



Success with Public-Private Partnerships

Dr. Joe Saviak, Ph.D., J.D., M.A., M.S.



The Public Manager's Toolbox

- **Public-private partnerships**
- When correctly selected, designed, implemented, & evaluated, this tool can produce positive outcomes
- **Pick the right tool for the right job** and know how to effectively use and evaluate it – know its strengths & limitations - avoid selecting the wrong tool or using the right tool the wrong way
- **Proven and popular worldwide** – yet too many policymakers and managers need greater competence and expertise in their use
- **In the New Normal, P3s receiving renewed interest, greater attention, & increasing utilization**



Key Topics

- **Definition**
- **Types of P3s**
- **Benefits**
- **Case Studies**
- **Best & worst practices in P3 statutes & policies**
- **F.S. 287.05712**
- **Managing Risk**
- **Implementation**
- **Issues to Consider for your P3 Programs & Policies**
- **P3s and Procurement**



Public-Private Partnerships

(Martin & Saviak, 2014)

What are Public-Private Partnerships (P3s)?

- National, state, and local governments have successfully employed public-private partnerships to deliver **infrastructure and public facilities**. Public-private partnerships, also called P3s, are different from contracting.
- P3s are not a traditional buyer/seller relationship.
- P3s - alliance between government and the private sector with each partner sharing in both the risks and the rewards.
- *“A contractual relationship between a government and a private sector entity whereby, the skills and assets of each sector are shared in delivering a service or facility for the use of the general public. In addition to the sharing of resources, each party shares in the risks and rewards potential in the delivery of the service and/or facility.”*
 - National Council for Public-Private Partnerships



Public-Private Partnerships

Why P3s now?

- The American Society of Civil Engineers (ASCE) rates the condition of the majority of America's infrastructure as "mediocre" or "poor." The ASCE rating scale runs from A to F, where A = exceptional, B = good, C = mediocre, D = poor, and F = failing.
- The ASCE estimates that it will cost \$3.6 trillion to bring the nation's infrastructure up to "good" condition by 2020.
- Seventy-nine percent (79%) of municipal budget directors responding to a recent National League of Cities survey **identified infrastructure as an increasing need.**
- **Defer and delay** – works in the short term – bad in the long run. Will eventually hurt the economic base of state and local governments.



Public-Private Partnerships

P3s can be thought of as a special type of contracting.

How do P3s differ from contracting?

- Different **roles and responsibilities** for each partner – govt. and private sector.
- **Longer** contract time periods (e.g. 30-40 years or more)
- **Private sector partner may provide some or all of the funding** for the project and may assume significant risks from the government partner.
- A potentially higher degree of **risk** for the partners.
- Procurement process does follow many traditional government procurement policies and procedures, **but with a few important differences**.
- In contracting, we manage the contract – **in P3s, we manage the relationship!**



Two major challenges: 1) adapting our procurement policies and procedures and
2) building our institutional capacity - to ensure success with P3s!

Public-Private Partnerships

Other countries (e. g., Australia, Canada and especially the United Kingdom) have used P3s for a number of years and for a variety of purposes.

State and local governments in the U.S. have only recently realized the potential benefits of P3s for infrastructure.

Most Common Public-Private Partnerships (P3s)

- Airports
- Bridges
- Highways
- Hospitals
- Parking Facilities
- Prisons
- Rail Systems
- Roads
- Tunnels
- Water/Wastewater

10 years ago, 377 public-private partnerships (P3s) had been initiated in 24 states - 104 of these P3s for transportation infrastructure - Florida (16), California (12) and Texas (9) have initiated the greatest number of P3s.



Public-Private Partnerships

Types of Public-Private Partnerships (P3s)

- P3s differ from sector-to-sector (transportation, water/wastewater, etc.) and from state-to-state depending upon enabling legislation or its absence.
- **P3s run the gamut in type and structure.**
- USDOT considers single contracts for operations and maintenance (O&M) as well as single contracts for **design-build (DB) to constitute P3s.**
-
- **Most common type of P3 is design-build (DB).** Design-build is popular - contract with one private sector firm for both the design as well as the construction of an infrastructure project. Government can transfer substantial risk for the project schedule and budget to the private sector partner. Under the more traditional design-bid-build approach, one private sector firm designs the project and another does the construction. Having one private sector firm perform both functions reduces project completion time, costs less, and provides equal or better quality.



Public-Private Partnerships

Can structure P3s differently depending on the project & goals/needs/strengths of partners.

- **Operations & Maintenance (OM)** - the private partner operates and maintains a public facility or asset, the government partner owns the public facility or asset.
- **Design-Build (DB)** - the private partner both designs and builds a facility or asset, the government partner provides the funding and owns and operates the facility or asset.
- **Design-Build-Operate (DBO)** - the private partner designs, builds, and operates the facility or asset, the government partner provides the funding and owns the facility or asset.
- **Design-Build-Operate-Transfer (DBOT)** - the private partner designs, builds, and operates a facility or asset and transfers ownership to the government partner.
- **Build-Transfer-Operate (BTO)** - the private partner constructs a facility or asset and transfers title to the government partner. The public partner leases the facility or asset back to the private partner under a long term contract.

Public-Private Partnerships

- **Build-Own-Transfer-Operate (BOTO)** - the private partner builds, owns, and operates a facility or asset for a period of time at which point ownership is transferred free of charge to the government partner.
- **Build Lease-Transfer-Maintain (BLTM)** - the private partner designs, finances, and builds a facility or asset and leases it to the government partner for a predetermined period for a predetermined price.
- **Lease-Renovate-Operate-Transfer (LROT)** - the private partner renovates a facility or asset. The government partner grants the private partner a concession to operate the facility or asset for a specified period of time and to charge a fee for the service or activity.
- **Design-Build-Finance-Operate-Maintain (DBFOM)** - the private partner designs, builds, finances, operates, and maintains for a period time (e.g. 25 years), a facility or asset, the government partner, or users, provide the operating funds during the life of the facility or asset during the term of the contract.

Public-Private Partnerships

Benefits:

- ✓ Accelerating infrastructure maintenance and construction
- ✓ Substantial risk transfer from government to the private sector
- ✓ On-time and within budget delivery of infrastructure projects
- ✓ Source of infrastructure funding
- ✓ Cost savings
- ✓ Equal or better quality



In the transportation area, private sector P3 partners have committed some \$80 billion in recent years.

Public-Private Partnerships

The Impact of P3s on Project Duration, Cost, & Quality

- The Virginia Pocahontas Parkway (Route 895) was completed for \$10 million less than the original cost estimate.
- The Denver, Colorado E470 toll road was originally estimated to cost \$597 million, it was completed at a cost of \$408 million.
- A study conducted by the Federal Highway Administration found that design-build infrastructure P3s performed well on all 3 metrics - **reduced project duration by 14%, reduced total costs by 3% and maintained the same level of quality**



Public-Private Partnerships

Need to become aware of & understand all the potential financing mechanisms available for P3s.

