

2011 Annual Report



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Executive Summary



As this report indicates, this has been one of the most active years in the history of the Council. A total of ten workshops were organized by the NCPPP, and Members or staff spoke at dozens of conferences and meetings. In large part, the success of these efforts has been the result of close cooperation with an enormous number of public agencies and other non-profit organizations – a total of over 50 different ones have served as co-sponsors of these events.

Interviews and requests for articles from both the print and electronic media also were at a record level. Despite the economic conditions, membership has continued to grow and use of the NCPPP website remains as a valued tool in providing objective information to a broad range of people.

Equally important, the NCPPP has been actively engaged in the legislative process. In strict compliance with our 501(c)3 tax exempt status, members and staff have responded to requests from legislators and their staff, providing educational information to help in the crafting of public policies. This activity has occurred at both the federal and state levels.

All of this reflects an increase in the interest in public-private partnerships. Our goal continues to be educating both the public and private sectors on the best practices and most appropriate use of PPPs. 2012 promises to be another exciting year for all involved in this process.

A handwritten signature in black ink, appearing to read "Richard Norment". The signature is fluid and cursive, with a large initial "R" and "N".

Richard Norment
NCPPP Executive Director

Mission, Objectives & Key Values



Mission

The mission of The National Council for Public-Private Partnerships is to advocate and facilitate the formation of public-private partnerships at the federal, state and local levels, where appropriate, and to raise the awareness of governments and businesses of the means by which their cooperation can cost effectively provide the public with quality goods, services and facilities.

Objectives

1. To serve as an advocate of public-private partnerships.
2. To provide complete, objective, timely and useful information on the utilization of public-private partnerships to provide services and facilities to the general public.
3. To facilitate communications between public- and private-sector members with respect to issues related to the implementation of public-private partnerships.
4. To conduct educational, training and other activities on public-private partnerships.
5. To provide input to the public dialogue in support of the use of public-private partnerships and removal of impediments to their implementation.
6. To facilitate an international dialogue on public-private partnerships in support of the foregoing objectives.

Key Values

1. Full and open participation by public and private members and encouragement of frank communication between the public and private sectors.
2. Assistance to both the public and private sectors in public-private partnership analysis and implementation.
3. Promotion of member teamwork in fulfilling the Council's mission and achieving its objectives as a non-profit, non-partisan organization.

Educating the Public

NCP PP 2010 Annual Meeting and Awards Banquet November 17-18, 2010 Arlington, Virginia

The 25th Annual Meeting and Awards Banquet of the National Council for Public Private Partnerships took place this year in Arlington, Virginia on November 17th-18th.

The event was preceded by the Board of Directors meeting on November 16th. Opened to all members, it provided an update on the Council's activities over the past year, and a status report of the organization's financial fitness.

On Wednesday, November 17th, the Annual Meeting officially began with greetings from NCP PP President, **Judge Robert Hebert** (Fort Bend County, Texas), and NCP PP Chairman, **Kenneth Butler** (CAPITAL PARTNERSHIPS). The comments from both gentlemen welcomed an international array of meeting participants and set the tone for the program to follow.



Over the next day and a half, plenary sessions highlighted several pressing issues in regards to PPP legislation and financing. The panel moderated by **Walter "Chip" Foley** (American Iron & Steel Institute) addressed the status of the transportation bill in light of the election results. Panelist **Anne Stubbs** (Coalition of Northeastern Governors), **Alex Herrgott**, (U.S. Senate Committee on Environment and Public Works), and **Susan Binder** (Cambridge Systematics Inc.) sparked discussion of a possible extension during the "lame duck" session of the current law, and prospects for a long-term bill. Panelists also covered the feasibility of funding a new bill in light of the large deficit, and the current financial situation in most states. This, of course, led to how PPPs could play a larger role in providing answers to transportation concerns.

The featured luncheon speaker was **L. Preston Bryant, Jr.**, Chairman of the National Capital Planning Commission and Senior Vice President of Infrastructure and Economic Development for McGuireWoods Consulting LLC. According to the post conference survey results, his presentation about the National Capital Planning Commission was a favorite. Attendees appreciated learning that the federal government is trying to do more capital projects through the use of PPPs.

Other noteworthy sessions which received positive reviews on the post conference survey included the Water Institute breakout session, "Issues, Challenges and Opportunities - Water Infrastructure Issues and Leveraging Innovative Financing", and the Transportation Institute breakout session, "Transportation Oriented Development for Real Estate Projects". Likewise, the thought-provoking discussion generated from the talks given by **Jeffrey Delmon**, Senior Infrastructure Specialist, World Bank Institute, and **Wendy Abt**, Deputy Assistant Administrator, US Agency for International Development, in the International Institute session on Thursday morning inspired very positive feedback from the participants.

Closing out the event on Thursday afternoon, the session, "Financing PPPs in the Current Economic Environment", moderated by **Anita Molino** (Bostonia Partners LLC), included a discussion of federal budget scoring, and the current economic environment's impact on PPPs, including the most recent trends in financing P3 projects. Panelists included **Steve Sorett** (McKenna Long & Aldridge LLP), **Steve Weddle** (JP Morgan Asset Management), **Brian Sigriz** (National

Association of State Budget Officers), and **Erin Hutson** (Laborers International Union of North American [LiUNA]).

This year's program reflected the growing interest in the use of partnerships to address a wide range of public infrastructure needs. The increased focus on PPP legislation at the state and local levels, and increasing numbers of inquiries from the press, supports the growing consensus that there is no more appropriate time to highlight the value of PPPs, and educate the American public on the significant role PPPs will play in rebuilding our economy.

