

# Public-Private Partnerships in Maryland

**Canada-US Forum on Public-Private Partnerships**  
**October 3, 2013**

# Towards a More Comprehensive P3 Approach

2010 P3 Law

(Chapters 640 and 641 of 2010)



Joint Legislative and Executive Commission on Oversight of P3s  
(2011)



2013 P3 Law (Chapter 5 of 2013)  
(signed on April 9<sup>th</sup>; effective July 1<sup>st</sup> )



Executive Order  
(Summer 2013)



Agency Regulations  
(Summer 2013)

# Maryland's P3 Definition

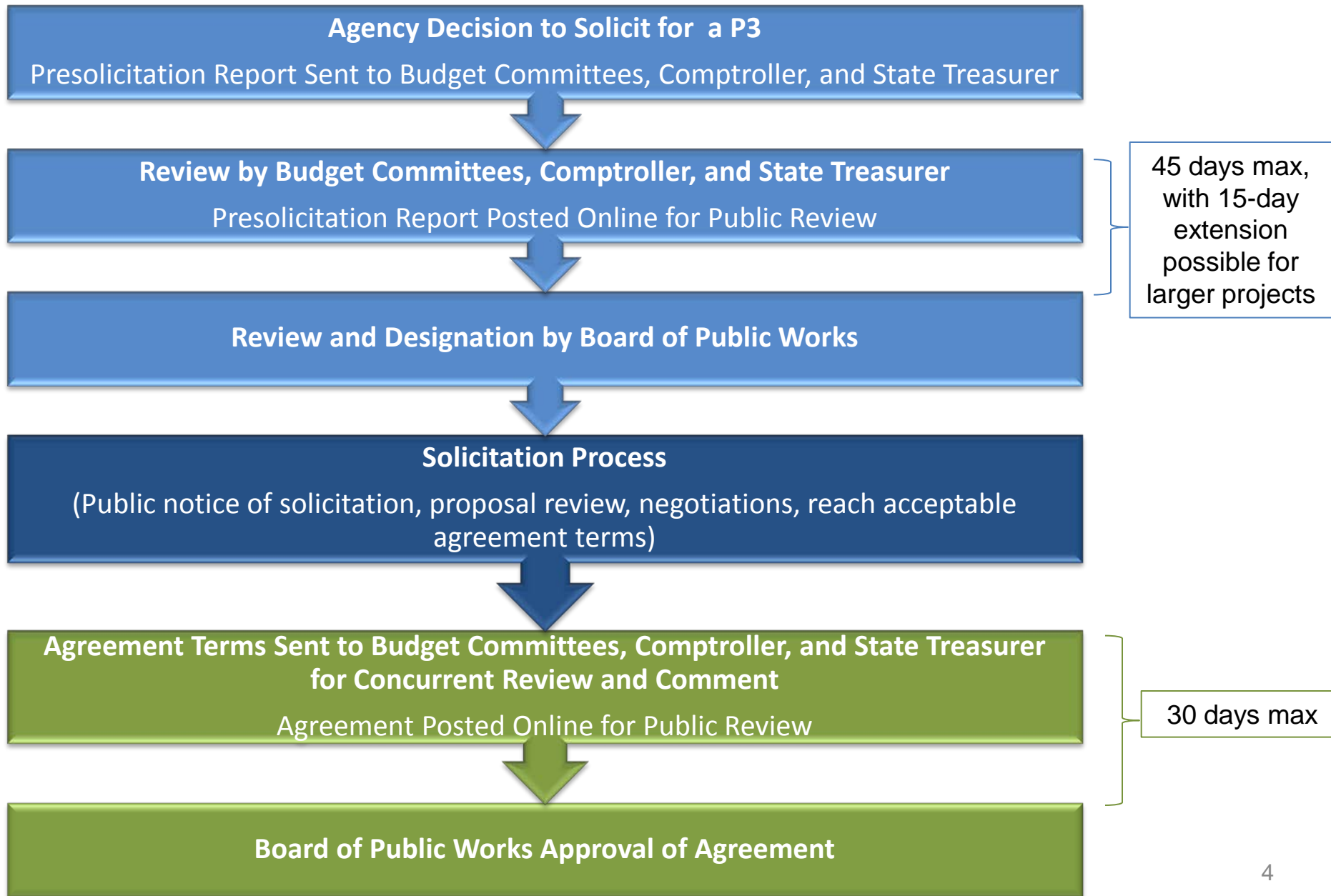
Method for delivering public infrastructure assets using a **long-term, performance-based agreement** between a Reporting Agency and a Private Entity where appropriate risks and benefits can be allocated in a cost-effective manner between the contractual partners in which:

- Private Entity performs **functions normally undertaken by the government**, but the Reporting Agency remains ultimately accountable for the public infrastructure asset and its public function; and
- State may retain ownership in the public infrastructure asset and the private entity may be given additional decision-making rights in determining how **the asset is financed, developed, constructed, operated and maintained over its lifecycle**.
- Does **not** include an asset sale or a short-term operating space lease.

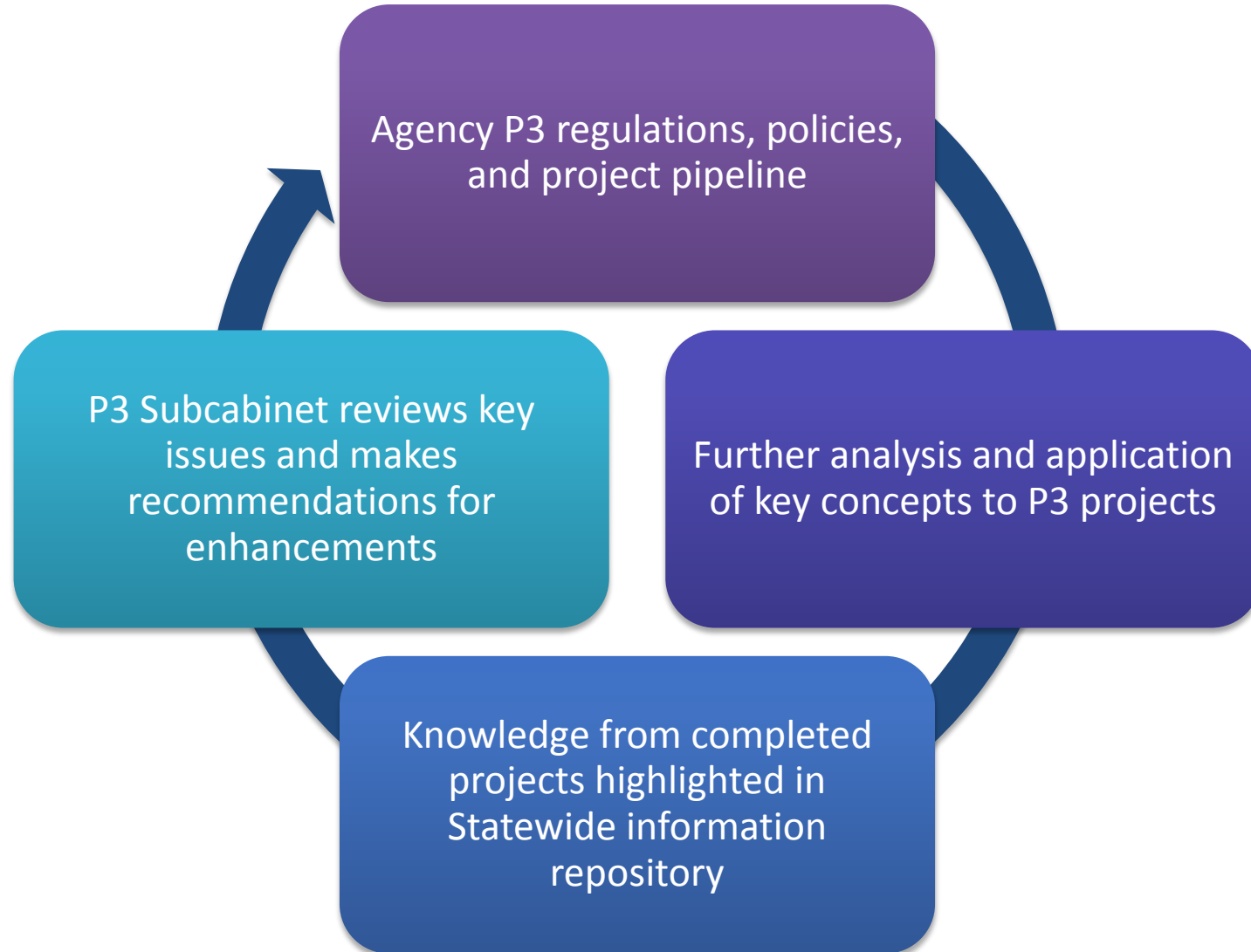
# Key Details of P3 Law

- Creates predictable, transparent, and streamlined approach, incorporating best practices and lessons learned from other states while addressing the needs of Marylanders
- Allows agencies to consider unsolicited proposals
- Outlines key requirements for competitive processes for both unsolicited and solicited proposals
- Exempts P3s from state procurement (Division II of State Procurement Article)
- Reporting agencies are promulgating regulations for the development, solicitation, evaluation, award, and delivery of future P3 projects
- Requires that the Board of Public Works (BPW) review and designate any potential P3 project, ensuring that future P3 projects receive the highest level of scrutiny BEFORE the State seeks bids from potential partners
- Outlines key terms and provisions that should be part of a P3 Agreement