Federal Funding Sources for Transportation P3s

- **Private Activity Bonds** - \$18 billion in federal funding available to fund highway and freight transfer facilities.
- **Transportation Infrastructure Finance & Innovation Act (TIFIA)** - provides federal credit assistance (direct loans, loan guarantees, stand by lines of credit) to finance transportation P3s. Each dollar of federal funds can provide up to \$10 in TIFIA credit assistance and leverage \$30 in transportation infrastructure investment.



Public-Private Partnerships

- Because more risk is transferred to the private sector partner, P3s tend to be completed on-time and within-budget with successful operational startup (e.g. the private sector partner who has paid for the toll road has a lot of incentive to get it built on time and get it producing revenue & ensure quality and safety so that customers use it so they can be repaid & make a profit)
- Public-private partnerships (P3s) have demonstrated significant impacts on infrastructure maintenance and construction including: reduced project time, equal or better quality, lower costs, and substantial risk transfer from the government to the private sector.
- Like any other tool of public policy/public management, they must be selected, designed, implemented, & evaluated correctly to achieve intended & positive outcomes!
- Let's look at some case studies!
- Case Studies: Long Beach Courthouse, Port of Miami Tunnel, Chicago Skyway, I-495 Capital Beltway, Texas State Highway 130, ADOT Highway Rest-stops



P3 Case Study

Long Beach California Court House P3

- The Judicial Council of California, Administrative Office of the Courts, conducted a P3 competition to select a private sector partner to design-build-finance-operate-maintain (DBFOM) a new \$492 million courthouse in Long Beach, California. The new courthouse is to contain 500,000 sq. ft. of space and accommodate 31 courtrooms.
- Long Beach Judicial Partners (LBJP), a consortium of several private sector firms, was selected as the private sector partner. All financing is provided by LBJP. **The Long Beach project is the first courthouse P3 in the U.S.**
- The P3 contract runs for 35 years, 3 years for construction and 32 years for operations and maintenance. Groundbreaking took place in April 2011 and the Long Beach Court House was officially open for business in August 2013.



P3 Case Study

Port of Miami Tunnel P3

- The Port of Miami actually sits on an island. Traffic entering and exiting the Port of Miami must do so on surface streets. 26,000 vehicles daily entering and exiting the port via surface streets – the cost of congestion.
- The Florida Department of Transportation (FDOT) has entered into a transportation P3 with a private sector consortium partner, MAT Concessionarie LLC, to design-build-finance-operate-maintain (DBFOM) a tunnel that will connect the port with interstates I-395 and I-95.
- Total cost of design and construction of the tunnel is \$903 million. The private sector partner contributed \$80 million to the project with the remainder of the funding in the form of debt and loans. Once the tunnel is open to traffic, all operating and maintenance costs will be paid by the State of Florida. The FDOT will **collect container and passenger fees to provide the revenue stream** to fund the partnership.
- Construction of the tunnel began in May 2010 and completion is expected by May of 2014. Operational control of the tunnel will revert to the FDOT at the end of the P3 contract in October 2044.



P3 Case Study

The Chicago Skyway: An Operation & Maintenance P3

- The Chicago Skyway is a 7.8 mile toll road connecting Interstate 94 to Interstate 90. In 2005, the City of Chicago was looking for ways to unlock value in its fixed assets. The city made a decision to enter into a public-private partnership (P3) for the operation and maintenance (O&M) of the Skyway. The city leased the Skyway for 99 years to a consortium of Macquarie/Cintra for an up-front payment of \$1.8 billion. Macquarie Infrastructure Group is an Australian company; Cintra is a Spanish company.
- Private sector partner operates and maintains the Skyway in accordance with contractual provisions that require the use of industry best practices including: safety concerns, drainage issues, snow removal, toll collection procedures, and others.
- Private sector partner immediately moved to install more lanes and switched to electronic tolling, improvements that increased service levels and operational efficiency. The city had been unable to undertake these service improvements due to budgetary constraints.
- The P3 contract specifies predetermined tolls through 2017. After 2017, the private sector partner may increase tolls annually by: (a) 2%, (b) the Consumer Price Index, or (c) the increase in the nominal gross domestic product per capita, whichever is greater.
- The City of Chicago has used the \$1.8 billion in proceeds from the P3 to: pay down debt, fund other non-transportation projects, and create a reserve fund. In addition, the city has avoided future operation and maintenance costs for the Skyway.



P3 Case Study

I-495 Capital Beltway

- Expansion – **cost of status quo** - \$5.5B annually due to congestion
- **DBFOM**
- \$2.1B
- \$368M private funds
- TIFIA bonds/loans
- 80 years
- 12 lanes – 8 general and **4 high occupancy toll lanes – variable tolls – congestion pricing**



P3 Case Study

Texas State Highway 130

- DBFOM
- \$1.36B
- \$200M private equity
- \$1.1B – 5 banks/federal loan
- 50 years
- Tolls
- Texas will receive \$125M during the agreement
- Private partner wanted to up speed limit to 85 mph – paid Texas \$100M to do it



P3 Case Study

Unsolicited Proposal Case Study

Arizona Department of Transportation Unsolicited P3 Proposal for Highway Rest Areas

- The Arizona Department of Transportation (ADOT) received an unsolicited proposal from Infrastructure Corporation of America (ICA) to operate, maintain, and improve 14 Arizona highway rest areas.
- According to the ICA unsolicited proposal, by entering into a P3 for the highway rest areas ADOT will: **gain fiscal predictability** over its total operations and maintenance cost by establishing a pre-determined annual cost, **avoid short term and long term personnel costs**, **generate new revenues** through an innovative targeted marketing program, & **introduce and integrate environmentally friendly services**.
- **The P3 contract was signed in October 2013 and ICA is now operating the 14 highway rest areas.**
- *Need to have an unsolicited proposal policy!*



Public-Private Partnerships

- According to the National Conference of State Legislatures, **33 states** had enacted laws authorizing at least some form of public-private partnerships (P3s) by January 1, 2013.
- **Enabling legislation** is important because it sends a strong message to private sector firms that a state and its local governments are “*open for business*” when it comes to P3s.
- **Removes uncertainty and risk** for both the public and the private sector partners.



