



## 2018 Preliminary Schedule

*Schedule subject to change*

### AGENDA: MONDAY, APRIL 2, 2018

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#### ***Pre-Summit Activities***

1:30 PM – 4:30 PM

#### **Site Tour - P3 in Action: A Tour of the Claude "Bud" Lewis Carlsbad Desalination Plant**

*Advanced Registration Required | Meet in Lobby of Manchester Grand Hyatt Hotel for Shuttle Pickup*



Before the Summit kicks off, come see one of the largest public-private partnership water projects in California.

We will host a limited number of P3 Water Summit attendees for a tour of the 50 million gallon per day (56,000 acre-feet per year) desalination plant located adjacent to the Encina Power Station in nearby Carlsbad. Tour participants will get an up-close look at the facility and its operations, learn the history of the project, and hear about the 30-year water agreement finalized with the San Diego County Water Authority for the purchase of 50 million gallons per day of desalinated seawater.

To reserve a spot contact [sandra@thep3conference.com](mailto:sandra@thep3conference.com)

Special Thanks to:



5:00 PM – 8:00 PM

#### **Summit Check-In & Registration**

*Harbor Ballroom Foyer*

## ***Pre-Summit Activities***

7:00 AM – 9:00 AM

### **Summit Check-In & Registration**

*Harbor Ballroom Foyer*

7:30 AM – 9:00 AM

### **P3 101 Breakfast (Open to Public Agency Attendees Only | Advanced Registration Required)**

*Harbor Ballroom A*

Join industry leaders and AIAI members for breakfast and an interactive conversation specifically tailored to the needs of water agencies evaluating the use of public-private partnerships. This pre-Summit session is designed for those beginning to explore P3s and are seeking to better understand where they can be applicable. Learn about when P3s do and do not make sense to advance, what are the major considerations that need to be made when choosing this route, how can they can save money and time when dealing with system repairs and maintenance, and what are some of the first steps to make when considering the P3 route.

Public attendees please confirm your attendance by emailing Lisa Buglione at [LBuglione@aiai-infra.org](mailto:LBuglione@aiai-infra.org)

#### **Moderator:**

Steve DeWitt, Senior Vice President, Business Development, ACS Infrastructure Development, Inc.

#### **Presenters:**

Paul Bottrill, Senior Vice President, Asset Development, Kiewit

Tad Guleserian, Executive Vice President, Hunt Companies

Bill Hvidt, The Hvidt Group

Kamil Seidl, Vice President, Star America

Sponsored by:



Association for the Improvement  
of American Infrastructure

*Together, we move P3s forward >*

# AGENDA: TUESDAY, APRIL 3, 2018

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## ***Formal Summit Activities***

9:00 AM – 9:15 AM

### **Summit Start: Welcome & Opening Remarks**

*Harbor Ballroom D*

9:15 AM – 10:00 AM

### **2018: A New Era for Water?**

*Harbor Ballroom D*



In our opening keynote, Jill Jamieson will provide an overview of some of the most notable developments that have recently shaped the public-private partnership landscape; and speak to some of the major political, policy, and project developments that are likely to define the U.S. P3 water experience in 2018. She will address recent comments by the administration regarding the role of partnerships for water infrastructure, and consider how P3s and other alternative delivery models are likely to be influencing major future projects being contemplated around the country.

#### **Presenter:**

Jill Jamieson, Managing Director, JLL Public Institutions Group

10:00 AM – 11:00 AM

### **Priming the water sector to understand and realize the potential of P3s**

*Harbor Ballroom D*

In the context of a well understood US water infrastructure deficit, P3 — with its capacity to accelerate project delivery, transfer operational and performance risk, bring innovation and manage costs on a whole life basis — seems to be a natural fit to address many of the challenges facing the water sector. Low cost capital, both from WIFIA and tax exempt or taxable sources that can be utilized in a P3 delivery model, is in plentiful supply. Contractor and investor appetite for well-structured performance based projects is significant. Why then, are there still so few water P3 projects?