The success of this year's Annual Meeting is in no small part a result of the active sponsorships and underwriting of the event by Affinitext, American Water, Balfour

Beatty Construction, Bostonia Partners, CAPITAL PARTNERSHIPS, CH2M Hill, Herzog, Jacobs, the National Association of Water Companies, Suez – United Water, the Urban Land Institute, and Veolia Water. All of the presentations are available on the NCPPP website, under "Resources", then go to "Conference Materials".

Partnerships for Economic Development January 7, 2011 Sterling, Virginia

The NCPPP worked as a full partner with the Committee for Dulles (CFD) to conduct a half-day workshop on January 7th in Northern Virginia. The CFD is an association of local public and private sector organizations interested in the economic development of the area around Dulles International Airport in Northern Virginia. A major focus of their concern is transportation issues, but equally important is their recognition of the other infrastructure needs to spur economic growth. Accordingly, the conference was titled "Partnership for Economic Development," with the subtitle, "A briefing on the use of the Innovative financing and delivery tools of public-private partners (PPPs) to meet public needs."

Commonwealth Secretary for Transportation Sean Connaughton provided the keynote address, emphasizing the value of PPPs. **Professor Stephen Fuller** of George Mason University's Center for Regional Analysis documented the projected population and economic growth of the region, clearly focusing on the resulting demands this will place on the area's infrastructure. NCPPP Member **Christopher Lloyd** of McGuireWoods Consulting outlined the Commonwealth's statutes that can be of substantial value in developing partnerships, and the NCPPP Executive Director **Rick Norment** provided a framework for successful PPPs.

One of the most valuable aspects of the meeting's format was a roundtable discussion with the attendees, moderated by **Rich McCary**, incoming President of the CFD. Speakers for the discussion, in addition to Lloyd and Norment, were **John Keegan** (Gilbane Development Company), **David Birtwistle** (Balfour Beatty Construction) and **Chuck Weber** (Prince William County).

The meeting was closed by comments from two senior local public officials: **Sharon Bulova** of Fairfax County and **Scott York** of Loudoun County, each the Chair of their county's Board of Supervisors.

CFD President **Rich McCary** was instrumental in organizing the meeting, and in pulling together a number of critical support people to make the meeting a success – over 100 attended the session, with almost half of the audience from the public sector.



From left to right: NCPPP President, Judge Robert Hebert, Robert Chaifoux (Veolia Water), Roger Brooks (City of Leominster, MA) NCPPP Chairman Ken Butler and NCPPP Executive Director, Richard Norment.

Implementing Public-Private Partnerships in California January 20, 2011 Sacramento, California

With the passage of new PPP statutes two years ago, California turned an important corner for the use of PPPs. Previously, only a few pilot projects or regional efforts had been undertaken, but with the state-wide statute, numerous public officials needed to gain a clear understanding of their options for the use of this valuable tool.

On January 20th, over 125 attendees met in Sacramento for the NCPPP workshop, “Implementing Public-Private Partnerships in California.” A number of senior public officials participated in the event, which was keynoted by **Will Kempton**, CEO of the Orange County Transportation Authority. Kempton addressed the resistance of many public employees to implementing design-build and other PPP tools, but added that the ability to transfer risks and accelerate delivery made PPPs a viable option. He commented that “partnerships are absolutely essential” in the current environment of limited public funds.

Michael Conneran (Hanson Bridgett) moderated a panel featuring **Fred Kessler** (Nossaman) and **Wes Strickland** (Brownstein Hyatt Farber Schreck) that outlined the California legislative and regulatory framework that enables the use of PPPs for infrastructure projects. **Brian Papernik** (Nossaman) moderated a panel featuring **Stephen Howard** (Barclays Capital), **Sean Randolph** (Bay Area Council) and **Adam Nicolopoulos** (ADN Capital), which discussed financing options. The program also included two sessions which highlighted case studies for transportation, water and municipal buildings that illustrated where this tool has worked.

One panel that received particular attention covered “The First Steps in the Process – What Should Public Agencies Do?” This included a presentation by **Dave Zelenok**, Director of Public Works for the City of Centennial, Colorado, a 2010 NCPPP Award Winner. Zelenok outlined the process for developing the contract for delivery of most of the public works of his city, a process that included a Public Cost Comparator. Following the meeting, he received numerous requests from public officials for more details on the process. The presentations from the meeting are available on the NCPPP website, under Resources.

Another highpoint of the meeting was the luncheon address by the outgoing California Secretary for Business, Transportation and Housing **Dale Bonner**. He emphasized that PPPs are “not short cuts”, adding, “don’t underestimate the time and effort it will take” to put together effective PPPs. He advised the attendees to have a clear need for a project, and not just a political posture. Most importantly, he stressed the need for open dialogue with all of the countervailing interests and that in the end PPPs can be a valuable tool in meeting public needs. Bonner also took a number of probing questions from the luncheon attendees.

Several important factors led to the success of this meeting. First were the efforts of one NCPPP member who became a champion for organizing the meeting: **Bert Somers** of Teichert Construction initiated the idea and was instrumental in recruiting other companies and, most importantly, a number of public sector organizations. Key private sector sponsors for the meeting, besides Teichert, were Herzog, Jones Lang LaSalle, Hanson Bridgett and Nossaman. Equally important in promoting the meeting were the public sector sponsors: Perimeter Community Improvement Districts, WTS, the Bay Area Council, AGC of California, Orange County Transportation Authority and the American Public Works Association, Sacramento Chapter.

Secondly, because of the aggressive support from private sector sponsors and function underwriters, we were able to lower the public sector registration rate to only \$50. This was a key factor in the substantial turnout from this sector – 45 percent of the total attendees. These same techniques are now being applied to other workshops to be held this year.



From left to right: Fred Kessler (Nossaman), Mike Conneran (Hanson Bridgett) and Wes Strickland (Brownstein Hyatt Farber Schreck) discuss California's statutes and regulations for PPPs.