# Maryland's P3 Oversight Process



# Executive Order established P3 Subcabinet and framework for collaboration and knowledge sharing

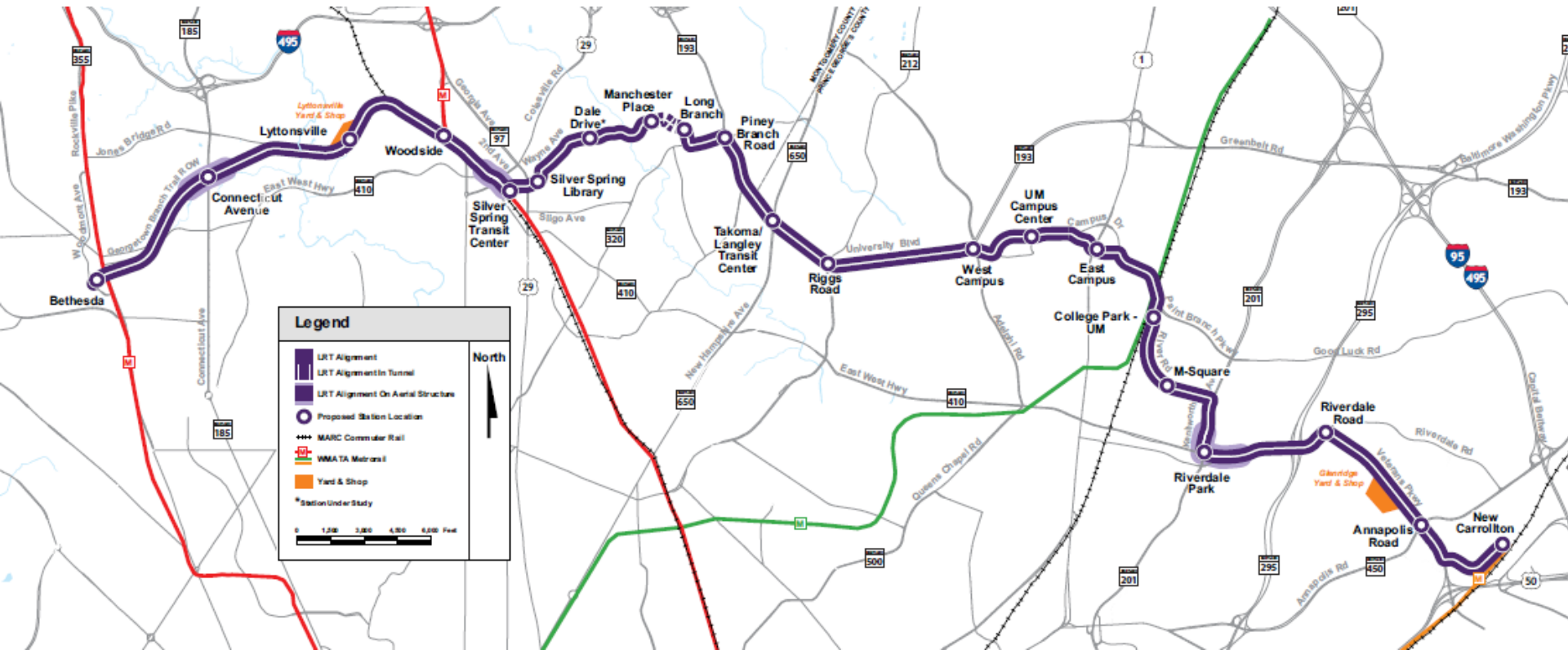


# P3 Regulations

- **Processes for identification, screening, and advancement of P3 concepts, including:**
  - Process for unsolicited proposals
  - High level and detailed level evaluations of potential P3 concepts
  - Presolicitation report development
- **Components of a multi-phase solicitation process, including:**
  - Requests for Qualifications
  - Requests for Proposals (draft and final)
  - Information availability during solicitation process
  - Industry review meetings
- **Details regarding potential reimbursements**
- **Framework for evaluation, negotiation, and award of P3s**
- **Timeline for Regulations:**
  - Department of Transportation/Transportation Authority: Summer/Fall 2013
  - Department of General Services: Winter 2013
  - University System: Spring 2014

# Purple Line Light Rail: Linking the Capital Region

The Purple Line is a proposed 16+ mile light rail line extending from Bethesda in Montgomery County to New Carrollton in Prince George's County, enhancing connections in the Washington DC metro area.





# Determining P3 Potential for the Purple Line

Preliminary analyses and industry outreach during 2011- 2012



Develop Value for Money analysis in late 2012



Conduct series of internal project delivery workshops in winter 2012/2013



Release of Request for Information (RFI) to the P3 market in April 2013



RFI responses received May 8, 2013



Industry Forum on May 15, 2013



