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Puerto Rico PPP Authority Begins Evaluation Process of new Projects

PPP Authority seeking to provide solutions in the areas of correctional facilities, maritime transportation, among others

San Juan, Puerto Rico – The Puerto Rico Public-Private Partnerships Authority (PPPA) announced today that efforts are underway to evaluate for four new potential Priority Projects that could be developed as Public-Private Partnerships. The PPPA’s Board of Directors, in its last meeting Friday, August 20, 2010, decided for the PPPA to begin an evaluation process of several project ideas that seek to enhance services for the public.

“The PPPA is interested in exploring tangible solutions to problems that affect the day to day life of Puerto Rico residents. The PPPA is committed to continuously evaluate the needs and opportunities that can potentially be turned into projects that can have the capability to enhance infrastructure and services in Puerto Rico,” stated the PPPA’s Executive Director, David Álvarez.

The PPPA will initiate effort to develop project desirability studies in four areas of high public interest. The potential project areas reflect following basic characteristics: 1) demonstrate the need to improve infrastructure conditions and service reliability; 2) have the capacity to provide greater support to the economic development of the Island through job creation or the strengthening of economic activity; 3) promote the Island’s economic development and competitiveness; and 4) require financing that is not available in the Government’s coffers.

The PPPA will begin the evaluation or desirability studies of the following four potential projects: a) a P3 project for a minimum custody correctional facility, b) a ferry transportation solution between the municipality of Fajardo and the municipalities of *Vieques* and *Culebra*, c) the development of a technology project for traffic control automation as well as traffic violation control and c) the redevelopment of areas surrounding *Tren Urbano* stations.

The table below shows the potential projects, their benefits for Puerto Rico and the precedents around the world.

Areas for Project Desirability Studies

#	Project Objective	Benefits for Puerto Rico	Precedents
1	Solve and improve the transportation services to <i>Vieques</i> and <i>Culebra</i> .	Improve the reliability and efficiency of maritime transportation services for residents, businesses and visitors to the islands of <i>Vieques</i> and <i>Culebra</i> . Rehabilitate the terminal facilities' infrastructure and surrounding areas.	Establishment of private service projects for seaports are common around the world. Also, private participation in ferry systems is common. For example, the ferry system in the bay of Manhattan, New York.
2	Design, Construction, Financing, Operation and Maintenance of a minimum custody correctional facility	Improve the conditions, facilities and services to the low custody correctional community. The consolidation of multiple facilities would generate savings for the Correction and Rehabilitation Department of the Government of Puerto Rico.	Correctional facilities P3 projects are common around the world in countries like Canada, Germany, Brazil, France, Australia, England, Spain and the United States, among others.
3	Development of a technology project for traffic control automation and traffic violation monitoring.	Establishing an advanced traffic management and traffic violation control system that will: redirect and accelerate the flow of traffic, reduce accidents and violations, capture and register electronic record violations. Will allow the tackling of millions of dollars lost due to unrecorded or badly managed offenses, and increases road safety and mobility.	P3 projects for advanced traffic management systems and traffic fine management are well known in Europe and are being implemented more frequently in the United States.
4	Re-development of areas surrounding <i>Tren Urbano</i> stations (starting with a single station)	Rehabilitation of urban areas and increase ridership in <i>Tren Urbano</i> . Encourages the use of mass transit and promotes mixed land-use.	P3 projects in adjacent areas have been structured to facilitate the use of urban areas. The development of parking lots adjacent to areas of social activities, commercial services, and others, can be formulated in collaboration with the private sector.

"Being close to having operations back to normal between Fajardo and the island municipalities of Vieques and Culebra, we stand ready to evaluate other opportunities that can further improve maritime transportation. Our highest priority is that the residents of Vieques and Culebra have a timely, reliable, and secure transportation service, thus we are confident that the desirability and convenience study will provide important insight regarding the opportunities available," said Rubén Hernández Gregorat, Secretary of the Department of Transportation and Public Works.

Alvarez explained that the PPPA continues to manage the first generation P3 Priority Projects, which include: P3 projects for PR-22 and PR-5 toll roads, the "Schools for the 21st Century" project, the development and implementation of technology and remote reading of water consumption project, the concession of the Luis Muñoz Marín Airport and the establishment of a natural gas plant in the Costa Sur area in Peñuelas. In addition, the PPPA continues to take the necessary steps to manage other phases of road projects, such as PR-66 Phase II, the concession of PR-52 and PR-20 and the development of the PR-22 extension.

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