Implementing Partnerships for Infrastructure May 11, 2011 Lansing, Michigan

On May 11th the National Council for Public-Private Partnerships hosted one of its most successful workshops in recent history. A full house of Council members, regional private-sector leaders and public-sector officials gathered on the campus of Michigan State University in Lansing to explore what partnerships for infrastructure can mean in the Great Lakes State. While Michigan currently lacks over-all public-private partnerships legislation, the expert speakers presented evidence that the situation is changing, for the better, rapidly.

After a welcome by workshop sponsor and NCPPP member **David Lick** (Foster Swift Collins & Smith), NCPPP Executive Director **Richard Norment** provided an overview on public-private partnerships in the United States and what they could mean in Michigan. The first panel of the one-day event focused on the partnerships framework that could provide faster projects and better value for Michigan. NCPPP member **Kevin Chandler** (United Water), and his public-sector client **Michael Dornan** (City of Wixom), discussed the longer-term relationship between these partners that has brought improved value-for-money in water service for the residents of Wixom, Michigan. Other members of the panel, including representatives from Tom Porter Services, Christman Capital Development Company and the Resource Recovery and Recycling Authority all shared their experiences creating innovative solutions for projects in the region.

The second panel of the day focused on what public agencies should be doing as they plan to engage the private sector in project delivery. Four Council members, **Christopher Lloyd** (McGuire Woods Consulting), **Dave Zelenok** (City of Centennial, CO), **Phillip Russell** (Lochner MMM Group) and **Joseph Pavona** (Michigan's Office of PPP), all shared their experiences in planning for the complexities of these long-term relationships. These experts discussed examples where public-private partnerships have provided value for communities throughout the United States and what Michigan can learn from these PPP successes.

Financing is always a critical aspect of any public-private partnership. A panel of project finance advisors examined options available to finance projects through partnerships that may not exist under a traditional procurement method. NCPPP member **Sal Perrucci** (AON Infrastructure Solutions) led the panel including representatives from the Bank of Montreal, AMP Capital Investors and PNC Community Development Bank as they discussed these complex financial issues in the context of real PPP projects. The message from the panel was that private financing is still available for large and small projects that are economically viable.

During the last panel of the day, NCPPP members **Shirley Ybarra** (Reason Foundation) and **Farzin Kiani** (Veolia Water NA) provided additional insight into what works, and what does not, for project development under a public-private partnership. These PPP professionals discussed the possibilities that exist within the transportation and water sectors for public agencies in Michigan. Like most parts of the United States, these sectors represent two of the most pressing infrastructure sectors for Michigan public officials.

Workshop keynote speakers included a luncheon address by former Under Secretary of USDOT, **Tyler Duvall** (McKinsey & Company) and a final session with Michigan **Lieutenant Governor Brian Calley**. He addressed the need for public-private partnerships to provide the infrastructure re-development the State needs to achieve economic growth. Questions directed to the Lieutenant Governor did cover the on-going debate regarding a new border crossing to Canada.



Phil Russell provided an animated presentation on preparations for developing a PPP.

It's Not Privatization: Implementing Partnerships in Illinois Oak Brook, Illinois June 24, 2011

In a brief period of less than three months, the NCPPP conducted a total of three major workshops. With the planning and preparations that go into each meeting, this has kept the NCPPP staff busy.

The first of this series of meetings was in **Oakbrook, Illinois on June 24**. The idea of the meeting was **Pat Cermak's** of the Wight Company (an NCPPP member), who recruited the active support of the Chicagoland Chamber and the Metropolitan Planning Council to organize the meeting, under the banner of "It's Not Privatization: Implementing Partnerships in Illinois" (the title was selected as a way to send a clear message to the area's labor unions).

As a direct result, the meeting included the support and participation of several of the Chicago area's major labor unions: the Chicago Federation of Labor; and the Chicago and Cook County AFL-CIO. In addition, a total of 18 cities, economic development agencies and regional planning groups cosponsored the event. The result was a "sold out" meeting, with almost 150 people in attendance, the majority of which were from the public sector.

One of the topics of greatest interest was legislation passed by the Illinois legislature about PPPs for transportation, HB 1091 — the lead sponsor of the bill, **Representative Elaine Nekritz** served as the keynote speaker (the bill was subsequently signed by Governor Pat Quinn on August 22). Nekritz's comments about the positive impact of the legislation for creating jobs in Illinois was reinforced by a panel moderated by **Brian McPartlin** of the Chicagoland Chamber, along with speakers from the two labor union cosponsors and the American Council of Engineering Companies of Illinois.

As is always the case, "Examples of Where It Has Worked" was one of the most popular portions of the program. Projects that were presented ranked in size from the very large (the Joliet Arsenal redevelopment) to the very small (an ice rink sharing partnership for a local high school), illustrating the range of applications of the concept of public-private partnerships. The panel on "The First Steps" included presentations by **David Zelenok** (City of Centennial, Colorado) and **Phil Russell** (Lochner MMM Group).

Funding Transportation Projects for Arizona Phoenix, Arizona August 25, 2011

The second meeting in the marathon series was held in **Phoenix, Arizona on August 25**. "Funding Transportation Projects for Arizona" was structured to provide local and state officials a clearer understanding of how partnerships can aid in the funding of projects and the need for modification of the current state statutes. This message was clearly brought home by presentations by the Reason Foundation's **Shirley Ybarra** (the former Secretary of Transportation for Virginia) and NCPPP Transportation Institute chair **Parker Williams** (ACS – a Xerox Company). Ybarra talked about the fundamentals of transportation financing, and Williams reported on the recent developments in tolling issues and technology.

