

PUBLIC-PRIVATE TRANSPORTATION PARTNERSHIP BOARD
SUMMARY MINUTES
HARRISBURG, PENNSYLVANIA
FEBRUARY 28, 2014

CALL TO ORDER:

The third meeting of the Public Private Transportation Partnerships Board (Board) was convened by Secretary Barry J. Schoch, P.E., at 11:00a.m. on Friday, February 28, 2014, in PUC Hearing Room 1, Keystone Building, Harrisburg, PA.

ROLL CALL:

Members Present:

Honorable Barry J. Schoch, P.E, Chair
Mr. Ryan Boyer
Mr. Ronald Drnevich
Mr. Michael Murchie
Honorable Steven Santarsiero

Members Not Present:

Honorable Charles Zogby
Mr. Nicholas DeBenedictis

OLD BUSINESS:

On a motion by Representative Santarsiero, seconded by Mr. Drnevich, and unanimously approved, the meeting minutes from the September 27, 2013 were approved.

APPROVED PROJECTS UPDATE:

Rapid Bridge Replacement Project:

Director of the P3 Office, Bryan Kendro, gave the Board an update on Rapid Bridge Replacement Project. This is the replacement of 550 to 650 structurally deficient bridges across the Commonwealth. On December 12, 2013, the Department issued a Request for Qualification (RFQ) soliciting Statements of Qualifications (SOQ) from teams interested in pursuing this contract. The Department received 5 SOQ submissions on February 7, 2014. The Department is currently evaluating these submissions. The Department will shortlist 3 or 4 firms who will be qualified to respond to the Request for Proposals (RFP) which is anticipated to be issued in June. Proposals will be due in September. The Department anticipates signing a contract with one of the firms at the end of the year. The ultimate goal is to begin construction in 2015. The

Department is already in the process of getting the necessary environmental clearances, right of way acquisitions and permitting approvals for 50-100 early completion bridges to hand over to the selected proposer to begin construction in 2015. The 5 teams who submitted statement of qualifications include:

- Plenary Walsh Keystone Partners: Plenary Group, The Walsh Group, Granite Construction Company, HDR Engineering, HNTB Corporation and Infrastructure Corporation of America;
- Keystone Bridge Partners: InfraRed Capital Partners, Kiewit, Parsons, The Allan A. Myers family of companies, DBi and American Infrastructure;
- Commonwealth Bridge Partners: John Laing Investments, Fluor, American Bridge Company, Traylor Bros. Inc., Joseph B. Fay Co., STV Incorporated and Infrastructure and Industrial Constructors;
- Keystone Bridge Builders: Macquarie, PCL, Conti Enterprises and Stantec Consulting Services; and
- Pennsylvania Crossings: Meridiam, Lane Construction, AECOM, Trumbull, Wagman Companies and Cofiroute.

The Department was happy to see significant involvement from PA contractors and engineers to be part of these teams.

No action was required by the Board.

Sponsorship and Advertising Program:

Kathryn Tartaglia, P3 Office, gave the Board an update on the sponsorship and advertising program. On January 9, 2013, the Board approved the P3 sponsorship and advertising program. Travelers Marketing was selected in December as the marketing consultant to assist PennDOT and the Pennsylvania Turnpike Commission in developing an active sponsorship and advertising program that will generate revenue and offset program costs. Assets that are being made available for the program include service patrol vehicles, rest areas and welcome centers, emergency call boxes and the 511 service among others. Kickoff meetings have been held with PennDOT's bureaus to discuss potential sponsorship opportunities. As part of the partnership, Travelers Marketing guarantees a minimum of \$4 million dollars in revenue over the next five years.

Mr. Ronald Drnevich asked Secretary Schoch if there are any current programs like this in the state. Secretary Schoch explained that the PA Turnpike Commission has a sponsorship agreement with their patrol vehicles.

Mr. Michael Murchie requested some clarification as to if the \$4 million revenue guaranteed by Travelers Marketing would be incremental or is it replacing existing dollars? Mr. Kendro explained it is additional revenue. As part of the proposal Travelers Marketing submitted they had to guarantee a baseline of revenue over the life of the contract. Travelers Marketing's contract is success fee based contract so all their costs essentially get rolled into a percentage of future contracts they are able to secure for the Commonwealth.

Secretary Schoch explained to the Board that the Federal Government restricts and limits certain commercial activities at rest areas and welcome centers and any P3 project will be limited to those opportunities that are allowed under existing laws and regulations.

No action was required by the Board.

511 Traffic and Traveler Information:

Dale Witmer, P3 Office, gave the Board an update on the 511 Traffic and Traveler Information program. A contract was awarded to Information Logistics. The first phase of the project included updating the 511 website. The next phase will include developing a mobile application which will be very similar to Pennsylvania Turnpike Commissions' TRIP Talk mobile application. This application will be a hands-free, eyes-free application which will provide traveler information.

Representative Santarsiero asked Mr. Witmer when he expects this mobile application to be available to the public. Mr. Witmer explained the 511 app will be available May 1st. The phone will go dark while someone is behind the wheel and will notify the driver when there is an incident.

Secretary Schoch explained one of the biggest concerns is secondary accidents from backups when there is an accident. The Department has been after real time information for a very long time. The Board's action was timely and getting this in the private sector hands is the right place for it since they can move quickly with this program.

Mr. Ryan Boyer asked how this information will be advertised to the public. Mr. Witmer explained that one challenge in announcing this application is that Android systems and the approval system for Apple systems is on different schedules. The Department will have to wait for the application to be approved. Apple will take longer to go through the approval process.