Florida has 2 P3 statutes – both are well designed

F.S. 334.30 – authorizes FDOT to engage in P3s for transportation infrastructure

HB 85 – F.S. 287.05712 Florida’s other P3 statute is for local governments

Public-Private Partnerships

Key Elements of State P3 Statutes

- **Broad coverage** - Scope of the P3 legislation - is it restrictive (e. g. for transportation only) or broad covering most types of infrastructure projects? **(YES)**
- **Unsolicited proposals** - refers to the ability of private sector firms to submit proposals to state agencies or local governments in the absence of a formal procurement process. Can encourage private sector firms to suggest P3 projects that state departments and local governments may not have considered – source of new ideas. **(YES)**
- **Availability payments and shadow tolls** - refer to payments (subsidies) provided by state or local governments to private sector partners when tolls either cannot be imposed or when tolls are insufficient to cover all operating expenses. **(YES)**
- **Lower level authority** - means the legislation also applies to sub-state governments (cities and counties, etc.). **(YES)**
- **Prior legislative approval** - means that specific P3 projects must be submitted to the state legislature for review and approval before implementation can begin (should be before not after procurement award) **(NO)**
- **Non-compete clause** - means that the state and its local governments will not construct any additional infrastructure projects in the general area that will negatively affect the finances of the P3. “Prohibited” means the state legislature specifically prohibits the use of non-compete clauses in P3 contracts.



Public-Private Partnerships

Summary of F.S. 287.05712 – it is a well designed statute

- Passed during the 2013 regular session, **CS/CS/HB 85** now known as Florida Statutes Section 287.05712 provides new, clear, and specific statutory authority to local governments in Florida to engage in public-private partnerships for infrastructure and facilities. Prior to this law, local governments could participate in P3s for infrastructure and facilities.
- Enabling legislation removes uncertainty for both public and private sector partners and should incentivize their expanded use for infrastructure and facilities by local governments.
- ***Need to understand and closely adhere to F.S. 287.05712 with your policies, procurement process, and P3 projects & contracts!***



Public-Private Partnerships

- F.S. 287.05712 authorizes a wide range of entities of local government to engage in public-private partnerships to provide a diverse spectrum of public purpose projects.
- A **“responsible public entity”** could include a county or city government, a school board, any other political subdivision of the state, or a regional agency. A **“qualifying project”** can be a new or improved asset involving a variety of public purposes such as transportation, education, recreation, wastewater management, or health care. **Any accepted public purpose could justify the use of a P3 under this law.**



Public-Private Partnerships

Summary of F.S. 287.05712

- Under this law, P3 projects must meet **specific criteria**: (1) citizens are best served by the implementation of this P3 project, (2) the facility is either owned or ownership will be transferred to the responsible public entity, (3) there will be measures undertaken sufficient to prevent service disruptions or unacceptable costs, (4) there will be provisions to enable the responsible public entity to increase needed capacity to the facility or infrastructure, and (5) at the end of the comprehensive agreement, the responsible public entity will own the asset or infrastructure.
- In addition, the **projected cost must reasonably resemble comparable facilities**, an effective finance plan is in place, and the plans of the private sector partner will result in a timely delivery of the infrastructure or facility.



Public-Private Partnerships

Summary of F.S. 287.05712

- Consistent with this law, private sector partners must conform to the standards for a firm eligible to be selected under the local government's regular procurement process.
- Before the procurement process can begin, **an independent analysis** must validate the cost-effectiveness and specific benefits to be secured for the public by the proposed project.
- Local governments may enter into an interim agreement to commence the P3 process that does not require them to become a party to a comprehensive agreement.



Public-Private Partnerships

Summary of F.S. 287.05712

- Under this law, the P3 and P3 relationship will be governed by a **comprehensive agreement**.
- The comprehensive agreement must contain a specific set of provisions which:
 - (1) **ensure performance and payment** involving participating firms using accepted and available tools (bonds, letters of credit, etc.), (2) facilitate the **most efficient pricing of the security package**, (3) address **the transfer of the asset** should the private sector partner default or the agreement be terminated, (4) specify the **review of all plans and inspection** of the project by the responsible public entity, (5) ensure that a policy of **public liability insurance** is sustained, (6) facilitate **oversight** by the responsible public entity of appropriate maintenance of the facility by the private sector partner, (7) specify **the regular filing of financial statements** by the private sector partner, (8) **detail all revenue sources and payment mechanisms** to be utilized in the project, and (9) **identify all responsibilities of the private sector partner** in the project.



Public-Private Partnerships

Summary of F.S. 287.05712

- Can provide grants or loans of federal, state, or local funds to the private sector partner for the project.
- Additional provisions can be entered into the agreement by public sector partners that address issues such as **notice of default and cure rights and termination of the agreement.**
- User charges to provide revenue for the project are authorized. A number of financing mechanisms such as private financing or lending or leveraging public funds can be utilized. However, no local government may commit its full faith and credit to guarantee the finances of the project. Upon expiration of the agreement, the responsible public entity may maintain user charges for the operations and maintenance of the facility or infrastructure.
- **The local government can lease existing user charge financed public assets to private sector partners** whereby user charges will continue to be utilized to generate revenue.



Public-Private Partnerships

Summary of F.S. 287.05712

- The **sovereign immunity** of the local government remains in place and is not relinquished by entering into an agreement for a public purpose facility pursuant to this law.
- **Notice** to all affected local governments of a proposed project allowing for receipt and consideration of their written comments concerning the project is required by this law.
- **Unsolicited proposals can be received by local governments.** Consistent with Florida's commitment to competitive procurement, the project must be advertised so that the local government can receive competing proposals. Local governments can charge a reasonable fee for review and evaluation of an unsolicited proposal. Unsolicited proposals must contain specific elements: (1) a project description, (2) a plan specifying the financial commitments of the private sector partner to the project, (3) a plan to obtain property interests necessary to the project, (4) proposed user charges and revenue raising mechanisms, and (5) any additional required information needed by the responsible public entity.



Public-Private Partnerships

Summary of F.S. 287.05712

- This legislation also created **Florida Statutes Section 336.71** which enables county governments to utilize P3s for construction, expansion, or enhancement of county roads.
- These partnerships must adhere to specific requirements such as having sufficient protections in place to prevent service disruption or cost overruns, the use of provisions addressing post-agreement public ownership, and the presence of documented evidence of meaningful cost savings to the public compared to employing the traditional procurement process for this infrastructure.
- **The cost savings must be independently confirmed** by a professional engineer whose findings will be publicly available at least 14 days prior to a public meeting being held on the issue.
- **Legislature authorized a task force** who reviewed the statute & recommended a few minor improvements which were adopted (e.g. protection of proprietary information)



Public-Private Partnerships

Issues When Starting a P3 Initiative

- ✓ Determine if state P3 enabling legislation exists?
- ✓ Determine infrastructure needs.
- ✓ Determine the “gap” between needs and available resources.
- ✓ Determine infrastructure priorities.
- ✓ Determine how available revenues will be apportioned between competing infrastructure needs.
- ✓ Determine how to deal with unsolicited proposals.



