



Oregon Department of Transportation



# Oregon Innovative Partnerships Program

*Presented to*

***Joint Policy Alternatives Committee  
on Transportation***

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## Innovations in Procurement for Oregon Transportation Projects

1. Review of the Oregon Innovative Partnerships Program (OIPP)
  - Current OIPP Procurement for Three Highway Projects



## Oregon Innovative Partnerships Program – A New Transportation Procurement Method

- Develop Partnerships with Private Entities and Units of Government;
- Expedite Transportation Project Delivery;
- Maximize Transportation Project Innovation. (ORS 367.804(1))
- Leverage Public Funding with Private Sources of Capital  
(Legislative History of SB 772 (2003))



Oregon Innovative Partnerships Program allows ODOT to Solicit Proposals or Accept Unsolicited Proposals (ORS 367.804)

- **OIPP procurements outside processes of Oregon government procurement law of ORS Chapter 279 (ORS 367.806(5))**
  - Projects Selected by Best Value instead of Lowest Bid
  - Allows Entry of Private Partners at Conceptual Stages of Project



## 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)

(ORS 367.806)



## Relevant Provisions of OIPP Law

- Local Consultations (ORS 367.804(3)(c))
- Consistency with Local, Regional and State Transportation Planning (ORS 367.806(2)(h))
- No Change in Transportation Planning Requirements or Processes
- No Change in Land Use Planning Requirements or Processes
- No Change in Environment-related Permitting Requirements or Processes
- No Change in NEPA Requirements or Processes



## OIPP Currently Soliciting Proposals In One Procurement For Multiple Projects

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
- **Two Phase Procurement Process:** Pre-development Agreement followed by Implementation Agreement
  - **RFP allows Enhancements and Modifications** beyond project descriptions



## Characteristics of Pre-Development Agreements

- **Selection.** Choose partner based on qualifications, project understanding, financing approach and proposed compensation
- **Early Project Entry.** Private partners brought in early to undertake activities to support NEPA process and speed up project delivery
- **Financial Resources.** Contributed from both sides
- **Work Tasks.** Concurrent rather than sequential work:
  - Development of funding and financing plans
  - Public and political consensus building
  - Design innovation and project staging
  - Optimizing transportation solutions (modifications)
  - Formation of necessary districts or authorities

**If Phase One is successful, ODOT and Private Partner enter into negotiations for subsequent implementation agreements**



