

PUBLIC-PRIVATE TRANSPORTATION PARTNERSHIP BOARD
SUMMARY MINUTES
HARRISBURG, PENNSYLVANIA
JANUARY 9, 2013

CALL TO ORDER:

The second meeting of the Public-Private Transportation Partnership Board (Board) was convened by Secretary Barry J. Schoch, P.E., at 1:00p.m. on Wednesday, January 9, 2013, in PUC Hearing Room 1, Keystone Building, Harrisburg, PA.

CHAIRMAN'S REMARKS:

Secretary Schoch thanked members of the public for their attendance in today's meeting.

ROLL CALL:

Members Present:

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

Member Not Present:

Honorable Charles Zogby

OLD BUSINESS:

Minutes from the October 18, 2012 meeting were unanimously approved by the Board.

PRESENTATIONS:

Mr. Bryan Kendro, Director of the Office of Policy and Public Private Partnerships (P3) Office, and Robert Shay, Esq., Senior Deputy Chief Counsel of the Governor's Office of Chief Counsel, presented the Draft Implementation Manual and Guidelines for Public-Private Transportation Partnerships to the Board for their final approval as well as a presentation of PennDOT solicited P3 projects related to traveler information and traffic management systems.

Key points included in the presentation on the Manual and Guidelines of the Board included:

- The purpose of the manual is to provide guidelines for the development and implementation of solicited and unsolicited projects.
- The contents in the manual include a legal framework which describes the provisions of Act 88 and how they apply to the P3 program. The manual discusses how the P3 Office and P3 Transportation Board will approve, develop, identify, screen, procure and deliver any P3 project and also the continued oversight of P3 projects.
- The solicited projects process is laid out in the guidelines. The beginning process offers the opportunity for a public entity to issue an RFI (Request for Information) from the private sector for projects that they believe are possible P3 projects. If the Public Entity feels they have a viable P3 project at that point then they would submit a candidate project form which is submitted to the P3 office for a formal review. The P3 Office is responsible to reach out to any interested parties who may be impacted by this project or gather any other information for the Steering Committee for their review.
- The Steering Committee is comprised of the Secretary of Transportation and other executive level staff from PennDOT and the Administration. Also, for example the Turnpike Commission may participate in the Steering Committee for any Turnpike related projects as well as any other outside public entity who may be involved in a particular project. This is a high level review within the Administration with experts in different areas for their review of the proposal, discuss it and prepare recommendations to the Secretary as Chair of the Board. The Chair will deliver these recommendations to the Board. If the Board approves any PennDOT projects, there is a window for the legislatures to veto or pass by a concurrent resolution in both chambers. Assuming it passes through that process, the Public Entity is required to issue a RFP (Request For Proposal) for that project. The public entity retains the right to pull back on a RFP at any time for any reason.
- The unsolicited projects process, at the very beginning, gives an opportunity for one-on-one meetings with the private sector to discuss an idea they have before it develops into a formal proposal. If they do feel they have a viable proposal they are able to submit that to the P3 Office or to the Public Entity they are looking to do the project with or to the Board itself.
- The guidelines lay out elements that PennDOT, the P3 Office or Public Entity will look for to determine what a viable proposal is and places some requirements on minimum information that must be included. The same process for solicited proposals will then be followed by the P3 Office for review and comment by the Steering Committee, approval by the Board, and again the opportunity for legislative veto of Commonwealth projects with the public entity then administering a RFP process.
- As part of the unsolicited proposal process, the P3 Office will establish dates which will be approved by the Board. These dates will determine when the Board will accept and consider unsolicited proposals for projects owned by the Commonwealth. There is the ability for public entities outside the Governor's

jurisdiction to establish their own timeframe for accepting unsolicited proposals. For Commonwealth projects there must be at least 2 windows during the course of the year to submit unsolicited proposals and each can be no longer than 6 months apart from each other.

- As part of the requirement for unsolicited proposals, if the project costs less than \$10 million there is no proposal deposit. If the project costs more than \$10 million, the P3 Office will require a deposit of \$50,000 as part of that proposal. The deposit will only be cashed if it advances beyond the initial Steering Committee high level policy analysis review by the Department. If it goes through the more lengthy detail review which may require expertise outside the Department, the deposit will be cashed to help offset any review costs. The P3 Office may also come to an agreement with the Private Entity on a shared cost structure going forward.
- There is an opportunity for industry meetings by the prospective offerors before responding to the RFP. Proposals will be evaluated on the basis of pre-established criteria with assigned weights. The Public Entity will conduct discussions and holds negotiations and a proposal which is in the best interest of the Commonwealth will be selected.

On a motion by Mr. Michael Murchie and seconded by Representative Steve Santarsiero, and unanimously approved by the Board, the Implementation Manual and Guidelines for Public-Private Transportation Partnerships was approved.