Public-Private Partnerships

Managing the P3 Process

- **The most important part of managing the P3 process is selecting the private sector partner.**

Selecting the Private Sector Partner

The California Debt & Investment Advisory Commission (CDIAC) recommends that state and local governments secure, review, and evaluate the following information from each prospective P3 partner. The information would be secured as: (1) a RFP process or (2) part of a RFQ process or follow-up to an unsolicited proposal.

- **Qualifications & Experience** - The prospective P3 partner should demonstrate the necessary expertise to complete the project including previous work of a similar nature, qualifications of staff, management capability, access to technology, and other considerations.
- **Financial Capability** - The proposed P3 partner should demonstrate it has the necessary resources, or has arranged for the necessary resources to fund the partnership.
- **Risk Transference** - The proposed P3 partner should clearly demonstrate its understanding of the risks associated with the project (costs, financing, construction, quality assurance, etc.) and the willingness to assume those risks.
- **Litigation & Controversy** - Proposed P3 partner should not be involved in any current litigation or current controversies that might jeopardize the project.



Public-Private Partnerships

Managing Risk - In P3s, the partner (government or private sector) best positioned to deal with the risk, should assume the risk.

- **Demand Risk** - Demand risk is usually assumed by the private sector P3 partner. Demand risk becomes a problem when a dedicated funding stream (tolls or fees) is used to fund the operating expenses of a P3 project. Demand forecasts and revenue projections can be highly unreliable, particularly for P3s of long duration (10, 20, 30, 99 years). Not good for anyone for the private sector partner to default on the P3 project or to declare bankruptcy because revenues are insufficient to cover operating costs. **Structure P3s so that if demand declines to a point where revenues are insufficient to fund operations, then tolls or fees can be increased or some other remedy invoked in order to maintain desired service levels (e.g. availability payments or shadow tolls).**
- **Service Interruption Risk** - Primary method of dealing with service interruption risk is to pre-screen and select capable private sector P3 partners. **Trust** is one of the most important components of a P3. The government must be able to trust that the private sector P3 partner “will do the right thing” to make the project work.



Public-Private Partnerships

Managing Risk

- **Political Risk** - Government is best positioned to manage political risk. P3s, like contracting, can generate political opposition - newness/lack of citizen familiarity with P3s can also generate opposition. Managing and mitigating political risk is largely related to how well government explains the value and benefits of P3 projects to stakeholders and mobilizes their support.
- **Financial Risk** - With P3s, financial risk varies depending upon the type of project. For example, operations and maintenance (O&M) projects have less overall financial risk than do design-build-finance-operate-maintain (DBFOM) projects.
- **Force Majeure Risk** - Force majeure risk (also called an “Act of God”) is generally shared equally by both the government partner and the private sector partner.
- **Additional P3 Risks** - P3 projects create additional risks including site risk (e. g. suitability) and design and construction risks. P3s are usually structured so that these additional P3 risks are assumed by the private sector partner.
- **The expertise of state and local governments in P3s is an important variable in managing and mitigating financial risk.** Expertise in developing and managing P3s is not evenly distributed among state and local governments. An important aspect of managing and mitigating financial risk is the ability of state and local governments to access P3 expertise through either in-house staff or outside consultants.



Public-Private Partnerships

Lessons Learned in Implementation of P3s:

- In contracting, we manage the contract – in P3s, we manage the relationship.
- Use of internationally validated best practices
- Independent analysis, partner selection, contract design, contract management
- **Creation of a P3 Unit** – specific organizational units should be created to oversee P3s.
- **Designation of P3 Project Manager** – primary interface with the private sector partner.
- **Use of Outside P3 Consultants** - if outside P3 consultants are used, they should also be tasked with helping to train in-house staff.
- **Use of all financing tools** – don't impair the financial success of the project (hurting your partner hurts the project and hurts you) – for example, adding commercial development to the project to aid in revenue production - **utilize the full range of allowable innovative financing and revenue producing mechanisms to ensure that all projects and partners are available to your citizens** (Istrate and Puentes, 2011) – for example, the ability to receive federal loan and grant assistance such as TIFIA is recommended (Garvin, 2010; Iseki et al, 2009), use revenue bonds, tolling, etc. – **governments must have the ability to ensure a reasonable rate of return for the private sector partner when regulating tolls**



Public-Private Partnerships

Lessons Learned in Implementation of P3s:

- **Early Involvement of Private Sector Partner** - private sector partners should be involved earlier, not later, in decision making about the scope of the P3 project.
- **Contract Provisions** - a P3 contract should also: (1) focus on outputs and **outcomes** rather than inputs & methods used (**PBC**); (2) identify the number of **asset upgrades**, if any, and when they are to occur; (3) identify if, when and how much **tolls or user fees may be increased**; and (4) specify **what happens to the asset at the end** of the P3 project.
- **Documentation of Decisions and Directions** - P3s terms can run for 20, 30, 50 even 99 years - staff will likely change during the course of the contract - important to document all decisions made throughout the term of the P3 project.
- **Contract Term** – international experience finds that most P3 terms range from 30 to 40 years.
- **Use of SPV (for DBFOMs)** – project-specific corporate entity to be the private sector partner for the project



Public-Private Partnerships

Specific Recommendations/Issues to Consider for P3 Programs & Policies (not all of these issues will apply to all types of P3 projects):

- **Conduct P3 training for all managers and employees** who will be in any way involved with a P3 during their careers – offer the opportunity for elected officials, key staff, and other local officials - **institutional capacity** is key to successful execution – **educated officials are the policy's best advocates** - 2009 McGraw-Hill study – 61% of state and local officials had no experience with P3s or adequately comprehend the specifics of this tool of public management (NCSL, 2010)
- Fostering **the right mindset and skill set** for public managers in successfully partnering with the private sector (Garvin, 2010)
- **Communication** – need a strong, effective, well designed, sufficiently funded, and effectively implemented and evaluated public education effort for P3s as a policy choice and for specific P3 projects to ensure citizens & stakeholders are informed and understand specific projects and the use of P3s as a policy (Kimball, 2011). **Identify all P3 program stakeholders and specific project stakeholders and develop & implement communications/support strategies for advancing the program and projects informed by stakeholder analysis** (NCSL, 2010)



Public-Private Partnerships

Specific Recommendations/Issues to Consider for P3 Programs & Policies (not all of these issues will apply to all types of P3 projects):

