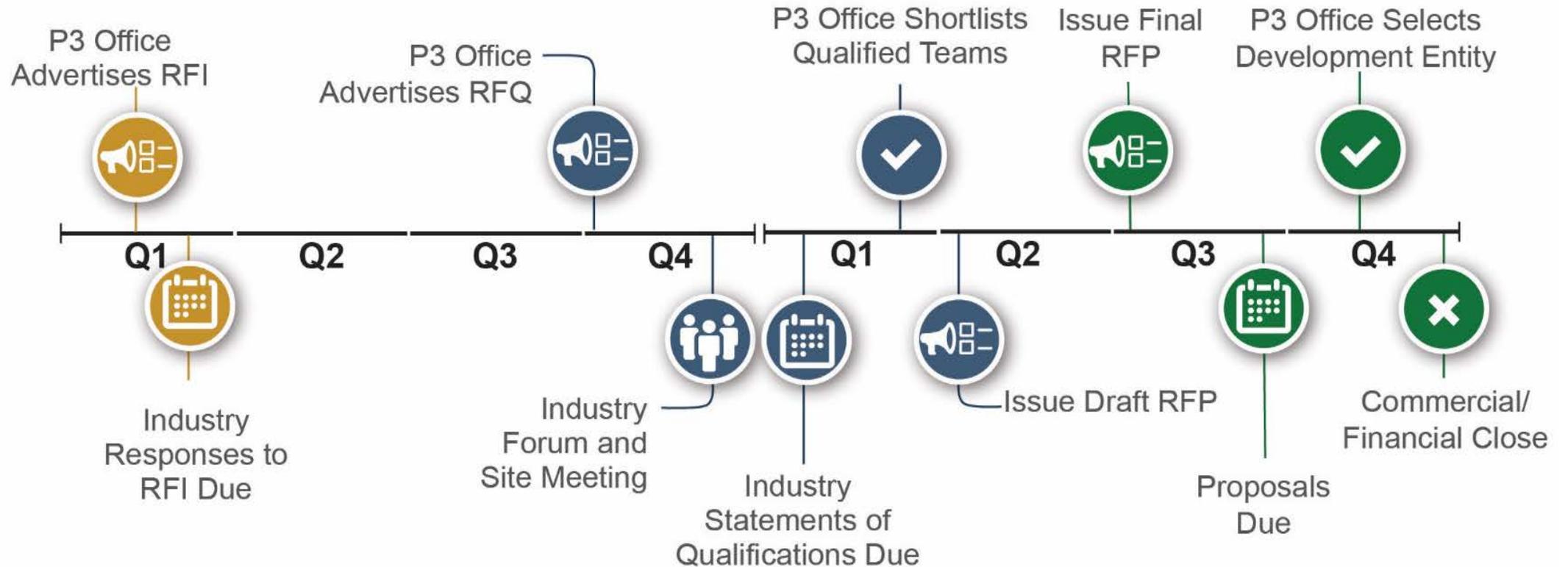
- Request for Qualifications (*now*)
  - Teams will be shortlisted
  - Shortlisted teams will participate in proposal phase
- Request for Proposals
  - Draft RFP issuance
  - One-on-one meetings
- Diverse Business Participation
- Next Steps and Schedule



# CHALFONT MITIGATION BANKING SCHEDULE

2018

2019



RFI PHASE

RFQ PHASE

RFP PHASE

# P3 PROJECT SCHEDULE

Activity	Date
Additional Mitigation Site Visit	January 8, 2019
Deadline for Written Questions on Request for Qualifications (RFQ)	January 9, 2019
Additional Mitigation Site Visit (Snow Date)	January 15, 2019
Department Response to Questions (Project Website)	January 30, 2019
Statement of Qualifications (SOQ) Due Date	February 19, 2019
Department Announces Short-Listed Proposers	March 28, 2019*

*\*anticipated*

# QUESTIONS

Public-Private Transportation  
Partnerships Office

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