

Privatization of Dover and Portsmouth Bus Terminals

**P3 Commission Meeting
Public Hearing
6:30pm
Dover City Hall
January 9, 2019**

P3 Legislation

- Senate Bill 549 Passed & Enacted into Law 6/2016
- Established a P3 Commission & Allows for the Development of P3 Projects
- P3 projects provide opportunity to share resources to finance, design, construct, operate, and maintain the transportation infrastructure
 - Important tool in age of limited transportation funding
 - Delineates clear responsibilities & commitments
 - Identifies risks and rewards for both parties
- P3 legislation is designed to attract needed private investment to sustain & promote growth associated with transportation infrastructure

P3 Steps

- Submission of Letters of Interest for P3 Projects
- Determination of the suitability of P3 approach
- Hold two Public Hearings – public feedback on appropriateness of P3 procurement method
- Development/Issuance of RFQ
- Development of draft RFP
- Hold Public Hearing on draft RFP – solicit public feedback
- Approval of Governor & Council (G&C) and Capital Budget Overview Committee for use of P3 for project and approval of G&C for release of RFP
- Typically 4 to 8 months for Selection of Developer/Operator
 - Selection Committee reviews and ranks Proposals
 - Selection based on competitive ranking process – technical & financial
 - Selection Committee Recommendation to Commissioner & P3 Commission
- G&C Approval of P3 Contract

Privatization of Dover and Portsmouth Bus Terminals - Project Need

- Portsmouth Bus Terminal / Transportation Center
- Built in 1999, expanded in 2001 and 2014
- 4-dock bus terminal w/ 1248 Parking Spaces
- Operates near capacity on daily basis
- Valet services & remote parking lots utilized
- Lack of parking controls
- Abuse of parking – capacity issues
- Lack of revenue source for expansion & unplanned maintenance
- Need for parking management

Privatization of Dover and Portsmouth Bus Terminals - Project Need

- Dover Bus Terminal / Park'n'Ride - Built in 2008
- Small bus terminal building w/ 414 Parking Spaces
- Operates at 85% capacity on daily basis
- Valet service ended 11/1/18. No suitable off-site parking location available
- Lack of parking controls
- Abuse of parking – capacity issues
- Lack of revenue source for expansion & unplanned maintenance
- Need for parking management

Privatization of Dover and Portsmouth Bus Terminals - Project Need (con't)

Portsmouth Bus Terminal & Transportation Center



Privatization of Dover and Portsmouth Bus Terminals - Project Need (con't)



Benefits of P3 Approach

- Improved Reliability
- Improved level of service with potential for expanded services (added transit, concessions)
- Predictable Revenue Stream – offset maintenance & operation costs, fund future expansion capital costs
- Infusion of Private Capital
- Heightened Responsiveness & Accountability

Opportunities for Developer/Operator

- Enter into long term lease (30-year) & concession agreement to operate facilities
- Ability to introduce Fee-Based Parking
- Gather Predictable Revenue Stream
- Institute Parking Control Measures
- Explore other Revenue Enhancing Initiatives (docking fees, advertisement, concessions)
- Secure a small profit

Benefits to State

- Increased potential for expanded transit services (added transit, concessions)
- Management of Parking Demand – current & future
- D/O responsible for 100% of maintenance and operating costs
- State not required to invest in construction of expanded facilities – D/O responsible to set aside certain percentage of proceeds for expansion
- State will potentially receive fixed rent and percentage of gross revenue for investment in transit facilities in the region.
- At end of long term lease, facilities transferred to State in satisfactory condition, free of debt.

Goals of P3 Project

1. Ensure facilities are operated to a high standard that promotes growth of public transportation, carpooling & vanpooling
2. Ensure that facilities are maintained to a high standard that provides a positive customer experience for users of the facilities
3. Efficient and effective management of parking to control capacity and prevent abuse
4. Provide a fair return to the State
5. Provide for the transfer of the facilities at the end of the long term lease

Public Comment on use of
P3 for Privatization of Dover
& Portsmouth Bus
Terminals