- **Utilize independent analysis of each project – mandatory cost benefit analysis/VfM/business case for each project** – this function could be handled by analysts apart from the P3 Unit or by analysts within the P3 unit who only evaluate a proposed project and do not also advise on the same project or have any other role in it to ensure professional objectivity as evaluators (Istrate and Puentes, 2011; NCSL, 2010) - **Test ridership and revenue forecasts with multiple alternative assumptions with different data** to avoid scenarios of under-estimation and over-estimation in selecting projects and proposals and designing agreements (NCSL, 2010)
- **Allow each sector to optimize their “natural strengths” with each specific P3 agreement** (Chilcott, 2012, p.4) – the public sector identifies needs and sets goals and standards while the private sector determines and utilizes the best methods for project financing and delivery and risk management - “the public sector defines” and “the private sector delivers” (Chilcott, 2012, p.6)



Public-Private Partnerships

Specific Recommendations/Issues to Consider for P3 Programs & Policies (not all of these issues will apply to all types of P3 projects):

- **Continue to allocate each specific type of project risk to the appropriate partner** via statute, policy, and contractual agreement with private sector partners
- **Retain greatest flexibility and opportunities for innovation** in structuring the financing, design and construction, maintenance and operations, and methods of revenue production/revenue sharing with transportation P3s to yield maximum benefit to taxpayers (Russell, 2012)
- **Ensure P3 project compliance with all applicable statutes and regulations** (federal, state, and local)
- **Employ provisions governing breach or default with specified remedies as well as termination or “buy back” events** (Nossaman, 2009; NCSL, 2010)
- **Accept the limitations inherent to long term ridership and revenue forecasts and build in contractual tools to successfully address these issues as they arise during the life of the project**



Public-Private Partnerships

Specific Recommendations/Issues to Consider for P3 Programs & Policies (not all of these issues will apply to all types of P3 projects):

- **Employ options and opportunities for contract modification** during the life of the project as needed (Garvin, 2010) – these are long life contracts
- Make these marriages work ensuring the proper allocation of risks, rewards, responsibilities, and resources between public and private sector partners and crafting and implementing **agreements and projects which successfully reconcile public policy goals with the needs of private sector partners** (Ehrhardt, 2008; Iseki et al, 2009)
- **Conduct a Lazy Assets Analysis** (Finley, 2012) to identify any opportunities to optimize the value of a current asset held by the state or local govt. - inventory all current assets, conduct an assessment of each asset, develop an appropriate and effective strategy for that asset, and implement that strategy to enhance its value to taxpayers (HB 85 – bear in mind you can only lease existing toll facilities BUT this strategy of best value for existing publicly held property & facilities is advised)



P3s and Procurement

(Saviak, Martin, & Lawther, 2014)

- **Need to re-design public procurement policies & procedures in the U.S. to facilitate greater use of P3s & DBFOMs & ensure their success**
- **Build** our institutional capacity
- **Need to sharpen & employ the skills that make partnerships successful** - it's a different skill set - sharing risk, rewards, credit, control, resources - need to excel in procurement, partner selection, rethinking infrastructure delivery, relationship management, contract design and management, risk allocation, and program evaluation
- **Challenge = Opportunity**
- **P3s are a “non-standard public procurement”**
- **P3s & DBFOMs do not fit neatly into traditional public procurement policies and procedures in the U.S. – pose specific set of challenges**



P3s and Procurement

(Saviak, Martin, & Lawther, 2014)

Key Differences Every Procurement Manager/Professional Should Understand:

- Not the traditional buyer/seller relationship as with contracting for most goods/services especially if it is a DBFOM – **different roles & responsibilities for each partner** - need to adapt traditional public procurement to the **partnership model for P3s** – private sector partner providing the \$ in DBFOM
- **Different procurement process & tools** - use of RFQ followed by RFP/Competitive dialogue/ITN instead of traditional procurement processes (ITB/RFP)
- Designing/implementing **long term contracts** (e.g. 30-50-99 years) – treat as “**incomplete contracts**” - enhanced flexibility, periodic review by partners, user-friendly contract amendment process, dispute resolution mechanism, emphasis on PBC – **tools to make the contract perform over the long haul**
- **Use of unsolicited proposals** – have a policy for this!
- **Project size must be sufficient to attract private sector partners (e.g. US \$100M)** – use of bundling – this will be valuable to local govts. who will likely have smaller project sizes
- **No progress payments (DBFOM)** – don’t change the incentive structure of the P3!

Procurement Goals

(Lawther & Martin, 2014)

3 Phases: Planning, Pre-Contract, Post-Contract Award – need to do everything right in each phase

6 Goals of Procurement & P3s

1. Choosing the private partners - **most benefits** compared with costs and the best value for money
2. Choosing private partners - highest or most project **goal achievement**
3. **Maximizing the flexibility** - most optimal means to build the project - innovation and creativity by bidders.
4. **Lowering the time and cost needed to complete the procurement process** (e.g. reducing transaction costs).
5. **Avoiding power imbalances** - “Deal Drift”.
6. Optimizing the **public interest** over the life of the partnership.



Procurement Process for P3s

(Lawther & Martin, 2014)

- Likely to use RFQ followed by RFP or CD/ITN
- **Competitive Dialogue** is the preferred procurement in the European Union for all P3 types.
- *Competitive dialogue is a semi-structured, multi-phase process that allows simultaneously discussions and negotiations with multiple potential contractors.*
- U.S. equivalent to competitive dialogue is the **Invitation to Negotiate (ITN)** approach found in Florida.
- Main idea of ITN - **improve communications with bidders** who will then be better able to propose innovative solutions to meet the government's needs.
- Different private sector firms can, and generally do, submit different financing plans - makes traditional procurement approaches difficult, if not impossible, to apply to transportation financing P3s.
- **Recognizes that government can't know all the financing and project delivery methods in advance (Henry Ford – my customers would have wanted a faster horse)**



Competitive Dialogue/ITN

(Lawther & Martin, 2014)

- Process is designed so that the government can better define the project and prospective contractors can fine tune their bids/proposals. Each phase of the process to clarify the government's needs and also to reduce the number of potential contractors until one or more best and final offers are secured by the government.
- The European Public-Private Partnerships Center (EPEC) identifies four defining features of **competitive dialogue**: (1) the number of bidders can be limited, (2) dialogue with the bidders during the process is essential, (3) discussions may continue after submission of final bids, and (4) the basis for contract award is the “**most economically advantageous tender**” (MEAT). Competitive dialogue is sometimes preceded by the issuance of a request for qualifications (RFQ).
- Contracting authorities can discuss all aspects of the contract with bidders (minimum of three)
- Discussions or negotiations can occur in stages
- It ends when the contracting agency determines its needs have been met; each bidder issues a last and best final offer
- After the final offer, the evaluation of all bidders' proposals occurs; there is no additional negotiation allowed with the preferred bidder.