A high point of the meeting was the luncheon address by **Mary Peters**, former Secretary of the U.S. Dept. of Transportation. Peters put the issue of federal transportation policy authorization in the context of the current fiscal debates in the U.S. Congress, providing a clear signal that the levels of funding from the U.S. DOT will be substantially



Lynda Given (left) (Chapman & Cutler) and Anita Molino (right) (Bostonia) during the "Financing Tools" presentations in Oakbrook.

reduced in the years ahead, forcing states and localities to more seriously consider the use of PPPs.

One particularly effective panel covered “How They Made A Decision”, focusing on the local decision process for transportation projects. NCPPP President **Robert Hebert** (Fort Bend County) outlined recent project developments in the Houston, Texas area, while **Greg Hulsizer** (South Bay Expressway, LLC) talked about the experience in Southern California. Probably the most influential presentation of the day was made by **Jaime Rall** (National Conference of State Legislatures), who outlined the rapidly changing status of PPP legislation across the country.

The Phoenix meeting concluded with a roundtable discussion moderated by **John Halikowski**, Director of the Arizona DOT. Representatives from the Federal Highway Administration, local contractors and AZDOT carried on an active exchange of ideas on how the state’s statutes could be refined to improve the financing of projects using PPPs.



Four transportation leaders participated in the Phoenix meeting. From left to right: Mary Peters, former U.S. Secretary of Transportation; Shirley Ybarra, former Secretary of Transportation for Virginia; John Halikowski, Director of Arizona Department of Transportation; and Parker Williams (ACS – a Xerox Company), former Administrator of the Maryland State Highway Administration.

Implementing Partnerships in California September 9, 2011 Redondo Beach, California

Another in this series of meetings was conducted in **Redondo Beach, California on September 9**. Local champions for the event were **Bob Maxwell** (C.W. Driver) and **Bert Somers** (Teichert). Again, the theme was “Implementing Partnerships in California” (a repeat of the theme used for the January meeting in Sacramento).

Tony Harding, Chairman of United Water led off the morning by introducing **Dale Bonner**, former California Secretary for Business, Transportation and Housing. Bonner noted the frustration in developing partnerships, driven in part by the difference in views of the public versus private sectors about the appropriate time tables for development of a project. He did note that California now has a clear process for implementation, but there is also the need to go beyond discussions and move to actual implementation, adding that “there can be no shortcuts”.

Andrew Swope (K&L Gates) moderated a panel discussion on the legislative and regulatory framework in California – other panelists include **Wes Strickland** (Brownstein Hyatt Farber Schreck) and **Frank Zerunyan** (P3 Solutions). Two other panels provided examples of where PPPs have been successfully used in California, while others covered “the First Steps in the Process” and “Financing Tools Available Through Partnerships”.



A near sell out crowd listens to Wes Strickland (Brownstein Hyatt Farber Schreck) deliver his comments on the California statutory environment for PPPs.

One project that was of interest to everyone was the Long Beach Court House. **Sean Maher** (Johnson Controls) presented details on the partnering arrangement, while **Clifford Ham**, Principal Architect for California's Administrative Office of the Courts outlined the procurement process.

One interesting addition to the Redondo Beach program was holding two tours of local water facilities. First was a tour of the West Basin Water Reclamation facility, that produces a range of "designer waters" as a means of reducing demand on the potable water supply. The second tour was of the West Basin's desalination demonstration projects, used to explore new technology that can substantially lower the costs of the desalination process. Both of these tours were conducted with the assistance and support of United Water.

The Future of Water Workshops in Florida's New Environment October 4, 2011 Tampa, Florida

The method for financing capital projects for water and wastewater systems underwent a drastic change in Florida in 2011. As a result, support from the five Water Management Districts was significantly reduced, placing greater demands on local water authorities. As a result, interest in the use of public-private partnerships increased substantially, as witnessed by the turnout for this one-day workshop.

The key note address was offered by **Jim Ely** (HNTB), former Executive Director of the Florida Turnpike Enterprise. The purpose of his comments were to illustrate that Florida has ample experience with the use of PPPs, which now should be applied more aggressively in the water arena.



The Wrap Up Panel, from left to right, included Anita Molino (Bostonia Partners), Sandra Sullivan (Veolia Water NA), Charles Fletcher (Gray Robinson, PA), John Joyner (Water Capital Partnerships) and Andrew Swope (K&L Gates).

Sandra Sullivan (Veolia Water NA), chair of the NCPPP Water Institute, moderated a panel that discussed "The First Steps of the Process", where **Rick Norment** (NCPPP), **J.C. Goldman** (United Water) and **John Joyner** (Water Capital Partners) outlined what the public sector needs to do prior to issuing an RFP. This was followed by a panel led by **John Fumero** (Rose, Sundstrom & Bentley) with **Pat Lehman** (Peace River Manasota Regional Water Supply Authority) and **Bill Bilenky** (Southwest Florida WMD) that outlined the scope of the financial challenges facing individual communities.

A highpoint of the meeting was the luncheon address by **Bruce Tobey** (Pannone Lopes), the former mayor of Gloucester, Massachusetts. He recounted the process – including political, engineering and financial – that he led the city through the development of water and wastewater systems in a small to mid-sized community.

Another panel included discussions of the financing of water projects, led by **Anita Molino** (Bostonia Partners). The final session of the day was a "Wrap Up" discussion by a panel of the session moderators, in an open dialogue with over 80 meeting attendants.

The day before the workshop, a dozen meeting registrants participated in a tour of the Tampa Bay Water Authority's surface water treatment plant, operated by Veolia Water. This facility is one of the largest of its kind in the country, and the tour provided participants with interesting perspectives on this type of operation.

Ratings of the meeting, collected in anonymous surveys, were some of the highest seen for any NCPPP meeting.

