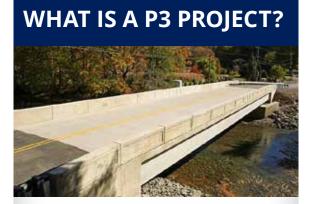


PennDOT Office of Public-Private Transportation Partnerships (P3 Office) P3 Capital Screening Process: The Next Generation of P3 Projects

October 2018



A P3 project is an agreement between a public agency and a private entity facilitating increased private sector participation and responsibility for public infrastructure delivery.

WHY P3? Accelerate the delivery of major transportation projects

Access private sector skills and innovation

Leverage private investment to enable major projects

Shift appropriate risks to private sector (away from taxpayers)

P3 OFFICE DIRECTOR'S MESSAGE

On behalf of the Pennsylvania Department of Transportation (PennDOT) and the Public-Private Transportation Partnerships Office (P3 Office), I would like to present the initial findings from our P3 Capital Screening Process. The goal of this process is to identify candidate PennDOT P3 projects through outreach centered on open discussion and idea exchanging. By welcoming this open exchange of information and ideas with each of the District Offices and Planning Partners, the P3 Office is more effectively positioned to highlight P3 opportunities that could enhance or improve our transportation infrastructure within the commonwealth.

In the following pages, you will find highlights and details from our initial outreach as a means to provide a look into the P3 program's future and to identify proper opportunities to forge the pathway.



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P3 Capital Screening Process: The Next Generation of P3 Projects

OVERVIEW: What is the Capital Screening Process?

The purpose of the Capital Screening Process is to encourage the District Offices and Planning Partners throughout the state to consider alternative delivery models when identifying and developing new projects. Alternative delivery models and P3 procurement enable transportation owners to stretch limited financial resources for transportation improvements and infrastructure.

P3 projects can accelerate project delivery, provide access to private funding streams, reduce costs borne by transportation agencies, shift project risks and spur innovation. These benefits are considered early in the planning phase of a project to determine if P3 or another alternative delivery model is best suited to construct a transportation improvement.

PennDOT's P3 projects support the Department's strategic goals to significantly reduce bridges in poor condition, enhance motorist safety, improve mass transit and rail service, and generate new revenue to offset other program costs and support future investment.

gather input and ideas to identify opportunities

COMMON THEMES

Highway & Bridge Projects





- Interstate Maintenance
- State and Local Bridges
- Rest Areas
- Traffic Signals
- Broadband
- Intersection Safety

Bicycle & Pedestrian/Other Projects





- Trail Networks
- Roadway Lighting

NEXT STEPS

As the P3 Office moves forward with the Capital Screening Process, the next step is to compile candidate projects and opportunities received from this initial outreach effort and evaluate the P3 feasibility of each idea from both a technical and financial perspective.

In conducting this evaluation, it also allows the P3 Office to refine common themes being brought to attention in terms of types of projects and needs being experienced throughout the state. Candidate projects or ideas will be evaluated on a project level basis and those that are feasible for P3 delivery will be presented to the P3 Board for consideration.

The ultimate goal of this process is to identify the next generation of PennDOT P3 projects.

The P3 Office will provide ongoing education to the District Offices, Planning Partners, and potential stakeholders across the state.

Transit/Rail & Freight Projects





- Transit Oriented
 Development
- Truck Parking

OTHER OPPORTUNITIES





- Slope Repairs
- Retaining Wall
 Improvements
- Litter Collection
- Grass Mowing
- Guiderail Improvements
- Fleet Maintenance
- Environmental Mitigation
- Adaptive Signals

P3 Capital Screening Process: *The Next Generation of P3 Projects*



ACCEPTING UNSOLICITED PUBLIC-PRIVATE PARTNERSHIP PROPOSALS October 1 Until December 31

The P3 Office is accepting unsolicited proposals for transportation projects from the private sector through December 31, 2018.

The state's P3 law allows PennDOT and other transportation authorities and commissions to partner with private companies to participate in delivering, maintaining and financing transportation-related projects.

During this period, the private sector can submit proposals offering innovative ways to deliver transportation projects across a variety of modes including roads, bridges, rail, aviation and ports. Proposals can also include more efficient models to manage existing transportation-related services and programs.

Instructions on how to submit a project and information on the unsolicited proposal review process can be found on the state's P3 website, <u>www.P3forPA.com</u>.



For More Information: Public-Private Transportation Partnerships Office Email: <u>P3ForPA@pa.gov</u>





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COMMON THEMES

Interstate Maintenance (Bridge and Road) – The Interstate System in Pennsylvania is made up of 1,868 linear miles of roadway, only 1.5% of the state's 120,500 linear miles of roads. However, Interstates carry more than 72.4 million miles of travel each day, 26% of the 278 million miles traveled daily on PA roadways. This heavy usage results in tremendous maintenance needs. Alternative delivery can stretch financial resources by accelerating delivery and through economies of scale.

Intersection Safety/Systematic Safety – Safety is PennDOT's top priority. As such, there is always more that can be done to improve safety for the traveling public. Bundling safety projects on the basis of geography and/or causal factors can create efficiencies that allow more projects to be implemented.

Bridges – Pennsylvania has made significant progress in upgrading its poorly-rated bridges with the P3 Rapid Bridge Replacement Project in addition to its annual bridge program. Additional work is needed to meet the goal of reducing the percentage of poorly-rated bridges to meet the national average. Delivering contracts through P3 can accelerate the pace of fixing bridges and save money through economies of scale.

Signal Maintenance and Upgrade – Maintenance of traffic signals in Pennsylvania is the responsibility of municipalities. With more than 2,500 municipalities across the Commonwealth, there is a wide disparity of capabilities and resources available to meet this important safety function. We are investigating the potential role of the private sector in providing this service.

Truck Parking – Safe, available and convenient truck parking across the Commonwealth is difficult for the trucking community to find and is projected to get much worse as freight movement increases over the next few decades. Alternative delivery may be the best way to involve the private sector in the ultimate solution to this nationwide problem.

<u>Roadway Lighting</u> – Michigan used P3 delivery to upgrade and maintain 15,000 lights in the Detroit area. That model could be used in Pennsylvania to take advantage of cost savings through economies of scale.

Trails (Construction and Maintenance) – Pennsylvania has been a national leader in trail development. P3 may provide an alternative funding source (e.g. the healthcare community) that may want to play a role in the construction and maintenance of this network to promote a healthy lifestyle.



COMMON THEMES continued

Broadband for Transportation Information Dissemination – Broadband access may not be an immediate need, but a future need particularly in rural areas. Pennsylvania is a leader in autonomous vehicle research – broadband access will ultimately be needed to drive that network. However, there are immediate broadband applications such as information dissemination that may make this a viable P3 in the near future.

Transit-Oriented Development in Metropolitan Areas – Opportunities may exist along the Keystone Corridor (Philadelphia to Harrisburg) for transit-oriented development (TOD) near multimodal stations as they are upgraded. TOD promotes mixed-use dense development patterns to enhance neighborhoods and minimize sprawl.

<u>Rest Areas</u> – Throughout Pennsylvania, rest areas need upgrades and maintenance. Limited transportation funding and an abundance of needs often relegate rest areas to a low priority. Further complicating matters, Federal regulations make it difficult to involve private entities in solutions.

OTHER OPPORTUNITIES

- Slope Repairs
- Retaining Wall Improvements
- Litter Collection
- Grass Mowing

- Guiderail Improvements
- Fleet Maintenance
- Environmental Mitigation
- Adaptive Signals