Complete P3 screening process and analyses in July 2013



Issue presolicitation report for a DBFOM P3 approach on August 5, 2013

# Purple Line P3 Process

## Public Oversight Steps of P3 Process

Aug 2013:  
Submit Presolicitation  
Report to Budget  
Committees, DLS,  
Treasurer, and  
Comptroller for 45-60  
Day Review

Oct 2013: CDAC  
guidance on  
proposed AP  
approach

Oct 2013: BPW  
review for P3  
Designation and  
Solicitation Process  
Approval

Feb 2014:  
Federal Funding  
Recommendation

Dec 2014:  
Submit Agreement  
Report to Budget  
Committees, DLS,  
Treasurer, and  
Comptroller for 30  
Day Review

Jan 2015:  
BPW Approval  
/ Commercial  
Close

*Presolicitation Due  
Diligence*

*Pre-  
solicitation  
Review*

*RFQ*

*Draft RFP Process*

*Final RFP Process*

*Proposal  
Evaluation*

*Final  
Review*

*Begin  
Agreement Term*

Apr 2013 May Jun Jul Aug Sept Oct Nov Dec 2013 Jan 2014 Feb Mar Apr May Jun Jul Aug Sept Oct Nov Dec 2014 Jan 2015 Feb Mar Apr

Spring 2013:  
RFI and  
Industry  
Forum

Late Nov 2013:  
Statements of  
Qualifications  
(SOQs)  
Due

Dec 2013:  
Issue Draft  
Request for  
Proposals (RFP)  
to Shortlist

Apr 2014:  
Issue Final  
RFP

Oct 2014:  
Proposals  
Due

Dec 2014:  
Finalize Agreement  
Terms with  
Preferred Bidder

Spring 2015:  
Financial Close  
and  
Notice to  
Proceed

## Commercial Steps of P3 Process

# Contact Information

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**Additional information about the Purple Line P3 is located at:**

**[www.purplelinemd.com/p3](http://www.purplelinemd.com/p3)**