NCPPT 2011 Annual Meeting and Awards Banquet October 4-5, 2011 Tampa, Florida

On October 4, NCPPT Members and honored guests gather for the annual presentation of this year's Public-Private Partnership Awards, given to projects that provide outstanding examples of the best use of Public-Private Partnerships (PPPs).

In this highly competitive process, nominations are accepted from a wide range of sources. Judging is done by a team of seven recognized authorities on the history and current usage of PPPs in the United States and around the world.

In all, six awards were presented this year. See page 18-19 of this report for details on each of the Award recipients.



Kenneth Caldwell (Alliant Insurance), a new Sustaining Member of the Council, with Warren Beardall (JLT) and Rick Norment



The Awards Banquet also served as the opportunity to recognize the six years of leadership of **Ken Butler** (Miller/Wenhold). In addition to founding the Transportation Institute, Ken went through the chairs from President-elect, to President, and ultimately Chairman. With the end of his term at this meeting, Ken was given the traditional "Has Been" cap, complete with Admiral's "scrambled eggs" and "oak leaf clusters".

On the following day, the NCPPT Board of Directors met for its Annual Meeting. This was the event at which the rotation of the Officers of the Council occurred: **Bob Hebert** (Fort Bend County, Texas) rose to Chairman, while **Anita Molino** (Bostonia Partners) became the Council's President. **Bob Jennings** (Gigabit Squared) was made President-elect, while **Tim Weston** (K&L Gates) was elected Vice President of Programs and **Chris Lloyd** (McGuire Woods Consulting) became the Vice President for Membership.

Art Smith (Management Analysis, Inc.) was re-elected as Vice President for Finance, as was **Parker Williams** (ACS – a Xerox Company) as Vice-President for Education and **Walter "Chip" Foley** (American Iron and Steel Institute) as Vice-President for Policy. Two At-Large Public Members of the Executive Committee – **Joe Pavona** (Michigan Office of Public-Private Partnerships) and **Mark Willis** (Wyoming Business Council) were elected for another two-year term.

The Board also reviewed the current financial status of the Council, which Smith reported as being significantly improved from previous years. The Board also approved the budget for 2012 and received reports from each of the Council Institutes. The 2011 edition of this meeting was expanded to include a luncheon with a featured speaker, **Bill Reinhardt**, editor and publisher of *Public Works Financing*.



Vice President for Finance Art Smith, Chairman Ken Butler, Bill Reinhardt, President Robert Hebert and NCPPT Executive Director Rick Norment, following the luncheon.

Public Outreach Programs



Academic Cooperation

Council Members and staff continue to be actively involved in the education of future public officials. NCPPP provided guest lecturers for graduate level programs at The American University and The Graduate School, two Washington, DC area institutions.

A number of NCPPP members and staff also worked with a team of graduate students from The American University on a “practicum” (a dedicated team project) evaluating the use of Public Sector Comparators in the process for development of PPPs (the study is available on the NCPPP website).

Consultations

As a service to members, the NCPPP can provide a preliminary consultation to assist public officials with understanding what should be the first steps when developing public-private partnerships. While many of these have been conducted by phone and/or email, on-site consultations have been conducted by groups of NCPPP members, as a service to our public sector members.

Cooperative Efforts with Non-Profit Groups

Associations play an important part in assisting the Council in fulfilling its Mission and Goals. A representative sample of these organizations include the American Bar Association, American Public Works Association, Associated General Contractors, Association of Defense Communities, the Design Build Institute, labor unions, the National Conference of State Legislatures, the Southern California Association of Governments, the Urban Land Institute, and numerous local Chambers of Commerce.

Equally important has been the cooperative effort with public agencies, which have included the Arizona Department of Transportation, the Orange County (California) Transportation Authority, numerous local Councils of Governments and individual cities and counties.

The assistance of these organizations has aided substantially in generating the meeting attendance witnessed at all of the NCPPP workshops.

Government Affairs

On many federal issues, the American Iron and Steel Institute and Reason Foundation (both Sponsor Members of the Council) have been extremely helpful in providing their skilled resources in support of the NCPPP policy positions.

Several federal issues were prominent in 2011. The issue of Transportation Authorization required educational briefing sessions with Members of Congress and Committee staff. Also, discussions and meetings have been held about the current methods in use for the Office of Management and Budget’s Budget Scoring process.

Another federal issue continues to be the **removal of** the cap on Private Activity Bonds for water/wastewater projects (a position held by the NCPPP for over a decade). NCPPP participates in a coalition that includes the Associated General Contractors, the National Association of Water Companies and a wide range of other organizations.

At the state level, NCPPP **is working** with the State of Maryland’s Public-Private Partnership Commission to develop proposals for consideration by the state’s legislature. In Arizona, in cooperation with the state’s Department of Transportation, a workshop was conducted to review the current statutes and suggest areas for improvement.

Member Briefings

2011 has shown an expansion of a service for Council Members – PPP briefings for their personnel. Several members requested sessions for their management teams on the fundamentals and market outlook for PPPs. These sessions have ranged from as short as one hour to as long as three hours, each adapted to the specific needs of the Council Member.

NCPPP In the News

There continues to be an increased number of requests for interviews from both the electronic and print media during 2011. A representative sample of these requests include: Associated Press, The Bond Buyer, Business Insurance Magazine, Colorado Public Radio, Dow Jones newsletter, Governing Magazine, Louisville Courier Journal, Milwaukee Journal, Public Works Financing, San Francisco Business Times, University of Toledo's Relevant University Radio, Wall Street Journal, WOSO radio (San Juan, PR),

NCPPP provided an article for the 2011/12 edition of *Privatisation and Public Private Partnerships*, a publication of Euromoney Yearbooks. The publication provides reports on partnership development in a number of sectors, and from around the world.