Mr. Kendro explained that Travelers Marketing will also be looking for opportunities to sell sponsorship on the physical 511 road signs which generate revenue. Revenues generated will allow the Department to put more money behind the marketing and awareness of the 511 system.

Representative Santarsiero asked if the application will include traffic congestion as well. Mr. Witmer explained the application will include traffic congestion as well as weather conditions or any information the driver would like to be notified on.

Representative Santarsiero asked for further clarification as to how this application will work Mr. Witmer explained that it uses the smartphone GPS. The driver enables that feature so the phone knows your exact location. Prior to the trip, the driver programs the radius you would like to receive information. The driver can program the application to receive travel information on one direction of traffic or both. Mr. Witmer explained the information the driver receives is all audible.

No action was needed by the Board.

Wireless Telecom Partnership:

Mr. Witmer updated the Board on the Wireless Telecom Partnership. This was approved by the Board on September 27, 2013 as an unsolicited proposal. The Department is currently drafting a Request for Qualifications (RFQ) and anticipates issuing this in a month or so. The purpose of this project is to market PennDOT's assets to wireless industries. The Department is looking for an entity that would design-build-finance-operate- and maintain the towers and share that revenue with the Commonwealth. This entity would embark on an aggressive program to saturate the market to result in the greatest revenue for the Commonwealth. In the past, the Department has been waiting for entities to come to us. The Department has learned in the last several months the industry is looking to increase their network because of the high demand for data. Telecom providers are looking to double and triple their network in the next two to three years. PennDOT is looking at two different scenarios for this project. The first scenario includes PennDOT leasing land to a company who would install these towers. The Department would receive revenue from all the entities that would co-locate and reserve space for PennDOT's use as well. The second scenario includes attaching antennas to existing assets such as bridges or buildings.

Mr. Kendro mentioned there is also an operational benefit to PennDOT. PennDOT has started to deploy smartphone devices and apps specific to its operations to allow employees to be more efficient in the field. Employees can use their tablet applications for bridge inspections or other field operations instead of driving back to the office to complete their work. Beyond cell users having better coverage, PennDOT employees working in the field will have better operational capabilities.

Mr. Pete Tartline asked if there will be opportunities in the future to coordinate with Pennsylvania State Police statewide radio program. Secretary Schoch explained that this is something PennDOT will need to have discussions with State Police and make sure there are not opportunities PennDOT is missing out on.

No action required by the Board.

Truck Permitting and Routing System:

Mr. Witmer presented an update to the Board on the Truck Permitting and Routing System. The Department is preparing an RFP to be issued in May. This system is intended to improve PennDOT's current routing system and integrate fully with other states routing system.

Secretary Schoch explained to the Board that Pennsylvania is taking a leadership role in the Northeast Association of State Highway Transportation Officials working on permitting process improvements. This system is really going to benefit the trucking industry on and allow better coordination of these permits. Each state has different laws and regulation for hauling. This will help encourage states to communicate better.

No Board action was required.

PROJECTS UNDER DEVELOPMENT:

Keystone Line Train Station Development:

Mr. Kendro updated the P3 Board on the development of the Keystone Line Train Station project. PennDOT issued an RFI on February 21, 2014. The Keystone Line runs from Harrisburg to Philadelphia. PennDOT is looking for opportunities to redevelop the suburban stations from Ardmore to Harrisburg. PennDOT has already completed a redevelopment project at the Elizabethtown station. Some of these stations have already been through some level of development. The Department has been working with local communities on the engineering and planning on what the stations could look like. The Department feels this would be a great opportunity as a P3 project to maximize revenue associated with the redevelopment of the properties. PennDOT wants to hear back from the private sector on how PennDOT can maximize the revenue the property around these stations. Some stations will be redeveloped at the existing locations while others will be moved to a location where land was already acquired by PennDOT such as the Middletown station. PennDOT is looking at some stations to be a P3 project from an operational and maintenance standpoint such as plowing snow, trash removal and other maintenance tasks. Other stations such as the Paoli or Middletown will be a complete redevelopment project.

No Board action was required.

NEW BUSINESS:

P3 OFFICE ANNUAL REPORT:

One of the requirements from Act 88 is an annual P3 report to the General Assembly. The report includes updates on each project the P3 office is working on. Approval from the Board is needed to issue the annual report to the General Assembly. The P3 Office requests the Board to make any necessary changes to the draft report before it is submitted to the General Assembly this spring.

On a motion by Mr. Drnevich, seconded by Mr. Boyer, and unanimously approved, the P3 Annual Report was approved for submission to the General Assembly this spring.

2014 UNSOLICITED OPPORTUNITIES:

Act 88 requires the P3 office gives two windows for the submission of unsolicited proposals. The P3 office is suggesting the next two windows for April and October.

On a motion by Mr. Murchie, seconded by Mr. Boyer, and unanimously approved, the next two opportunities for submission of unsolicited proposals are April and October.

UNSOLICITED PROJECTS (OCTOBER 2103):

Mr. Witmer gave the Board an overview of the only unsolicited proposal for October 213, LED lights retrofit project at the I-81 Summerdale Interchange. The Department met with the proposer, Lewis Strategic Consultants, and determined that the technology is worthy of pursuing as a pilot project under a traditional procurement. The proposal as a P3 in terms of the location, the timing of the technology and the development of ASHTO standards of LED lighting factored in the decision that it would be more suitable as a pilot project before considering it as a statewide P3 project.

No Board action required.

NEXT MEETING:

Future Board meeting has not been scheduled at this time.

PUBLIC COMMENTS:

No public comments were received.

ADJOURNMENT:

On a motion by Mr. Boyer, seconded by Mr. Murchie, the meeting was adjourned at 12:00p.m.