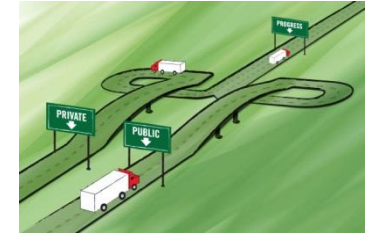


Competitive Dialogue/ITN

(Lawther & Martin, 2014)

Benefits of the CD/ITN approach include:

- **Allows public officials to remain open to innovative/creative ideas coming from the proposer;** alternative procurement means do not.
- **Allows for more complete information to be gathered about each bidder,** avoiding the risk that insufficient information will be collected.
- **Avoids “Deal Drift”** in which the preferred bidder, if identified by an alternative procurement means, can prolong the procurement process and bargain from a position of strength.
- **Less risk of a challenge**
- **Clearer audit trail for subsequent VfM analysis**



Other P3 Procurement Issues & Tools – International Practices

(Lawther & Martin, 2014)

Maintaining Bidder Interest - Sustaining bidder interest is related to several factors including:

- ✓ **Clear bidding documents**
- ✓ **Reasonable time frame for bidding**
- ✓ **Efforts on the part of the government to keeping bidding costs low** including the use of standard procurement approaches and contracts
- ✓ **Ensuring that the number of bidders is not too large.**



Procurement for P3s

(Lawther & Martin, 2014)

The Contract should specify:

- **Performance Measures** applied to the private partner (PBC, KPI, performance management system)
- Mechanisms or processes by which **performance data will be collected and evaluated**
- **Standards** by which the measures will be assessed and **penalties and/or incentives applied**
- **Payment amount and mechanism** resulting from the performance, including penalties for not meeting identified standards.
- **Financing mechanisms** - user charges, availability payments/shadow tolls – **regulation of user charges.**
- **Revenue sharing**
- **Conditions & terms for refinancing** – sharing of refinancing gains
- **Contract Modification/Dispute Resolution Mechanisms**
- **Asset upgrades**
- **Reversion/ownership**



Procurement for P3s

(Lawther & Martin, 2014)

Post-Contract Award Issues:

- Construction and O & M
- Governance Structure & Process
- Evaluation of Goal Achievement

Recommendations for this phase:

- **Manage by outcomes**
- **Contract management plan** – detailed, specific
- Performance metrics & performance reports & performance management – *measure, monitor, & manage*
- **Payments tied to performance**
- **Culture** – creating & sustaining a productive partnership – horizontal management – flexibility for the private sector partner – “magnets work better than handcuffs” (p. 18)
- **Feedback from stakeholders** – use of citizen oversight/advisory board, user satisfaction surveys



Key Lessons Learned for Procurement

(Saviak, Lawther & Martin, 2014)

- *What's our P3 procurement policy and procedures?*
- **Make sure your procurement policies & process conform to Florida law (HB 85, CCNA) – adhere to the comprehensive agreement criteria (HB 85)**
- **Employ best practices & lessons learned from abroad for your policies and contracts** - need to utilize **international best practices** for public procurement & P3s to rethink & re-engineer traditional public procurement policies & procedures among state & local govts. in the U.S. to ensure positive outcomes with P3s and DBFOMs - P3s & DBFOMs do not fit neatly into traditional public procurement policies and procedures in the U.S. – pose **specific set of challenges – draw upon international experience for solutions**



Key Lessons Learned for Procurement

(Saviak, Lawther & Martin, 2014)

- Need to have a policy for **unsolicited proposals**
- The use of **competitive dialogue** is an international best practice. The use of **standardized procurement practices** is an international best practice.
- The **bundling** of several different P3s into a single larger procurement in order to attract private sector partners & reduce transaction costs is an international promising practice. **Bundling will be more important to local govts. in Florida due to likely single project sizes.**
- **RFQ & RFP and ITN** instead of traditional processes
- Designing/implementing **long term contracts** (e.g. 30-50-99 years) – treat as “**incomplete contracts**” - enhanced flexibility, periodic review by partners, user-friendly contract amendment process, dispute resolution mechanism, emphasis on PBC



Key Lessons Learned for Procurement

(Saviak, Lawther & Martin, 2014)

- **No progress payments** – risk = incentive – don't take back the risk and reduce incentive - don't change the incentive structure of the P3!
- **Build our institutional capacity – knowledgeable staff**
- **Need to sharpen & employ the skills that make partnerships successful** – it's a different skill set - sharing risk, rewards, credit, control, resources - need to excel in procurement, partner selection, rethinking infrastructure delivery, relationship management, contract design and management, risk allocation, and program evaluation
- **What planned projects might work best as P3s?** (Luken, 2014)
- **If you are not attracting partners or unsolicited bids, survey the market and ID potential barriers/disincentives to your projects/policies & modify/reform them.**



Key Lessons Learned for Procurement

(Saviak, Lawther & Martin, 2014)

- P3s operate on a **partnership model**
- Requires the right mindset and skill sets.
- Sharing risk, reward, & responsibilities – it means sharing control and credit – it means trusting – it is building & sustaining a long-term relationship
- To make partnerships successful, managers need to be skilled in: **procurement, partner selection, rethinking service/infrastructure delivery, relationship management, contract design and management, risk allocation, and program evaluation**



Public-Private Partnerships

Best Practices in State Statutes/Policies (these issues could apply to local govt. P3 policies too)

- **Creation of a P3 Unit – Institutional expertise** - identify opportunities, provide technical assistance, and offer policy guidance to an agency or agencies (Istrate and Puentes, 2011)
- **Ability to respond to unsolicited proposals** (Nossaman, 2009; Ehrhardt, 2008)
- **Ability to engage outside experts** (Nossaman, 2009)
- **Use of performance measures** (Nossaman, 2009)
- **Authority to use the full range of project financing mechanisms** (Iseki et al, 2009)/the ability to accept all forms of potential project financing – for example, all federal assistance or loan programs (Nossaman, 2009; Iseki et al, 2009)
- **Provide clear statutory direction on procurement** (NCSL, 2010) - use of a competitive procurement process for P3 projects (Garvin, 2010)
- **Retain options and opportunities for contract modification during the life of the project as needed** (Garvin, 2010)
- **Broad authority to consider and engage in a diverse range of types of P3 projects** (Iseki et al, 2009)