NCPPP Speaking Circuit

Conference organizers frequently turn to the NCPPP to provide either individual speakers or even complete panels as a part of their conferences. During this year, the Council participated in programs and conferences of the following organizations: American Planning Association, American Society of Civil Engineers, Association of Defense Communities, Brookings Institute, Committee for Dulles, Council of State Governments, National Emergency Management Association, Puerto Rico Inter American University PPP Forum, and the Western States Water Council, among others.

The NCPPP is frequently called upon to provide briefings for international delegations (frequently sponsored by the U.S. State Department). Groups have ranged from delegations from Ghana, Japan, and Northern Ireland to teams from Central Europe and Asia. One contract included a four-day briefing for a delegation from Bhopal, India.

Web Site

One of the most frequently used educational tools of the Council is its website. www.ncppp.org. The site averaged 125,000 hits per month and 29,000 page views per month, with both pages viewed and hits up significantly over the year. The site has continued to serve as a major means for promotion of NCPPP's workshops and programs, but the list of the "most visited pages" illustrates the breadth of the website's value. Those most visited pages (ranked by frequency) were:

- Council Members alpha list**
- PPP Types**
- Case Studies**
- How Partnerships Work**
- Workshops Agendas/registration**
- Resources (meeting presentations)**

NCPPP Insights

NCPPP Insights is NCPPP's quarterly newsletter reporting on partnership issues, programs/workshops, federal procurement, legislation and much more. This publication is available to the public through NCPPP's Web site.

NCPPP Updates

NCPPP Updates is a monthly email bulletin to NCPPP members. It includes topics and issues regarding NCPPP that are for members only. NCPPP Updates is helpful in keeping NCPPP members informed about the actions and opportunities within the Council.

Council Membership



The NCPPP continues to a sound base of membership – despite the current economic environment, the number of members has continued to grow to a current total of 153 members. This in part was because of the leadership of the 2011 Vice President for Membership, Robert Jennings. As the list below indicates, the growth was seen at all levels of our membership.

New Members in 2011 include:

Sustaining Private

Alliant Insurance

Sponsor Private

Longbow Partners

General Private

ABM Facility Services

Arup

AZTEC Engineering Group

BMO Capital Markets

Cannon Design

Chevron Energy Solutions

C.W. Driver

FMI Capital Advisors

Forensic Solutions

Hanson Bridgett

HDR

Hensel Phelps

HR Green

North Highland

RBC Capital Markets

SAIC

Williams Mullen

General Public

American Council of Engineering Companies – Arizona

Associated General Contractors

City of Centennial, Colorado

Consulate General of Denmark

Japan Bank of International Cooperation

Resource Recovery And Recycling Authority Of Southwest Oakland County

University of Kansas School of Public Affairs and Administration

Weirton Area Port Authority

Council Institutes



Energy Institute

The Energy Institute (EI) provides a forum for Council members with interests in the use of public-private partnerships for energy projects that address energy efficiency, renewable energy, generation and distribution and climate change issues. The EI conducts workshops as a forum to exchange best practices for the delivery of green sustainable projects and provides information on government programs of grants, loan guarantees and other incentives that explore the use of innovative financing techniques to leverage public capital.

During 2011, interest in energy related projects continued at a high level, increasingly driven by the evolving goals and objectives of a number of U.S. federal agencies, but by state and local interests as well. Energy issues were incorporated as a component in a number of the workshops throughout the year, including the annual session “PPPs for the Federal Government: Real Estate and Energy Projects”.

The current members of the EI include:

Chair: Anita Molino, Bostonia Partners LLC

Stuart Bloom, Williams Mullen

Steve Claiborn, Merrill Lynch / Bank of America

Roger Feldman, Andrews Kurth LLP

Geri Edens, McKenna Long & Aldridge

Robert Jennings, Gigabit Squared

Kenyattah Robinson, Jones Lang LaSalle

Mark Wagner, Johnson Controls

International Institute

The International Institute (II) provides a forum for Council members with interests in utilizing public-private partnerships in promoting economic development internationally and partnering with international organizations. The II also provides a focal point for the involvement of NCPPP members in international opportunities. In addition, the II serves as the voice of the NCPPP in presenting policy concepts to improve the opportunities for the use of public-private partnerships internationally and with international organizations.

The II continues its work with a number of international agencies, including, the InterAmerican Development Bank, the International Monetary Fund, the United National Economic Commission for Europe and the World Bank. Of particular note is the on-going working relationship with Toyo University in Tokyo, Japan. In addition to providing briefings in Washington, DC for delegations of Toyo University students and government officials, NCPPP provides speakers and faculty for a number of University meetings and graduate courses.



As part of a three-day briefing, a delegation from Bhopal, India toured several PPP projects in Washington, DC (seen here at the New York Avenue Metro station).

The most frequent function of the II is conducting briefings for delegations under the U.S. State Department's International Leadership Visitors Program and several non-governmental organizations. During 2011, delegations from Brazil, Central Europe (multiple delegations), France, Ghana, India, Northern Ireland and Nigeria.

The current members of the II include:

Chair: Art Smith, Management Analysis, Inc.

Patrick Cairo, United Water

David Eppinger, Fluor Enterprises, Inc.

Robert Jennings, Gigabit Squared

Bradley Nowak, Williams Mullen

Wes Strickland, Brownstein Hyatt Farber Schreck

Shirley Ybarra, Reason Foundation

Real Estate Institute

The Real Estate Institute (REI) provides a forum for Council members with interests in the use of public-private partnerships for real estate development and value optimization of under-utilized, publicly-owned real estate assets. While the real estate industry struggled through one of the most difficult years in 2011, the NCPPP REI worked to educate public sector leaders, looking for solutions to their facility delivery problems and the benefits of partnerships while faced with decreasing budgetary options.