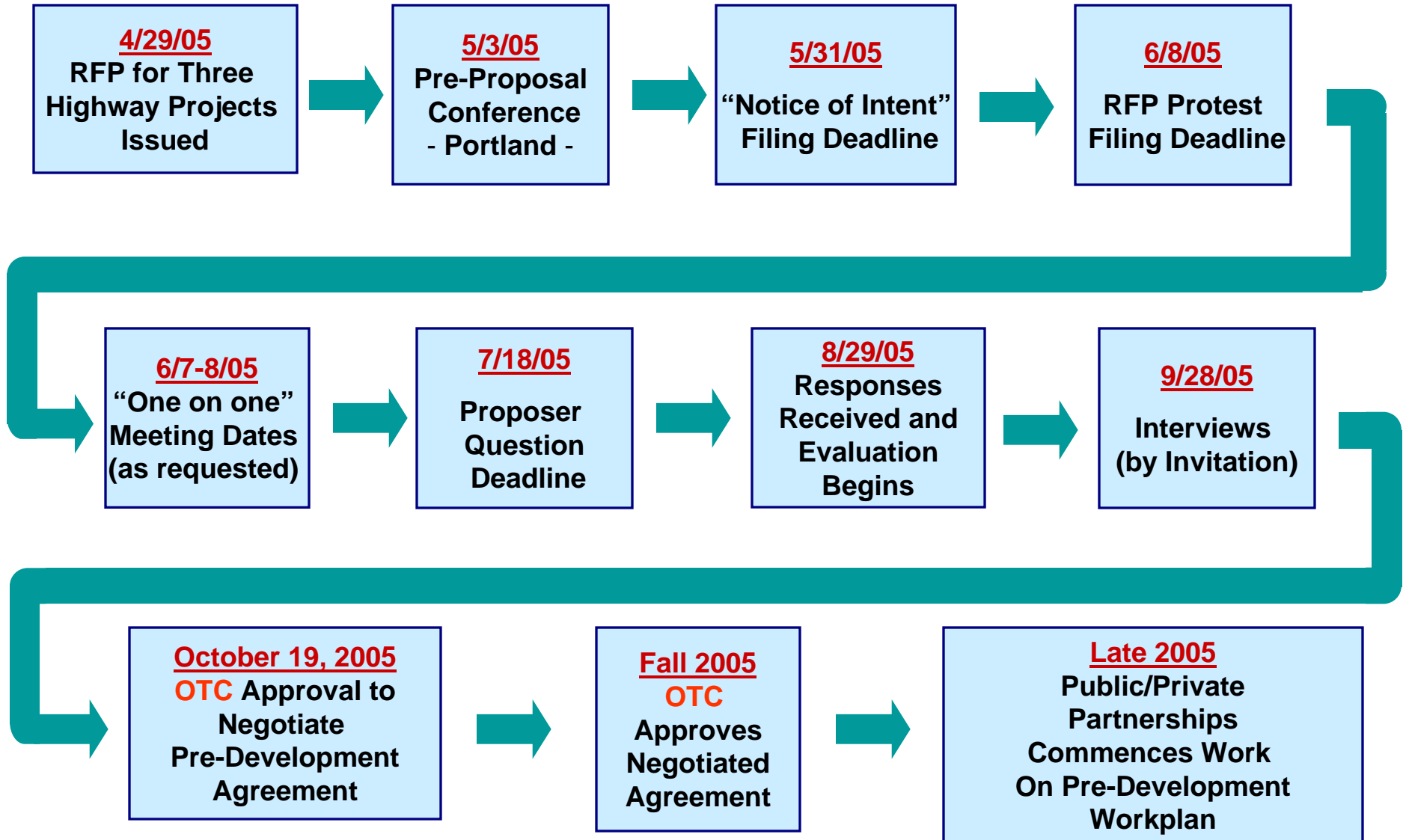
## OIPP Procurement for Three Highway Projects

### **Proposals Submitted on August 29, 2005**

- **Yamhill Transportation Partners** (Bechtel Infrastructure Corporation & CH2M Hill Constructors Inc.)
  - Newberg Dundee Transportation Improvement Project
- **Oregon Transportation Improvement Group** (Macquarie Group)
  - Newberg Dundee Transportation Improvement Project
  - I-205 Widening
  - Sunrise Corridor



## OIPP Procurement for Three Highway Projects





## OIPP Procurement for Three Highway Projects

### **Evaluation and Selection Timeline**

- Receipt of Proposals (Aug 29)
- Responsiveness Review (Aug 30)
- Technical Review Team (TRT) Review (Sept 1 to 12)
- OIPP Technical Consultant Team Review (Sept 1 to 16)
- Local Consultations (Sept 12 to 16)
- Evaluation Team (ET) Preliminary Review (Sept 8 to 22)
- Proposer Interviews (Sept 28 & 29)
- ET Report & Recommendation to ODOT Director (Oct 3)
- ODOT Director Evaluates & Recommends to OTC (Oct 4)
- OTC Action on Recommendations (Oct 19)



# OIPP Procurement for Three Highway Projects

## Local Consultation

- Required during evaluation process with appropriate local governments, transportation districts, MPOs and area commissions on transportation. [ORS 367.804\(3\)\(c\)](#); [OAR 731-070-0295](#)
- ODOT requests local views on the following
  - Local opinion on qualification of proposers (may include preference)
  - Local opinion on elements of proposed project development
  - Local preference or aversion for a particular proposer
  - Local opinion on whether the proposals will likely accelerate cost-effective delivery or promote innovative approaches in carrying out the project



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*Website for Oregon Innovative  
Partnerships Program*

**[www.oregon.gov/ODOT/HWY/OIPP/innovative.shtml](http://www.oregon.gov/ODOT/HWY/OIPP/innovative.shtml)**