In this session a panel of industry and public leaders will answer that question and examine what needs to change when evaluating water partnerships to better recognize and capture the benefits of P3. Panelists will also discuss how the model can be applied beyond just large projects, what leadership needs to look like to move P3 forwards in the water sector, and what specific actions public sector sponsors can take to determine the best delivery model for both their next project and the larger needs of their community.

#### **Moderator:**

Stephen J. Auton-Smith, Managing Director, Ernst & Young Infrastructure Advisors LLC

#### **Panelists:**

Peter Luchetti, Managing Partner, Table Rock Capital

Francesca McCann, Business Development Director, infraManagement Group [subsidiary of Black & Veatch]

Andrew D. Sawyers, Director, Office of Wastewater Management, U.S. Environmental Protection Agency (EPA)

# AGENDA: TUESDAY, APRIL 3, 2018

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11:00 AM – 11:15 AM

## **Networking Coffee Break**

*Expo Hall*

11:15 AM – 12:15 PM

## **Workshop: How Do P3s and Private Project Financings Impact Credit?**

*Harbor Ballroom D*

Among the many touted benefits of potential P3 projects is the ability to keep the debt off balance sheet. But just because it's off the balance sheet, does that mean the rating agencies consider it to be "off-credit" as well? The credit implications of P3s vary depending on the contractual obligation the public authority is committing to long term, as well as the essentiality of the asset. Moody's Investor Service senior analysts will discuss Moody's approach to evaluating a P3 project's impact on a public entity's credit rating depending on the asset and the structure of the P3, while also reviewing the credit implications different P3 structures have for both the P3 project and for the public sector.

### **Presenters:**

Helen Cregger, Vice President, Senior Credit Officer, Moody's Investors Service, Inc

Kathrin Heitmann, Assistant Vice President, Moody's Investors Service, Inc

11:15 AM – 12:30 PM

## **A New Kind of "Water" P3: Linking Water and Transportation Projects**

*Harbor Ballroom B*

State Departments of Transportation (DOTs) have long been delivering transportation infrastructure projects using P3s. In recent years however, DOTs have begun to pursue the delivery of hybrid transportation / water projects using P3 delivery including projects for channel diversion, storm-water tunnels and pump stations. This panel will highlight the issues and challenges associated with delivery of these new breed of water P3s.

11:15 AM – 12:15 PM

## **Interactive Roundtable Discussions**

*Harbor Ballrooms A&B*

A series of interactive roundtable conversations on critical P3 topics. Each conversation will last approximately 20 minutes, and during the session attendees will be able to participate in 3 different discussions. Roundtable conversations are meant to be informal, candid exchanges where participants can ask their questions and concerns, share experiences, and network. Presenters will guide discussions by bringing up case studies, targeted issues, and topics impacting the current P3 landscape.

### **Table 1: Want to seriously consider a Water P3? Better understand what makes this market sector tick.**

Water sector owners "hear the P3 buzz" created by other sectors and are looking for useful information and guidance. Unfortunately, P3 interest in the water sector can feel blindsided from the depth and breadth of ongoing narrative in the larger P3 community and by precedents in other market sectors and geographies. The path forward is simply the water sector needs to create and lead the water sector P3 narrative. The water sector has some unique features that need to be fully understood and are key to best practices for the evaluation, procurement, contracting and implementation of a water P3. This discussion will focus on these water sector features and why they are so important.

### **Table 2: P3 Risk Balance and Expectation Management**

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One of the hallmarks of a successful P3 project is the sharing of risk between the public and private sectors. Each sector would prefer to reduce their risk on the project, but there are serious cost impacts when the other sector absorbs more risk. Where can the balance be stricken and how can you be sure you have identified all the project risk categories for which transfer is an appropriate deal point? This session will discuss how public and private sector participants can work together to establish expectations and strike a fair balance for risk transfer between them on P3 jobs. The table will address how risk transfer in design and construction costs, operational and maintenance risk, and political risk can impact the value for money analysis. We will discuss risk allocation between the private and public sectors, as well as amongst the various members of the private concessionaire team. Finally, once the appropriate risk categories have been identified, we will discuss the different vehicles available to implementing risk transfer.