The REI provided a major component of several workshops in the course of 2011. These included session in Sacramento and Redondo Beach, California; Lansing, Michigan and Oak Brook, Illinois. In each case, REI members were instrumental in the recruiting of local government authorities as speakers and cosponsors of these events, to illustrate the use of PPPs for local real estate development projects. In addition, the REI was an active participant in the planning of the PPPs for the "PPPs for the Federal Government: Real Estate and Energy Projects" meeting.

In addition, **David Birtwistle** (Balfour Beatty) and **Rick Norment** (NCPPP) conducted a special half-day briefing session for the American Planning Association's St. Louis, Missouri Chapter. The audience included over 50 local city and county planning and economic development professionals.

The current members of the REI include:

Chair: David Birtwistle, Balfour Beatty Construction, Inc.

Vice-Chair: Kevin Wayer, Jones Lang LaSalle

Tony Canzoneri, McKenna Long & Aldridge

Ed Crooks, KPMG

Adam Engelshirchen, The Presidio Trust

Robert Jennings, Gigabit Squared

John Keegan, Gilbane Development Group

Claudia Meer, Edgemoor Real Estate Services

Anita Molino, Bostonia Partners

Bob Penn, Bostonia Partners

Transportation Institute

The Transportation Institute (TI) serves as the forum for members with interests in the use of PPPs for all types of transportation projects. 2011 included a number of special events conducted by the TI. Most notable was a one-day workshop held in Phoenix, Arizona in cooperation with the Arizona Department of Transportation. The August 25 workshop, entitled "Funding Transportation Projects for Arizona" provided over 100 state and local officials with a clearer understanding of the potential for the use of PPPs and the need for modification of the current state statutes.

In addition, the TI hosted a luncheon with Tony Kinn, the new Director of the Office for Transportation Public-Private Partnerships of the Virginia Department of Transportation.

TI Members were particularly active on the legislative front. A number of briefings for Members of Congress and Congressional Staff were conducted on PPPs and TIFIA components of transportation authorization proposals. The Council also provided comments to Congress's Super Committee cover the same areas. In addition, the NCPPP was an active participant in the sessions conducted by Maryland's Joint Legislative and Executive Commission on the Oversight of Public-Private Partnerships.

The current members of the TI include:

Steering Committee:

Chair: Parker Williams, Affiliated Computer Services—a Xerox Co.

Vice Chairman: Pamela Bailey-Campbell, Jacobs

Kenneth Butler, Miller/Wenhold Capitol Strategies, LLC

Sinclair Cooper, Hunt Development Group

Walter "Chip" Foley, American Iron & Steel Institute

Steve Howard, Barclays Capital

Joseph Kneib, Herzog Contracting Corporation

Edward Kussy, Nossaman LLP

Sasha Page, Infrastructure Management Group

Brian G. Papernik, Nossaman, LLP

Phil Russell, Lochner MMM Group

Timothy Rutten, Fluor Corporation

David Williams, PB Consult

Shirley Ybarra, Reason Foundation



Among the 30 people at the September TI luncheon were Shirley Ybarra (Reason Foundation), Tony Kinn (VDOT), Ken Butler (Miller/Wenhold), Parker Williams (ACS – a Xerox Company) and Chip Foley (American Iron and Steel Institute).

General Members:

Bill Calhoun, Clark Construction Group

Daniel Dean, Merrill Lynch Bank of America

David Eppinger, Fluor Enterprises, Inc.

Kent Grisham, Peter Kiewit Sons, Inc.

Garry Higdem, CH2M Hill

Robert W. Jennings, Jr., Gigabit Squared

Stephen F. Mayer, Parsons

Claudia Meer, Edgemoor Real Estate Services

Anita Molino, Bostonia Partners LLC

Kent Olsen, PB Consult, Inc.

Scott Saylor, North Carolina Railroad Company

David Singer, Elias Group

Steve Sorett, McKenna Long & Aldridge

Timothy Weston, K&L Gates LLP

Porter Wheeler, Maryland Transportation Authority

Water Institute

The Water Institute (WI) provides the forum for Council members with interests in the use of PPPs for the design, build, operation and maintenance of water and wastewater systems. The WI continued a high level of activity during 2011 as interest in public-private partnerships for water/wastewater projects escalated. This was evidenced by the inclusion of WI members and projects in the workshops conducted in Sacramento, Lansing, and Redondo Beach. This Institute also conducted a full-day workshop on “The Future of Water Partnerships in Florida’s New Environment” in Tampa, Florida on October 4. Tours of water facilities were also conducted in conjunction with two of these workshops.

The WI also monitors legislative activities related to the concerns of water project developers. Of particular interest during 2011 was the continuing effort to remove the cap on Private Activity Bonds for water/wastewater projects. While legislative progress was seen, no final bill was approved and will continue to be an effort during 2012.

Current members of the WI Steering Committee:

Chair: Sandra Sullivan, Veolia Water NA
Vice Chair: Teno West, Pannone Lopes Devereaux & West

Mark Alpert, CH2M Hill
Todd Burrer, SouthWest Water Company
J.C. Goldman, United Water
Robert Hebert, Fort Bend County, Texas
Eric Hurlocker, Williams Mullen
Susan Mays, CH2M Hill
Seth Miller-Gabriel, Jacobs
William Schwarz, SouthWest Water Company
Andy Shea, HDR
Stephen Sorett, McKenna Long & Aldridge
Wes Strickland, Brownstein Hyatt Farber Schreck
Dan Sugarman, United Water
Timothy Weston, K&L Gates

2011 Public-Private Partnership Awards

Each year, through a highly competitive process, the NCPPP identifies recipients for awards for outstanding projects in the field of PPPs. These awards recognize exemplary projects and services that illustrate the best practices and innovative approaches in the use of PPPs. The 2011 awards process reflected the growing interest in this tool for meeting public needs – as the award winners illustrate, the interest covers a wide array of sectors.

