Legislative Study Commission
N.C. Public Private Partnerships

James N. Copeland AIA, Vice President
Managing Principal Moseley Architects P.C.
EXPERIENCE WITH PUBLIC PRIVATE PARTNERSHIPS

Public Private Education Facilities and Infrastructure Act of 2002

TC Williams High School, Alexandria City Schools
Cosby High School, Chesterfield County Schools
James Monroe High School, Fredericksburg City Schools
Lafayette Elementary School, Fredericksburg City Schools
Skyline Middle School, Harrisonburg City Schools
Smithland Elementary School, Harrisonburg City Schools
Combined Middle High School, Northumberland Co Schools
Police and E-911 Center, City of Fredericksburg
Pocahontas Correctional Center, Tazewell County – VDOC
Green Rock Correctional Center, Chatham, Pittsylvania – VDOC
Deerfield Correctional Center, Southampton County – VDOC
Mt. Rogers Correctional Center, Grayson County – VDOC
Greenridge Recreation Center, Roanoke County

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Cosby High School
Chesterfield, Virginia
1750 student high school
257,000 sf
2006

Accelerated schedule
Site procured by the developer
T. C. Williams High School
Alexandria, Virginia
2,400 student replacement high school
2008

Existing urban high school site
Complicated logistics
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Police and E-911 Center
Fredericksburg, Virginia
34,000 sf
2007
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Green Ridge Multigenerational Recreation Center
Roanoke, Virginia
78,952 sf
2009

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James Monroe High School
Fredericksburg, Virginia
1200 High School
93,000 sf
2006
Accelerated schedule
No Change Orders
Early GMP
Pairing the contractor with the architect

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Virginia Myths about Public Private Partnerships

• “The increased competition will result in significant savings (up to 30%)”
• “By renting the schools after hours to outside groups, we can reduce the costs of the school”
• “We can’t afford to build a school so we will get the private sector to build it for us”
• “The District can reallocate all their risk to the private developer”
• “The Developer will do all of the up front work free to get the pot of gold at the end of the rainbow”
Virginia’s Outcomes

- Process allowed public sector to pick the “A Team”.
- Projects completed through the PPEA process were for the most part within budget, completed on time, and with minimal change orders.
- Projects were good quality construction - No low bid mentality
- Process is considered the “best value” approach.
- Many project were completed that otherwise would not have been done.
- Most projects did not include a financing structure.
- Turn key process was less head aches for clients.
- Process created a more collaborative team environment.
- Outside the comfort zone for many agencies.
- Managing expectations in a design/build environment.
Virginia’s Outcomes

• Does not necessarily save money - May be more expensive with up front costs, which can be mitigated by saving time and avoiding change orders
• Process is complex with significant legal expenses.
### EXPERIENCE WITH PUBLIC PRIVATE PARTNERSHIPS

#### Comparison – Project Delivery

<table>
<thead>
<tr>
<th>VIRGINIA PPEA - 2002</th>
<th>NORTH CAROLINA PPP - 2006</th>
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<tbody>
<tr>
<td>Design Build Approach</td>
<td>Construction Manager at Risk Approach</td>
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<tr>
<td>Flexibility of self-performance of work</td>
<td>Intent of law is that CMAR would not self perform</td>
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<td>Leasing is just one option</td>
<td>Law is written as a BTS - Capital Lease Agreement</td>
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<td>Authority rests with local County approval</td>
<td>LGC approval</td>
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<tr>
<td>Early GMP = more risk to Developer</td>
<td>GMP usually established after public bid process = Less Risk</td>
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<tr>
<td>Public bidding laws are not in affect</td>
<td>NC statute requires public bid process, allows prequalification</td>
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<tr>
<td>Team chosen based on qualification and price</td>
<td>Team is chosen based on qualifications only</td>
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<tr>
<td>Contract Form: Comprehensive Agreement</td>
<td>Contract Form: Build to Suite Capital Lease</td>
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<td>Flexible Project Requirements</td>
<td>Details of project are known at time of pricing GMP</td>
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Keys for Success

1. PPP is best suited for revenue producing project when private and public partners can both benefit.
2. PPP should be written to allow flexible financial options.
3. LGC guidance on proper response to PPP proposals.
4. Need flexibility regarding public bidding regulations.
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