On a motion by Mr. Michael Murchie, and seconded by Representative Steve Santarsiero, and unanimously approved by the Board, the windows of opportunity for unsolicited proposals is May 1st through May 31st and October 1st through October 31st.

The Board was presented with PennDOT's Traveler Information and Traffic Management Systems project, which is a collaborative effort with the Pennsylvania Turnpike, to consider and approve. The overview of this project was presented by Mr. Bryan Kendro, Robert Shea, and Craig Shuey, Chief Operating Office and Acting CEO for the Pennsylvania Turnpike. This will be the Board's first solicited proposal to consider.

Key points addressed in this presentation included:

- The Turnpike Commission operates a variety of traffic information services by sending emails, text messages and has an award winning Smartphone app that reads traffic information to you so you don't have to take your eyes off the roadway. This information is valuable to the Turnpike. They can keep the traffic moving in a different direction if there is an accident ahead so there is not a back-log.

- While the Turnpike is doing a good job with these services, they still have difficulties keeping up with the evolving technology. There are still a variety of apps out there that could be available for travelers to use.
- The Turnpike is looking for an opportunity to bring more to this system and try to get more information out to the public.
- Some of the leading states with 511 traffic information, Virginia, Georgia and Florida, have services which are conducted by private entities that provides apps and other ways to communicate with drivers. These states are also using the sponsorship approach where revenue can be generated off of the 511 signs. Virginia predicts their signage alone will offset costs to the 511 program by about \$10 million.
- PennDOT and the Turnpike have looked at pieces of this program and opportunities for sponsorships. There has been value realized by other states combining all sponsorship and advertising opportunities together.
- PennDOT is looking at our traffic operation centers to determine if there is the ability through a private entity to do things more efficiently, updating equipment, and do better with sharing information with other parts of the state.
- Other states are ahead of Pennsylvania in taking advantage of the latest technology and it's time for Pennsylvania to take certain pieces of this project, bundle them together as appropriate and take advantage of the technology that is out there.

511 services include:

- **Traffic Flow Data:** This is a collection of traffic flow data and traffic speed which is implemented into the 511 services. It is used internally to manage Pennsylvania's roadway conditions when there are slow downs. This data is integrated into the 511 website to show travelers where the slow downs are by displaying them as red, yellow and green. Pennsylvania has limited traffic sensors in Pittsburgh and Philadelphia areas. To get meaningful data to the 511 website this is the most cost effective way to collect the data instead of using our own limited sensors. This element of the project would be to continue to purchase private speed data for PennDOT and the Turnpike's use and look for opportunities to leverage the private sector innovations and cost effective opportunities.
- **Video Sharing Solution:** PennDOT has a large network of 600 traffic cameras that are deployed in Pennsylvania's metro areas as well as in some of the rural areas and the Turnpike. This is primarily used for traffic monitoring and freeway surveillance. This is provided to the public through the 511 program. Pennsylvania does not have a good statewide solution where it can share that video with between traffic management centers. Many other states have looked to the private sector for solutions.
- **Traffic Management Centers & Proposed Regional Traffic Centers (District 2 in Clearfield/State College region):** Looking for the opportunity to leverage the

private sector capabilities for staffing and finding efficiencies in these new centers.

- Freeway Service Patrols: PennDOT would look to capitalize on opportunities for sponsorship for some of these services either to help offset costs.
- Road Weather Information System: The Department has a network of roadway information system sensors which are along the roadside. There are between 75 and 100 around the state. Some of the technology for this system needs to be updated. Pennsylvania is looking to the private sector to help to find ways to better update that technology and to better operate and maintain in a cost effective way .
- Sponsorship of Welcome Centers and Rest Areas: Pennsylvania is looking for ways to offset the operations and cost of maintenance at rest areas.
- Sponsor-A-Highway Program: The Department is contracted with a vendor that solicits sponsors for certain parts of the roadway.
- Outdoor Advertising Program: Any outdoor advertising is currently accomplished through surveillance done by district PennDOT crews who also process applications for new signs. PennDOT is looking to the private sector to offset the costs PennDOT crews do in the outdoor advertising sector.
- Yellow Dot Program: This program is to assist individuals and emergency personal during a traffic accident. A yellow sticker is placed on the outside of the glove box and a folder is placed in the car's glove box with any medical information that emergency officials may need to know while treating you. This is currently funded by the Federal government but the money will soon run out. PennDOT is looking for way to provide funding to keep this program running.

On a motion by Mr. Ronald Drnevich and seconded by Representative Steve Santarsiero, and unanimously approved by all members of the Board, the 511 Traveler Information and Traffic Management Systems was approved as a P3 solicited project.

NEXT MEETING:

The next Board meeting will take place as necessary but not likely until this summer.

PUBLIC COMMENTS:

No public comments were received.

ADJOURNMENT:

The Public-Private Transportation Partnership Board was adjourned at 2:00pm.