Distinguished Infrastructure Awards

This award is given in recognition of outstanding projects developed with the use of PPPs.

Shelby County Water and Wastewater Systems Contract

Shelby County, Alabama

SouthWest Water Company

This contract combined a long-term operations and maintenance contract with the sale of a wastewater facility, with the proceeds partially funding the construction of a new water treatment plant.

New Orleans Wastewater Facilities

Sewerage and Water Board of New Orleans

Veolia Water North America

This contract restored the wastewater facilities in the wake of the Hurricane Katrina disaster, through implementation of the private sector's emergency preparedness plan and substantial community participation.

Distinguished Innovation Awards

This award is given in recognition of new approaches in the use of PPPs.

Campbell Crossing Zero Energy Homes

U.S. Department of the Army

Lend Lease

This project for the construction of military housing that used more cost effective approaches in construction that still allowed the houses to receive LEED Platinum certification.



Santa Paula Water Recycling Facility

City of Santa Paula, California

Alinda Capital Partners

PERC Water

This project provided for the replacement of an outdated wastewater facility with a plant that exceeds discharge standards, and was developed under a design/build contract, financed and operated by the private partners.

Virgin Islands Energy Alliance Program

U.S. Virgin Islands

Bostonia Partners

To address the soaring energy cost, this partnership created a program to train local people in the installation of systems to improve energy efficiency and stimulate Energy Service Companies (ESCOs) to make private investments in the program through Energy Savings Performance Contracts

Distinguished Service Award

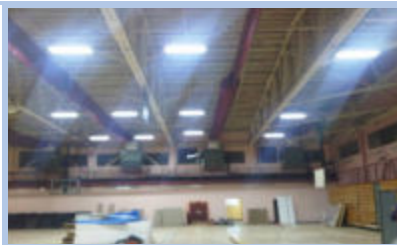
This award is given in recognition for years of continuous and outstanding service through the use of PPPs.

Creating a Sustainable Partnership Program

City of Fayetteville, Arkansas

CH2M Hill

This contract of the operation and maintenance of the city's wastewater treatment facility has evolved over its 25 years to include a broad range of community outreach services for education, preservation of the environment and innovative approaches for improvement of the quality of life.



Council Leadership



Executive Committee

Chairman: Ken Butler, Miller/Wenhold Capitol Strategies
President: Robert Hebert, Fort Bend County, Texas
President-Elect: Anita Molino, Bostonia Partners LLC
VP, Finance: Art Smith, Management Analysis, Incorporated
VP, Education: Parker Williams, ACS—a Xerox Company
VP, Membership: Robert W. Jennings, Jr., Gigabit Squared
VP, Policy: Walter “Chip” Foley, American Iron and Steel Institute
VP, Programs: Pamela Bailey-Campbell, Jacobs Engineering
At-Large Member, Public: Dr. Steve Gates, Northwest Arkansas Community College
At-Large Member, Public: Joseph Pavona, Michigan Office for Public-Private Partnerships
At-Large Member, Public: Steve Savas, Baruch College, City University of New York
At-Large Member, Public: Eugene Schiller, Southwest Florida Water Management District
At-Large Member, Public: Mark Willis, Wyoming Business Council
At-Large Member, Private: Joseph Kneib, Herzog Contracting Corporation

Board of Directors

Pamela Bailey-Campbell, Jacobs Engineering
David Birtwistle, Balfour Beatty Construction
Kenneth Butler, Miller/Wenhold Capitol Strategies
Ken Caldwell, Alliant Insurance Services
Patrick Cairo, United Water
Tony Canzoneri, McKenna Long & Aldridge LLP
Sinclair Cooper, Hunt Development Group
Michael Deane, National Association of Water Companies
Roger Feldman, Andrews Kurth LLP & Chairman Emeritus
Brett Findley, Longbow Partners, LLP
Walter “Chip” Foley, American Iron & Steel Institute
Robert Hebert, Fort Bend County, Texas
Steve Howard, Barclays Capital
Michael Imber, Grant Thornton, LLP
John Joyner, Infrastructure Management Group
Joseph Kneib, Herzog Contracting Corporation
Edward Kussy, Nossaman LLP
Susan Mays, CH2M HILL
Paul Miller, Miller/Wenhold Capitol Strategies
Anita Molino, Bostonia Partners LLC
Adrian Moore, The Reason Foundation
James O’Brien, Strategic Technology Concepts
Salvatore J. Perrucci, AON Risk Services
Eric Petersen, Hawkins Delafield & Wood LLP
Bob Prieto, Fluor Enterprises, Inc.
Phillip Russell, Lochner MMM Group LLC
William Schwarz, SouthWest Water Company
Dr. Beverly Scott, Metropolitan Atlanta Rapid Transit Authority
Arthur Smith, Management Analysis, Incorporated
Wes Strickland, Brownstein Hyatt Farber Schreck
Sandra Sullivan, Veolia Water North America
Mark Wagner, Johnson Controls
Teno West, Pannone Lopes Devereaux & West
Timothy Weston, K&L Gates
Parker Williams, Affiliated Computer Services—a Xerox Company

2011 Nominating Committee

Chair: Christopher Lloyd, McGuire Woods Consulting
Wes Strickland, Brownstein Hyatt Farber Schreck
Sal Perrucci, AON
Ed Crooks, KPMG
David Birtwistle, Balfour Beatty

2011 Awards Committee

Ken Butler, Miller/Wenhold Capitol Strategies
Robert Hebert, Fort Bend County Texas
Anita Molino, Bostonia Partners
Arthur Smith, Management Analysis, Inc.
Sandra Sullivan, Veolia Water NA
Parker Williams, ACS – a Xerox Company



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