### **Table 3: P3 or Not to P3: Identifying the Appropriate Project Delivery Mode**

With P3 not necessarily appropriate for all types of water infrastructure, how can project sponsors meaningfully evaluate the relevance and suitability of a P3 delivery model in the context of individual projects? This roundtable will address the importance of upfront scrutiny of project objectives, scale, complexity, capital intensity and revenue risk, as some of the key characteristics that can help to determine the extent to which a P3 structure can help to deliver additional value, such as meaningful risk transfer and technological innovation. It will also explore the role of feasibility studies, market testing and value-for-money analysis in assessing the relative merits of alternative delivery for a particular project.

### **Table 4: Using Tax-Exempt Bonds in P3**

For years tax-exempt financing has been the preferred means to finance public facilities. This roundtable will address the issues involved in using tax-exempt debt in public-private partnerships, and compare and contrast structures involving tax exempt debt vs. conventional debt and equity. The conversation will also examine the impacts of the financing structure on project cost, project delivery, and long-term operations and maintenance

### **Table 5: From Idea to Implementation: The Role of a Project Champion in Building Internal Partnerships**

Between the idea for a P3 project and ribbon cutting lie many obstacles. P3 projects are still new and different to many. They require new processes, new ways of thinking, new legal and financial models, and new risks. They change the politics of building on campus. A project champion is essential to navigate those obstacles and build a team and a process that will maximize the chances for success. The project champion must understand enough about both the traditional process for campus construction and the new opportunities offered by the P3 model to bridge those worlds and to help the project adapt and remain flexible as campus needs change through the design and implementation phases. This roundtable is designed to empower potential project champions to build the internal partnerships needed to take a project from idea stage to implementation.

### **Table 6: Community Engagement is Not an Afterthought**

Critical to the success of any P3 is a strong commitment to stakeholder engagement, communication and transparency. Including stakeholders early in the public planning process allows for community engagement, and an opportunity to facilitate a successful P3 program based on public support and involvement. Here we examine how both the public and private partners can approach the dialogue with ratepayers, business groups and community shareholders for the best chance at a win-win-win solution for all parties.

### **Table 7: How to Maximize the Procurement Process**

To attract P3 consortium partners (developers, investors, contractors and service professionals), the public sector must impart confidence in the procurement process and house the necessary expertise to support a pipeline of P3 projects. This table considers various methods agencies can implement to use this initial phase of the P3 process to their

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advantage to not only generate interest from the private entities in their project but to also minimize and avoid the issues associated therewith.

### **Table 8: Learn How a P3 Management Contract was Structured to Successfully Help a Water Company Improve Performance, Safety and Achieve Savings**

The roundtable reviews how a P3 management contract was structured and tendered; and considers risk allocation, the payment mechanism including incentive components, and KPIs. We'll examine an international example that can be applied at home. Oman's government owned water distribution company is responsible for potable water supply for the country, population 2.4 million. The water company entered into a 5-year management contract, later extended because of positive results, for the P3 technical partner to help the water company develop: (i) new business strategies and plans, (ii) policies, procedures and manuals, (iii) integrated IT systems, (iv) implementation of operational improvements to ensure better levels of service for customers and (v) training and knowledge transfer. Key focus areas were: (a) HR, (b) investment planning and asset management, (c) project delivery, (d) customer services (e) water operations, (f) QSE and (g) capex program management during 2011-2015 of over \$1.3 billion.

### **Table 10: O&M Risk Issues in P3 Concessions**

Discussion at this round table will focus upon the last costs of a P3 concession; the O&M phase, and it's insurance line item. We will discuss how failure to anticipate insurable coverage issues and address insurance related challenges can put the O&M concession phase at unanticipated risk. Issues such as the impact of optimism bias in anticipating future insurance costs, the insurance downsides of deferred maintenance, the revealed coverage gaps when being jointly and severally liable with the public offtaker; among other issues, will be touched upon in a lively moderated table session.

### **Table 11: Cost of Financing – Does it Really Matter?**

This roundtable will focus on understanding the cost of financing. While some disregard P3s outright arguing that tax exempt financing can be cheaper; there are recent examples that have demonstrated otherwise. In this discussion close consideration will be made to when the cost of finance is relevant and the role of other key factors that impact the value for money in a P3.

