

PUBLIC-PRIVATE TRANSPORTATION PARTNERSHIP BOARD
SUMMARY MINUTES
HARRISBURG, PENNSYLVANIA
OCTOBER 18, 2012

CALL TO ORDER:

The first meeting of the Public-Private Transportation Partnership Board (Board) was convened by Secretary Barry J. Schoch, P.E., at 1:00 p.m. on Thursday, October 18, 2012, in Room 60-E of the Main Capitol Building, Harrisburg, PA.

CHAIRMAN'S REMARKS:

Secretary Schoch thanked the newly appointed members for their service and dedication to the incorporation of Public-Private Partnerships (P3) in Pennsylvania's transportation system. He added that 33 other states currently allow P3 arrangements. He also conveyed Governor Tom Corbett's enthusiasm regarding the increased role of the private sector to build new or improve existing transportation facilities.

ROLL CALL:

Members Present:

Honorable Barry J. Schoch, P.E., Chair
Mr. Ryan Boyer
Mr. Nicholas DeBenedictis
Mr. Ronald Drnevich
Honorable Steven Santarsiero
Mr. Peter Tartline, Alternate for Budget Secretary Charles Zogby

Member Not Present:

Mr. Michael Murchie

PRESENTATION:

Mr. Bryan Kendro, Director of the Office of Policy and Public Private Partnerships (Office), and Robert Shea, Esq., Senior Deputy Chief Counsel of the Governor's Office of Chief Counsel, presented the overview and implementation of Act 88 of 2012. Key points from the presentation include:

- A P3 project is a contractual agreement between a public entity and a private or public entity, and it transfers the responsibility of engineering, construction, operation, and/or maintenance of a facility to the private or public entity for a defined period of time.
- Two basic P3 project types include: 1) "new build facilities" add capacity to the system, and 2) "existing facilities" improve capacity or performance to the current system.

- The P3 law applies to PennDOT, the Turnpike Commission, the Southeastern Pennsylvania Transportation Authority, the Port Authority, the Port of Erie, the Philadelphia Regional Port Authority, the Port of Pittsburgh Commission, and any other state agency, commission, or authority with transportation facilities.
- The Office will reside in PennDOT and will report directly to the Secretary of Transportation. The Office will work in collaboration with the Deputates in the evaluation of P3 proposals.
- The purpose of the Board is to approve potential P3 transportation projects, and PennDOT retains oversight and monitors the P3 project including periodic reports to the Board.
- The solicited project process includes four phases: 1) possible Request-for-Invitation by the public entity, 2) proposal submitted by the public entity to the Office, 3) Board approval (followed by the opportunity for legislative review and/or veto), and 4) the public entity issues a Request-for-Proposal (RFP).
- The unsolicited project process also includes four phases: 1) opportunity for a one-on-one meeting between the public entity and the private or public entity, 2) proposal submitted to the Office, the public entity, or the Board, 3) Board approval (followed by the opportunity for legislative review and/or veto), and 4) the public entity issues an RFP.
- P3 project proposals will be evaluated on the basis of pre-established criteria with assigned weights, and the offeror whose proposal provides the best value and is in the interests of the Commonwealth and the public entity shall be selected for final negotiations for a contract.
- The awarded private entity is obligated to offer jobs to displaced public employees with salary and benefits that are identical prior to the execution of the P3 agreement.
- Establishing PennDOT organizational support, appointing Board members, and drafting guidelines were completed. Next steps include stakeholder outreach (from October to November 2012), finalizing the draft guidelines (December 2012), approving and implementing the guidelines (January 2013), and drafting of the regulations.

A copy of the PowerPoint presentation was distributed to the Board members.

NEXT MEETING:

The next Board meeting will take place in January 2013.

OTHER BUSINESS:

No other business was discussed.

PUBLIC COMMENTS:

No public comments were received.

ADJOURNMENT:

ON A MOTION by Representative Santarsiero, seconded by Mr. DeBenedictis, and unanimously approved, the meeting was adjourned at 2:30 p.m.