

47th Annual Illinois Bituminous Paving Conference

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Public - Private Partnerships

PPP

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A close-up photograph of two hands shaking in a firm grip. The hand on the left is wearing a white shirt with thin red vertical stripes. The hand on the right is wearing a dark suit jacket over a light-colored shirt. The background is a soft, out-of-focus blue and white.

Public - Private Partnerships

Contractual agreements formed between a public agency and private sector entity.

For Transportation, private sector participation has typically been limited to separate planning, design or construction contracts.

Today, many states and the Federal government are seeking greater private sector participation in the delivery of transportation projects.

Public - Private Partnerships

A close-up photograph of two hands shaking in a firm grip. The hand on the left is wearing a white shirt with thin red vertical stripes. The hand on the right is wearing a dark grey suit jacket over a white shirt. The background is a soft, out-of-focus blue and white, suggesting an outdoor setting with light.

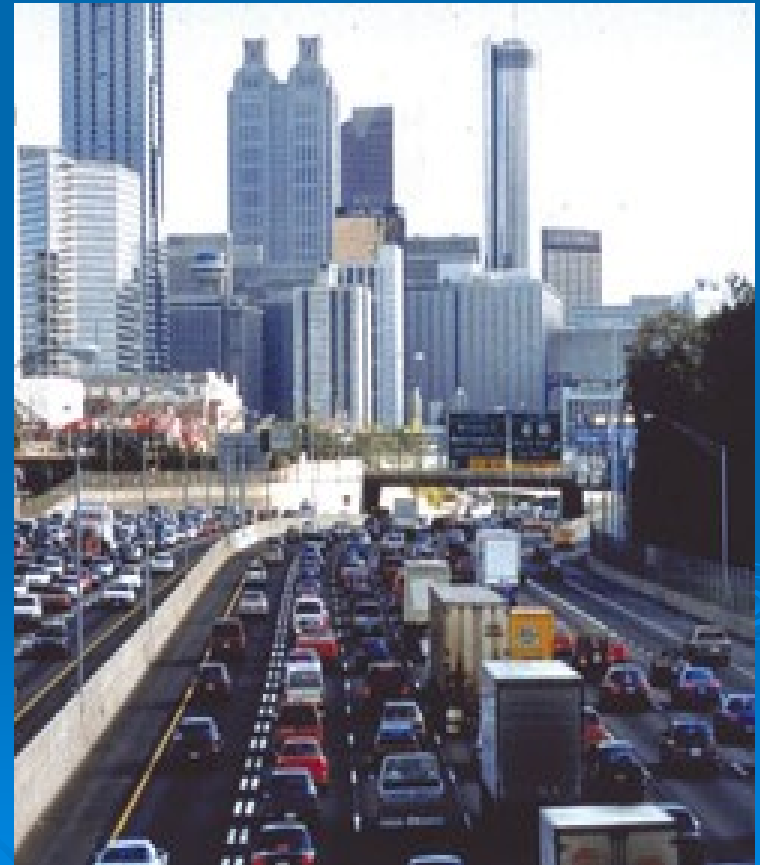
Plan
Design
Finance
Build
Operate
Maintain

Public - Private Partnerships

Why?



Congestion



Congestion



The Problem

Increasing Congestion.

Revenues for Transportation are not keeping up with needs.

Increasing Cost of Providing and Maintaining Transportation Infrastructure.

National Surface Transportation Policy and Revenue Study Commission

Commissioners

Mary Peters, U.S. DOT Secretary of Transportation— Chairperson

Frank Busalacchi, Wisconsin Secretary of Transportation

Rick Geddes, Cornell University Dept. of Policy Analysis and Management

Steve Heminger, Executive Director, Metropolitan Transportation Commission

Frank McArdle, General Contractors Association of New York

Steve Odland, Chairman and CEO, Office Depot

Vacant

Patrick Quinn, Chairman, American Trucking Association

Matt Rose, CEO, Burlington Northern Santa Fe Railroad

Jack Schenendorf , Of Counsel, Covington & Burling-Vice Chair

Tom Skancke, CEO, The Skancke Company

Paul Weyrich, Chairman and CEO, Free Congress Foundation

The Perfect Storm



Examples of PPPs

Chicago Skyway



Examples of PPPs

Chicago Skyway

Indiana Toll Road



Examples of PPPs

Chicago Skyway

Indiana Toll Road

Trans-Texas Corridor



Variations of PPPs

Solicited Proposals

Unsolicited Proposals

Tolls

No Tolls

Shadow or Pass Through Tolling

Special Taxing Districts

HOT Lanes

Non-compete clauses

Etc. Etc. Etc.



Advantages of PPPs

Increased Capital Investments

Improved Efficiencies

Quicker Completion Times

Shared, or Allocated, Risks



Public - Private Partnerships

Enabling Legislation



Electronic Tolling



FHWA PPP Website

www.fhwa.dot.gov/ppp

Thank you

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