### **Table 12: Making Partnerships Work**

When a P3 contract is signed with a private party, the work of the partnership begins, and both private and public parties have to live up to their responsibilities. Contracts attempt to identify and plan for the potential events that could occur during the life of the P3, but can rarely imagine all events into the future. This table will present the fundamentals and challenges of contract management, methods to streamline documentation. examine P3 contract requirements, discuss enforcement policies, as well as techniques for amending, renegotiating or terminating contracts.

### **Table 13: Best Practices for P3 Procurement Success**

Are you considering a P3 delivery for your new municipal asset, but not sure where/how to start? Concerned about attracting private sector interest? This roundtable will address pre-RFP activities for a municipal entity to consider, a procurement road map to follow, and then steps to take to prepare and implement a P3 from procurement through award, commercial/financial close, delivery, and operations.

### **Table 14: Winning P3 Formulas for Water Infrastructure Projects**

P3s are moving up the agenda in the North American water market but the definition of what a P3 is can be mixed and confusing. This roundtable discussion will navigate through the confusion by outlining the different P3 models and discussing the key components and attributes of successful water P3s currently underway in the U.S. With each model having its own risk/return profile we will discuss and review the risk/reward continuum in each model and examine

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examples of projects that illustrate successful P3 contracts.

### **Table 15: Stormwater P3s and Performance Based Infrastructure.**

Stormwater and water agencies face unique subsets of challenges: Outcome-focused stormwater permits led by State and Regional regulatory agencies; politically-challenging funding limitations; and areas of historic drought and vulnerability to climate change impacts. A discussion of priority and pressing issues is presented in the context of stormwater infrastructure metrics and delivery mechanisms that are potentially most beneficial and appropriate. Discussion will include how potential partnering entities combine and leverage resources and establish appropriate governance structures.

12:15 PM – 2:00 PM

### **Networking Lunch**

*Expo Hall*

1:15PM – 2:00 PM

### **Keynote Address: WIFIA Market Update**

*Harbor Ballroom A*

This session is designed for prospective borrowers and provides an overview of The Water Infrastructure Finance and Innovation Act of 2014 (WIFIA) established the WIFIA program, a federal credit program administered by EPA for eligible water and wastewater infrastructure projects. Our speaker will provide an overview of the program, explain the process for submitting and evaluating WIFIA letters of interest, and include an update on the most recent letter of interest round. This presentation is meant to foster a greater understanding of the requirements, clarify the purpose and goals, and pave the way for successful applications for the WIFIA program.

**Presenter:** Jorianne Jernberg, Director, WIFIA Program

2:00 PM – 3:00 PM

### **Getting to The Bottom Line – Communicating in Actual Numbers the Real Difference Between Public Funding and Private Financing Costs**

*Harbor Ballroom A*

An often cited assertion when disavowing the use of alternative project delivery methods, including P3s as a procurement model, is that the use of municipal bonds is a cheaper way to procure infrastructure. In this session, our presenter provides a breakdown of two different projects to their capital and O&M components, while incorporating engineering design, procurement, construction, schedule and O&M cost risks factors to demonstrate the actual differences between public funding and private financing costs.

**Presenter:** Michael J. Irlbeck, BD Director, EPCOR

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2:00 PM – 3:00 PM

### **Achieving Compliance with Safe Drinking Water Act and Clean Water Act: How Partnerships Can Assist**

*Harbor Ballroom B*

Public-private partnerships in the water sector typically are pursued to achieve specific benefits. Access to technology, management expertise, financial resources or better risk management, for example, are often cited. The ultimate community benefit, of course, is a reliable supply of safe drinking water and the assurance of public and environmental health. There is increasing attention to the difficulties many utilities face in delivering these benefits to the people they serve. As a recent study published in the Proceedings of the National Academy of Sciences notes, “[e]fforts to reduce violations are of national concern given that, in 2015, nearly 21 million people relied on community water systems that violated health-based quality standards.”

This session explores how water system partnerships including increased public-private collaboration can help struggling drinking water and wastewater systems achieve compliance with the Safe Drinking Water Act and Clean Water Act and maintain sustainable and efficient utility operations.