Sources

- Abdel-Aziz, A.M. & Russell, A.D. (2001). *A structure for government requirements in public-private partnerships*, *Canadian Journal of Civil Engineering*, 28, 891-909. Retrieved at DOI: 10.1139/cjce-28-6-891
- *An act promoting economic growth and job creation in the state, 2011 Conn. Acts, Public Act 11-1 (2011)* Retrieved from www.cga.ct.gov/2011/pub/titles.htm
- Associated General Contractors (2007) *Public-private partnerships: the risks & opportunities* [white paper and PowerPoint slides]. Washington, D.C. Retrieved at www.agc.org/cs/advocacy/legislative_activity/public_private_partnerships
- Corbett, L. (2011). *Public-private partnerships for transportation* [PowerPoint Slides]. Presented at the National Conference of State Legislatures 2011 fall forum, Tampa, FL. Retrieved at www.ncsl.org/documents/transportation/CORBETT_113011.pdf
- *CS/CS/HB 337, Regular Session of the Florida Legislature (Florida, 2012)*. Retrieved from www.leg.state.fl.us
- Ehrhardt, E. (2008). *Changing laws to accommodate PPPs*. *Valparaiso University Law Review*, Vol. 42, No. 3, 905-953. Retrieved at <http://scholar.valpo.edu/vulr/vol42/iss3/5>
- Farquharson, E. (2009). *UK PPP program – policy background and implementation* [PowerPoint slides]. Retrieved from www.ncsl.org/documents/transportation/EFarquharson1209.pdf
- *Federal Highway Administration (2007)*. User guidebook on implementing public-private partnerships for transportation infrastructure projects in the United States (Final Report Work Order 05-002). Retrieved from http://www.fhwa.dot.gov/ipd/pdfs/ppp_user_guidebook_final_7-7-07.pdf
- Finley, R. (2012). *City of Jacksonville public private partnerships program overview presented at the Reason Foundation privatization workshop, Amelia Island, Florida* [PowerPoint Slides] Retrieved at <http://reason.org/events/show/36.html>

Sources

- Garvin, M. (2010). *Enabling development of the transportation public-private partnership market in the United States*. *Journal of Construction Engineering and Management*, Vol. 136, No. 4, 402-411. Retrieved from DOI 10.1061/(ACES)CO.1943-7862.0000122
- Hedlund, K. (2008). *Model legislation for public private partnerships presented at IBTTA CFO roundtable, Washington, D.C.* Retrieved at http://www.ibtta.org/files/PDFs/Hedlund_Karen2.pdf
- *House of Representatives Staff Analysis of CS/CS/HB 337 , Government Operations Subcommittee (Florida, 2012).* Retrieved from www.leg.state.fl.us
- Iseki, H., Eckert, J., Uchida, K., Dunn, R., & Taylor, B. (2009). *Task B-2: status of legislative settings to facilitate public private partnerships in the U.S. California PATH research report UCB-ITS-PRR-2009-32.* Retrieved from www.path.berkeley.edu/PATH/Publications/PDF/.../PRR-2009-32.pdf
- Istrate, E. & Puentes, R. (2011). *Moving forward on public private partnerships: U.S. and international experience with PPP units, project on state and metropolitan innovation*, Brookings Institution, Washington, D.C. Retrieved at <http://www.brookings.edu/research/papers/2011/12/08-transportation-istrate-puentes>
- National Conference of State Legislatures. (2010). *Public-Private Partnerships For Transportation: A Toolkit for Legislators March 2012 Updates and Corrections.* Retrieved from www.ncsl.org
- National Conference of State Legislatures. (2010). *Keynote address by Dominick Chilcott at NCSL one-day invitational government-to-government summit on public-private partnerships, Washington, D.C.* Retrieved from www.ncsl.org/documents/transportation/DChilcott032610.pdf
- National Conference of State Legislatures. (2010). *Meeting summary of NCSL one-day invitational government-to-government summit on public-private partnerships, Washington, D.C.* Retrieved from <http://www.ncsl.org/documents/transportation/PPPMeetSum032610.pdf>
- Nossaman LLP (2009) *A bill for an act relating to public-private partnerships for public infrastructure.* Retrieved at http://64.106.216.3/Files/28546_Model%20PPP%20Legislation.pdf

Sources

- Panone, Lopes, Devereaux, and West. (2012). Connecticut's PPP framework for infrastructure projects [PowerPoint Slides], Presented at the implementing public-private partnerships in Connecticut workshop by the National Council for Public-Private Partnerships, New Britain, CT. Retrieved at www.ncppp.org/publications/CT_1206/WestTobey.pdf
- Pikiel, M. & Plata, L. (2008). A survey of PPP legislation across the United States. *Global Infrastructure*, Vol. 1, 52-65. Retrieved from http://www.ncppp.org/resources/State%20PPP%20Legislation%20Survey_2008.pdf
- Poole, R. (1997). Privatization: a new transportation paradigm. *Annals of the American Academy of Political and Social Science*, Vol. 553, 94-105, Retrieved from <http://www.jstor.org/stable/1048726>
- Public-private transportation partnerships and a related repeal, Act 88 of the Pennsylvania Consolidated Statutes (2012). Retrieved from <ftp://ftp.dot.state.pa.us/public/Bureaus/Press/HB%203%20Act%20No.%2088%20of%202012.pdf>
- Public-private transportation facilities, Florida Statute Section 334.30 (2012) Retrieved from www.leg.state.fl.us
- Rowlson, B. (2012). Public-private partnerships: the future of public construction in Florida? *The Florida Bar Journal*, Vo. 86, No. 7. Retrieved from <http://www.floridabar.org/DIVCOM/JN/JNJournal01.nsf/8c9f13012b96736985256aa900624829/f5a5b709fb9d62e385257a28006b014a!OpenDocument>
- Rural infrastructure fund, Florida Statute Section 288.0655 (2012). Retrieved from www.leg.state.fl.us
- Russell, P. (2012) Implementing a successful P3 program [PowerPoint slides]. Retrieved from www.ncppp.org/publications/CT_1206/Russell.pdf

