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House Public Private Partnership Panel Hears from State DOT Representatives on PPP Experiences

Four state transportation department representatives spoke at a House Transportation and Infrastructure Public Private Partnership Panel roundtable on Wednesday, sharing their individual state's experiences with the transportation financing tool.

"There is considerable variation between the states in terms of the types of projects authorized, the governance structures utilized, and the degree to which state legislatures approve projects," said panel Chair John Duncan (R-TN). "The private sector possesses unique strengths, advantages, and roles when it comes to transportation infrastructure. Effective collaboration between the private sector and the government increases efficiency and maximizes taxpayer investment in our nation's infrastructure. I am eager to explore this new era of public-private partnership and how the states are successfully pursuing this strategy."

Duncan and the rest of the PPP panel heard from: Virginia Office of Transportation Public Private Partnerships Director Douglas Koelemay; Leif Dormsjo, Deputy Secretary, Planning & Project Management, Maryland Department of Transportation; Pennsylvania Department of Transportation Office of Policy & Public Private Partnerships Director Bryan Kendro; and Florida Department of Transportation's Leon Corbett.

The general consensus from all speakers was that PPPs were just part of the solution in funding transportation infrastructure across the country. Dormsjo began by saying PPPs are a benefit in Maryland, but that they cannot be the only financing option for transportation infrastructure.

"I'd like to emphasize that we think there are tremendous benefits to public private partnerships but they are not a substitute for traditional funding sources," Dormsjo said. "P3s can be a valuable tool in the toolbox but they should be viewed as a supplement to predictable, stable federal and state investment in transportation."

Kendro piggybacked on that idea, saying Pennsylvania is beginning to utilize PPPs but state and federal transportation funding is vital.

"P3s are not a solution to funding. They are merely a procurement tool that allows us to deal with projects more efficiently and effectively and accelerate the delivery of projects," Kendro said. He discussed the funding package passed by the state last November, without which he said many transportation projects may not have received funding.

Koelema said Virginia has been a leader in PPPs, as the department has completed more than "a dozen" large PPPs. However, Koelema also said that with that experience comes a "disciplined process," meaning that not every project fits the bill for a PPP and some have to be turned down where not the most effective option.

Corbett stressed the idea of flexibility for states in PPPs.

"Certainly the federal government has a role in oversight for major projects," Corbett said. "I just would encourage you all to consider that each state has unique conditions and each project has unique circumstances when looking at P3s."

The PPP panel, created earlier this year, aims at examining the current state of PPPs in the U.S. to find: the role PPPs play in the development and delivery of transportation and infrastructure projects across the country and on the nation's economy; if, and, or how PPPs enhance the delivery and management of those projects "beyond the capabilities of government agencies or the private sector acting independently;" and how to balance public and private sector needs when working on PPP projects. The panel is authorized to operate for a period of six months.

Additional information on Wednesday's PPP panel public meeting is available [here](#).

Questions regarding this article may be directed to editor@ashtojournal.org.

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