#### **Moderator:**

Michael Deane

#### **Panelists:**

Mayor David Carabajal, City of Beeville, Texas

Michelle Frederick, Coordinator, California State Water Resource Control Board, Division of Drinking Water

Wendi Wilkes, Regulatory Analyst, American Water Works Association

2:00 PM – 3:00 PM

### **Contract Structures that Incentivize Outstanding Service: Portable Lessons from Gulfport’s P3**

*Harbor Ballroom C*

The City of Gulfport, Mississippi, Mississippi’s second largest city with a population of 72,000, was faced with employee accountability, efficiency, and retention issues. In 1999, the City chose to privatize its streets, drainage, water and sewer departments. In 2011, The City chose Utility Partners to manage the operations of these systems based on their reputation and experience within the privatization industry. To date, the contract has been amended several times to increase the scope of services offered by the contractor and currently consists of 130 private employees working within the Public Works Department. On this panel, you will hear from both the representatives from the city (officials and management) and the private O&M contractor. They will give their respective views on what led to a successful partnership for over six years. First, they will discuss the contract details which has a 5% annual retainage as well as quality, time, and citizen satisfaction benchmarks to insure the constant proactivity of the contractor. They will also expand on how a third party audits and quantifies what the return of retainage will be every year. Second, they will discuss certain key initiatives that the City and the contractor develop together such as the APWA certification which encourages both teams to establish common goals, policies and standards. Seeking excellence with the recognition from a third party clearly motivates parties to work closely together and the individuals involved to deliver the highest results.

#### **Moderator:**

Guillaume Clairet, Chief Operating Officer, H2O Innovations

#### **Panelists:**

Wayne E. Miller P.E., Director of Public Work, City of Gulfport

Brian Nelson, Area Manager, Utility Partners, LLC

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2:00 PM – 3:00 PM

### **P3 Considerations in the Early Stages**

*Harbor Ballroom D*

The proposed panel discussion will cover a range of considerations that need to be taken into account during the early stages of a P3 project development. These will include assessing the feasibility of a project and what type of projects are best served by P3 delivery. A large consideration of P3 projects is determining where the funding will come from and how the project will be financed. What would attract the private sector to be engaged and be involved in the project? What are the benefits that would be achieved for the owner? In addition, the panel discussion will also highlight the merits and risks of P3 structures and how these played out in a selection of P3 Water projects to date; Prince George's County, in Maryland; and two projects in California: at Central Contra Costa Sanitary District and Carlsbad.

#### **Moderator:**

Justin Ashford, Vice President, Advisory Services, WSP

#### **Panelists:**

Greg Cannito, Managing Director, Corvias

Steve Dye, Government Affairs, Water Environment Federation

Bar Littlefield, Chief Financial Officer, Poseidon Water

Jean-Marc Petit, Director of Engineering and Technical Services, Central Contra Costa Sanitary District.

Brian Rapp, Kiewit Infrastructure

2:00 PM – 3:00 PM

### **Workshop: Mechanics of Rural Water Project Delivery**

*Harbor Ballroom E*

In this session, United States Department of Agriculture (USDA) staff and partner organizations will provide an overview of the opportunities for financing water and wastewater infrastructure projects in rural communities through partnership with the private lending sector. More than 97% of the nation's 156,000 public water systems are small systems, serving 10,000 or fewer people. According to the most recent Infrastructure Needs Surveys conducted by the United States Environmental Protection Agency, the projected cost for drinking water and wastewater projects in United States communities with populations of 10,000 and fewer people is estimated to be almost \$600 billion in the next 20 years.

To meet this financial need, USDA must partner with private lenders to creatively finance these infrastructure projects. Partnerships can include the use of private loans to pay for project design and construction until USDA can close on a permanent direct loan. USDA can also partner with private lenders to provide a loan guarantee on private permanent loans. Finally, USDA can work with private lenders to move current direct loan borrowers who have demonstrated financial capacity into the private lending sector by providing loan guarantees to lenders interested in refinancing exist debt. Through these types of public-private partnerships, USDA and lenders can improve access to clean, reliable water and waste disposal systems for households and businesses in rural areas.