Sources

- The World Bank (2012). *Best Practices in Public-Private Partnerships Financing in Latin America: The Role of Guarantees*. Washington, D.C.: Author
- European PPP Expertise Center (EPEC) (2010). *Procurement of PPP and the Use of Competitive Dialogue in Europe: A Review of Public Sector Practices across the EU*. Luxembourg: Author; S. Arrowsmith & S. Treumer (2012) (Eds.). *Competitive Dialogue in EU Procurement*. Cambridge: Cambridge University Press.
- M. Burnett (2009). "Using Competitive Dialogue in EU Public Procurement - Early Trends and Future Developments." *EIPASCOPE* (2):17-23.
- European PPP Expertise Center (EPEC) (2010). *Procurement of PPP and the Use of Competitive Dialogue in Europe: A Review of Public Sector Practices across the EU*. Luxembourg: Author, p. 18.
- World Bank Institute (2012). *Public-Private Partnerships: Reference Guide*. Washington, DC: Author.
- European PPP Expertise Center (EPEC) (2010). *Procurement of PPP and the Use of Competitive Dialogue in Europe: A Review of Public Sector Practices across the EU*. Luxembourg: Author.
- European PPP Expertise Center (EPEC) (2010). *Procurement of PPP and the Use of Competitive Dialogue in Europe: A Review of Public Sector Practices across the EU*. Luxembourg: Author.
- D. Grimsey & M. Lewis (2007). "Public Private Partnerships and Public Procurement." *Agenda* 4 (2):171-188; European PPP Expertise Center (EPEC) (2012). *PPP Units & Related Institutional Framework*. Luxembourg: Author.
- M. Burnett (2009). "Using Competitive Dialogue in EU Public Procurement - Early Trends and Future Developments." *EIPASCOPE* (2):17-23.
- S. Arrowsmith & S. Treumer (2012). "Competitive Dialogue in EU Law: A Critical Review." In their *Competitive Dialogue in EU Procurement*. Cambridge, UK: Cambridge University Press, pp. 3-143.
- E. Engel, R. Fischer & A. Galetovic (2001). "Least-Present-Value-of-Revenue Auctions and Highway Financing." *Journal of Political Economy* 109 (5):993-1020.

Sources

- J. Vassallo (2005). “Traffic Risk Mitigation in Highway Concession Projects: The Experience of Chile.” *Journal of Transport Economics & Policy* 40 (3):359-381.
- P. Leahy (2005). “Lessons from the Private Finance Initiative in the United Kingdom.” *European Investment Bank (EIB) Papers* 10 (2):59-71.
- D. Grimsey & M. Lewis (2005). “Are Public Private Partnerships Value for Money? *Evaluating Alternative Approaches and Comparing Academic and Practitioner Views.*” *Accounting Forum* 29:345-378.
- New South Wales Government (2006). *Working with Government: Guidelines for Privately Financed Projects*. Sydney: Author.
- Burnett, M. 2009. Using Competitive Dialogue in EU Public Procurement: Early Trends and Future Developments. European Institute of Public Administration, SCOPE.
- European Commission. n.d. Explanatory Note—Competitive Dialogue Classic Directive. Directorate General Internal Market and Services: p. 1
- World Bank Institute. 2012. Public Private Partnerships Reference Guide Version 1.0. Washington, DC: Author. Other contract design elements are also discussed
- Farquharson, E., C. Torres de Mastle, and E.R. Yescombe. 2011. How to Engage with the Private Sector in Public Private Partnerships in Emerging Markets. Washington, D.C.: The International Bank for Reconstruction and Development/The World Bank.
- Iossa, E., G. Spagnolo, and M. Vellez. 2007. Best Practices on Contract Design in Public Private Partnerships. Washington, D.C. The World Bank.
- World Bank Institute. 2012. Public Private Partnerships Reference Guide Version 1.0. Washington, DC: Author.
- Hedlund, K. 2007. Nuts and Bolts of Public Private Partnerships. Presentation made to the State of Florida House Committee on Infrastructure, January 11: slide 18

Sources

- Yescombe, E.R. (2007) Public Private Partnerships: Principles of Policy and Finance. Burlington, MA: Elsevier.
- Florida Department of Transportation. 2009. Concession Agreement for I595 Roadway Improvements Project Between Florida Department of Transportation and I595 Express, LLC.: 70-71
- European PPP Expertise Centre. 2011. The Guide to Guidance: How to Prepare, Procure and Deliver PPP Projects. Luxembourg: 13.
- Ugarte, C., G. Guiterrez, and M. Phillips. 2012. *A Roadmap to Funding Infrastructure Development*, International Transport Forum, Discussion Paper 2012-9, Prepared for the Roundtable on: Public Private Partnerships for Funding Transport Infrastructure, Sources of Funding, Managing Risk and Optimism Bias, September: 27-28
- For a discussion of the difference in relationships between privatization contracts and P3s, see Forrer, J., J. E. Kee, K. Newcomer, and E. Boyer. 2010. Private-Public Partnerships and the Public Accountability Question. *Public Administration Review* 70 (3) (May/June): 475-484.
- Dochia, S. and M. Parker. 2009. Introduction to Private Public Partnerships with Availability Payments. Philadelphia, PA: Jeffrey A. Parker and Associates
- Ibid, p.3.
- Garvin, M., K. Molenaar, D. Navarro and G. Proctor. 2011. Key Performance Indicators in Private Public Partnerships. Washington DC: Federal Highway Administration: 5.
- Harder, P. 2009. Availability Payments: An Alternative PPP Payment Mechanism. IBTTA 2009 Transportation Finance Summit, December 15 presentation.
- See for example, ARUP/PB Joint Venture. 2010. *Analysis of the Delivery Options for the Presidio Parkway Project*. San Francisco, CA: The San Francisco Transportation Authority.

Sources

- For slides 5-23 and 45-50, please refer to all citations and references within Martin & Saviak (2014) CONTRACTING & PUBLIC-PRIVATE PARTNERSHIPS (P3s) A Guide for State & Local Government Officials & Administrators
- For slides 37-44, Final Report and Recommendations – Partnership for Public Facilities & Infrastructure Act Guidelines Task Force (2014). Retrieved from http://www.dms.myflorida.com/agency_administration/communications/partnership_for_public_facilities_infrastructure_act.
- Please refer to all citations and references within Lawther, Martin, et al Flexible and Rapid Decision Making Related to Public Private Partnerships (P3) Funding Models in Transportation (2014)
- For slides 26-36, Florida Statutes 334.30 and 287.05712 retrieved from <http://www.leg.state.fl.us/>
- For slides 56-57 & 67-69, Saviak, J., Martin, L. & Lawther, W. “Public-Private Partnerships for Transportation Infrastructure: Challenges for State & Local Government Public Procurement in the United States” presented at IPPC, Dublin, Ireland, 2014.
- For slides 58-66, Lawther, W. & Martin, L. “Evaluation of Process and Goal Achievement for Transportation Public Private Partnerships: Implications for Public Procurement “ presented at IPPC, Dublin, Ireland, 2014.
- Luken, E. “Public-Private Partnerships – New Florida Legislation (2014) Retrieved from <http://www.fappo.org/docs/PP-%20Elysha%20Luken%20-%20Public%20Private%20Partnerships.pdf> – FAPPO Conference West Palm Beach, FL .
- Kimball, L. (2011). Large scale redevelopment in challenging times. Economic Development Journal, Vol. 10, 3, 39-46.



Success with Public-Private Partnerships

Dr. Joe Saviak, Ph.D., J.D., M.A., M.S.

