



Oregon Department of Transportation



Oregon's Unique Approach to PPPs

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ARTBA

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Oregon Innovative Partnerships Program (OIPP)

- **Allows Unsolicited Proposals or Solicited Proposals**
 - **From Private Firms** (“Any ... legal entity or ...person ...”)
 - **From Units of Government** (“... any department or agency ... federal, ... state, ... city, county, district, commission, authority, entity, port or other public corporation ... and any intergovernmental entity ...”).
- **Allows Procurements outside standard processes of Oregon procurement law**
 - Projects Selected by Best Value or Qualifications rather than Lowest Bid
 - Allows Entry of Private Partners as early as Conceptual Stages



OIPP Agreements

Under OIPP authority, ODOT may enter into agreements - if approved by Oregon Transportation Commission - relating to transportation projects the subject of which may include, but need not be limited to:

Planning

Development

Reconstruction

Maintenance

Leasing

Acquisition

Design

Replacement

Management

Operation

Financing

Construction

Improvement

Repair

Any Financing Mechanism (franchise & user fees)



OIPP Statutory Definition

“Transportation project” -- “any proposed or existing undertaking that facilitates any mode of transportation in this state.”

- Broad application authority could be applied to Roads, Bridges, Rail, Ports, Ancillary Facilities, Telecommunications, Transmissions



What Oregon Seeks via Public Private Ventures

- Augmentation of traditional state resources
- Access to development capital
- Expert financial expertise on project financing options
- Expedited project development
- Entrepreneurial approaches to project development



Why ODOT Chose PDA RFP Approach

- **Solicited Proposals** – Controlling project selection
- **Two stage, Triple Project Procurement** – Investment of private capital and expertise into development while ensuring private partner commitment project development
- **Wide Open Proposal Opportunity** – Attracting innovation into project development and financing
- **Project Extensions** – Creating most viable project



Where We Are

ODOT signed contracts with the Oregon Transportation Improvement Group (OTIG), a Macquarie-led consortium for pre-development work.

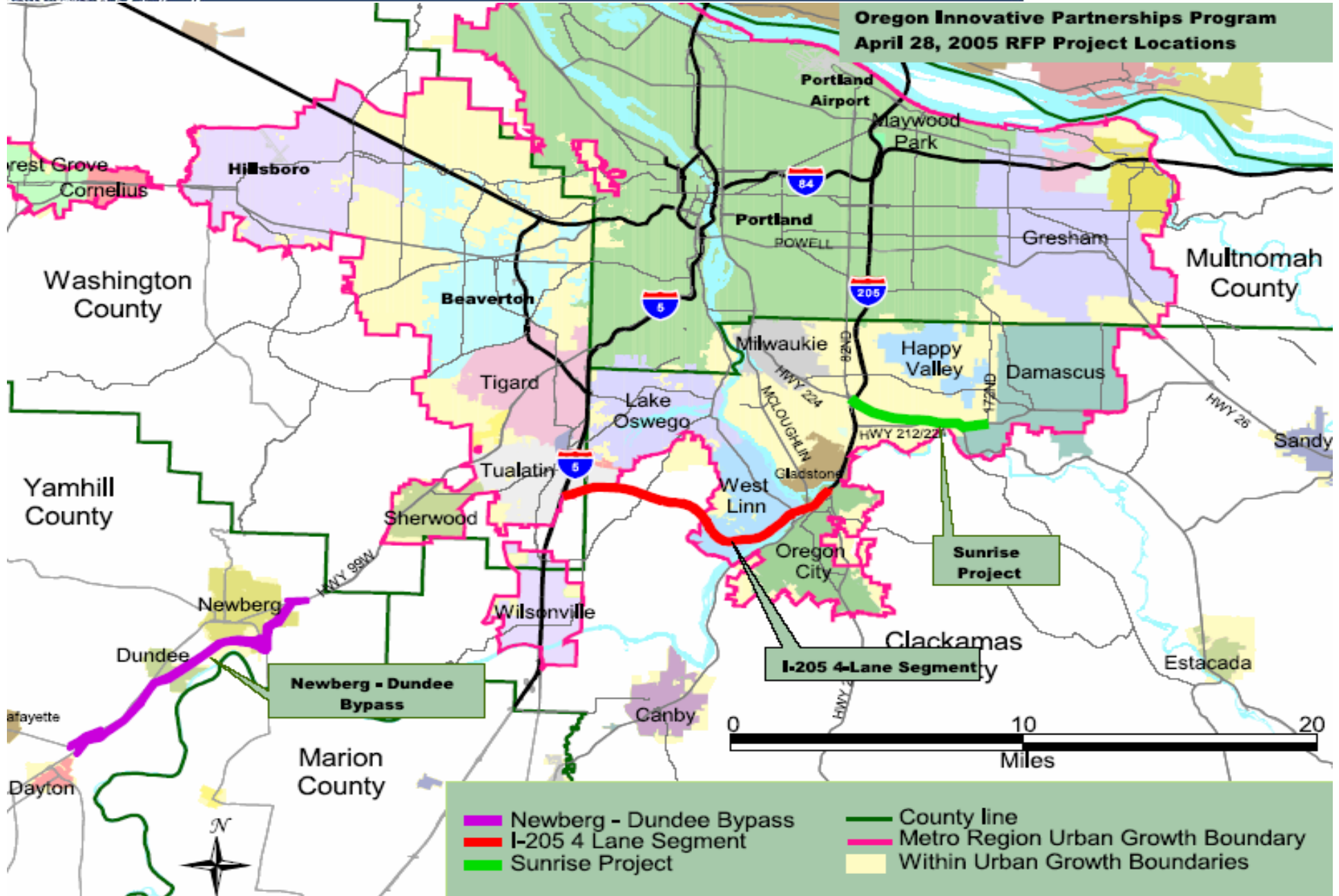
- 1.The Sunrise Corridor** - New limited-access 4-lane facility
- 2.South I-205 Corridor Improvements** – Possible tolled expressway in SE Portland
- 3.Newberg-Dundee** - Bypass of congested state highway



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**Oregon Innovative Partnerships Program
April 28, 2005 RFP Project Locations**



- Newberg - Dundee Bypass
- I-205 4 Lane Segment
- Sunrise Project
- County line
- Metro Region Urban Growth Boundary
- Within Urban Growth Boundaries



Advantages to ODOT of 2006 PDA Approach

Sharing Risk Among the Parties

- Up-front investment of private capital for project development
- Exposure cap on project development costs
- OTIG assumes 100% of risk for project financing and facility operation under multi-decade concession period.

Collaborative Working Groups

- Active interaction between Oregon DOT staff and OTIG professionals
- Greater public acceptance

Off Ramp Opportunities for Exiting Arrangement

- Provides political cover
- Allows exploration of less obvious project candidates



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*Website for
Oregon Innovative
Partnerships Program*

More information available at:

www.oregon.gov/ODOT/HWY/OIPP/innovative.shtml