#### **Presenters:**

Michael Canales, Community Programs Director, USDA-Rural Development, Texas

Kent Evans, Water Programs Director, USDA-Rural Development

Michael Himmel, Vice President and Regional Sales Manager, Business Alliance Financial Services, LLC

*Special Thanks to Session Organizer:*

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Committed to the future of rural communities.

3:00 PM – 3:15 PM

## **Networking Coffee Break**

*Expo Hall*

# RUTAN

RUTAN & TUCKER, LLP

3:15 PM – 4:15 PM

## **Value Delivery from Partnerships**

*Harbor Ballroom A*

P3's for water infrastructure have the potential to deliver significant value for municipal governments and more importantly their ratepayers. P3's can take on a variety of forms and structures to fit with project needs whether it's for existing assets in need of renewal or for greenfield infrastructure. This panel represents a variety of subject matter experts representing all facets of a successful P3 partnership including developers, finance, technical consultant, construction, and operations & maintenance. Each will provide their perspective on how to engage the private sector to drive maximum value for a P3 engagement.

### **Moderator:**

David Schneider Vice President Business Development Municipal & Commercial Business, Veolia North America

### **Panelists:**

Stephen J. Auton-Smith, Managing Director, Ernst & Young Infrastructure Advisors LLC

Gil Crozes, Partner, Carollo Engineers

Aaron Toppston, Senior Manager, Investment Development, The Walsh Group

Greg Johnson, Partner, Squire Patton Boggs

Stan Williams, Vice President - Project Development, Poseidon Water

3:15 PM – 4:15 PM

## **The Basics of Doing a P3 Water Procurement**

*Harbor Ballroom B*

No question is too simple when starting out. This session explores best practices and new approaches to procurement in the context of public-private partnerships, and considers how owners can most effectively structure risk transfer in design and construction costs, operational and maintenance challenges, and factors that can impact value for money analysis.

### **Presenters:**

Bruce Allender, Chief Operating Officer, infraManagement Group [a wholly owned subsidiary of Black & Veatch]

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Jill Jamieson, Managing Director, JLL Public Institutions Group

Megan Matson, Partner, Table Rock Capital

3:15 PM – 4:15 PM

## **Just Watching or Actually Preparing? Understanding Leading Indicators and Trends in Water P3s**

*Harbor Ballroom C*

This session explores emerging trends likely to shape the P3 market for water projects needed to meet the needs of growing populations and economies. The panel will address the risks faced by civic leaders who fail to plan for and develop a readily available supply of water to meet commercial and industrial needs, and discuss how to manage the political landscape in an environment where water infrastructure faces substantive capital improvements, supply and distribution upgrades, as well as health and safety modernization needs.

### **Moderator:**

Frank M. Rapoport, Partner, Peckar & Abramson

### **Panelists:**

Frederic Brassard, President, Alma Global Infrastructure

James Eklund, Of Counsel, Squire Patton Boggs (fmr Colorado Water Conservation Board Director)

Roy Fazio, Vice President, Director US Water, Flatiron Construction

Brian Nichols, Director, Business Development, Acciona

3:15 PM – 4:15 PM

## **What Makes the Water Sector So Unique and Why is it Important to Understand this in the Water P3 World?**

*Harbor Ballroom D*

The water sector has unique features that are central to the consideration of best practices in the evaluation, procurement, contracting and execution of a P3 approach. Before a water sector P3 can be considered, it is important that these unique water-focused features are fully understood. Recognizing – and addressing – the challenges presented by these water-focused features will enable the integration of the P3 approach into the broad spectrum of delivery models available to the water sector. The application of best practices, continuity within the spectrum of delivery models, and recognition of water's unique place in public infrastructure will provide the foundation for water and wastewater projects to grow commensurate with past performance in other sectors. Topics to be discussed include:

- Funding and Financing- what is the difference?
- True cost of service dilemma and its role in a Water P3.
- Financing and the Water P3 – is it necessary?
- Impact of O&M to a Water P3– is the P3 model different than the DBO model?
- Selection of the P3- it isn't just the price tag.
- Water sector is local and P3 could include more or less- which is better?
- Asset life, performance variability, preventive / predictive care, turnover and other system needs that merit recognition.

### **Presenters:**

Leafwin Clark, Vice President, Brown and Caldwell

Douglas Herbst, DBIA, Freese and Nichols, DBIA Water/Wastewater Liaison to DBIA P3 Committee

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3:15 PM – 4:15 PM

### **Performance Based Metrics for Stormwater Quality and Water Resources**

*Harbor Ballroom E*

The establishment of clear performance metrics for regulatory compliance, valuation, and payment are essential for developing stormwater P3s and Performance Based Infrastructure (PBI). This panel will discuss the regulator, owner, funder, and P3 developer perspectives of each of these metrics, and will explore potential functional frameworks. Key topics, provided from each perspective, will include measurable and definable metrics, financial structures, risk transfer, documentation, monitoring for conformance, and constraints (including political constraints). Other topics will include opportunities and potential benefit (again, from each perspective) to explore common ground, and to establish whether a confluence of national precedent, examples of analogous utilities, and specific goals (including the establishment of new revenue sources), can provide a baseline framework to advance P3s and PBI further. This session will include prominent leaders bringing both California and nation-wide perspectives.

#### **Moderator:**

Ken Susilo, P.E., CPSWQ, Geosyntec Consultants

#### **Panelists:**

Geoff Brosseau, Executive Director, California Stormwater Quality Association

Dave Gibson, Executive Officer, San Diego Regional Water Quality Control Board

Kris McFadden, Director, Transportation & Storm Water Department, City of San Diego

Nicole E. Granquist, Partner / Chair, Natural Resources Group, Downey Brand

Robb Whittaker, General Manager, Water Replenishment District of Southern California

4:30 PM – 5:30 PM

### **Understanding Different P3 Project Delivery Approaches**

*Harbor Ballroom A*

One commonly cited source for the condition of our nation's infrastructure is the American Society of Civil Engineers' 2017 Infrastructure Report card, A Comprehensive Assessment of American's Infrastructure, ASCE (2017). The latest grades for water infrastructure are as follows: Dams (Grade D), Drinking Water (Grade D), Levees (Grade D), and Wastewater (Grade D+). Besides the aging problems, water infrastructure issues have been further compounded by the effects of climate change, funding shortages, deferred maintenance and the length of time it takes to deliver projects.

The Trump Administration's new initiatives in rebuilding America's infrastructure should offer new impetus to innovate project delivery solutions. This panel will explore the pro's and con's focused on selected criteria (equity, risk allocation, performance, schedule and funding/financing) of innovative project delivery approaches that are in use today that can expedite schedules, reduce costs, bridge funding gaps and insure long term asset management. Although one size does not fit all, if an appropriate approach is implemented, these delivery methods can help a great deal. In this session we will look closely at and compare three different projects: i) a Design-Build-Finance-Operate with water purchase agreement, ii) a Design-Build-Finance-Operate with availability payments, and iii) a Design-Build-Operate Contracting project.

#### **Moderator:**

Christopher Kane, P.E., Esq., Vice President, Assistant General Counsel Head of Integrated Project Delivery, AECOM

#### **Panelists:**

Marcel Ham, Principal, IMG Rebel

Eric S. Petersen, Partner, Hawkins Delafield & Wood LLP

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4:30 PM – 5:30 PM

## **Workshop: Fast and Affordable Water Financing Solutions**

*Harbor Ballroom B*

Join the California Infrastructure and Economic Development Bank (IBank) for a look at low-cost financing options for water agencies participating in P3 projects. Workshop panelists will share insights on determining project and borrower eligibility, how long it takes to receive financing, and what elements are reimbursable. The workshop panelists will share case studies of unique water projects. Participants will be encouraged to join the discussion, relate challenges they have encountered, and work together to explore financing solutions for needed water projects.

Discussion topics to include:

- How to prepare for a financial review and materials needed.
- Eligible repayment sources including non-traditional revenue items.
- How can water agencies qualify for 100% financing?
- Getting loan approval and money in 180 days or less.
- Preliminary review with technical assistance.
- California Environmental Quality Act (CEQA) challenges.

### **Presenters:**

Teveia Barnes, Executive Director, IBank

Nancee Trombley, Chief Deputy Executive Director, IBank

Tom Dear, Loan Origination Manager, IBank

Margrit Lockett, Loan Servicing Manager, IBank

Nicole Dennis, Principal Management Analyst, City of Santa Cruz

Mark Grajeda, General Manager, Pico Water District

*Special Thanks to Session Organizer:*



4:30 PM – 5:30 PM

## **Breaking Institutional Inertia – How Partnerships are Being Used to Move Projects Forward**

*Harbor Ballroom C*

Water systems face an array of emerging challenges in providing safe, reliable, and affordable drinking water to their customers. These challenges include adapting to new regulatory standards, the need to upgrade or replace aging infrastructure, source water availability and protection issues, and increasing budgetary constraints. All of these challenges stretch the bounds of technical capacity for systems of all sizes – but the challenges are arguably most acute for small to mid-sized systems. One solution that is emerging and gaining steam is the concept of partnerships – teaming with public, private, or co-operative partners to achieve efficiencies. By tackling operational, managerial, and financial demands of a water system collaboratively systems may find relief, and strength, in numbers. The options can range from partnering with an entity to leverage relatively minor programs within a system (such as billing, communications, fleet management, etc.) to transferring ownership of a system. However “partnerships” are not as common as one might think – and institutional inertia can work against even the most well developed approach. This panel will explore

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the different types of partnership opportunities that exist in the water sector – and a discussion of best practices on what has led to effective regionalization efforts.

**Moderator:**

Judson M. Greif, Partner, Greenfield Government Strategies

**Panelists:**

Brent Fewell, Founder, Earth and Water Group

Logan Olds, General Manager, Victor Valley Wastewater

Richard Svindland, President, California American Water

4:30 PM – 5:30 PM

**The Role of the Operations and Maintenance Partner in Public Private Partnerships**

*Harbor Ballroom D*

In this session we will explore the role of an O&M contractor in a variety of Public Private Partnerships. Panelists will discuss the activities and role of an O&M contractor in a DBO project as well as in a typical contract operations agreement with a municipal utility. For the DBO contract, we will discuss the suite of services an O&M contractor provides during the design and build phases, as well as the hand-off to longer term operations. The panel will speak to the scope of services in these agreements and have open discussion on lessons learned. Our discussion will also review the risk sharing and transfers during the various phases of these agreements. The panel will be represented by both the municipal sector and by design/build firms, providing perspectives from both the public and private sectors.

**Moderator:**

Mark Halleman, Senior Vice President, Inframark

**Panelists:**

Kevin Hunt, General Manager, Central Basin Water District

Wes Self, Vice President - Alternative Delivery, Reynolds Construction

Ramon Diaz, Project Director, GS Inima

5:30 PM – 7:00 PM

**Opening Night Welcome Reception**

*Expo Hall*

Join us at this special evening networking event for all Summit attendees.

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7:00 AM – 9:00 AM

### **Conference Networking Breakfast**

*Expo Hall*

Sponsored by:



8:00 AM – 10:00 AM

### **Workshop: Identifying and Overcoming Barriers to Consolidation and Regional Drinking Water Projects in California**

*Harbor Ballroom A*

The State of California has approximately 7,400 public water systems. Approximately 75% of the State's community water systems serve less than 1,000 connections. This two-hour session will focus on identifying current barriers to both consolidation and regional drinking water projects in California. There will be a panel of experts from various organizations that represent the needs and stakeholders in these water partnership projects, including representatives from the regulatory community, counties, cities, private investor owned utilities, and municipal water systems. This will be a technology-aided interactive session and the audience will help identify top barriers. The panel and other audience members will then provide feedback on how those obstacles have been overcome in other projects, or identify long-term structural changes that need to be made to facilitate these regional projects.

#### **Presenters:**

Michelle Frederick, Consolidation Coordinator, California State Water Resource Control Board, Division of Drinking Water

Caitlin Juarez Consolidation Coordinator, California State Water Resource Control Board, Division of Drinking Water

Bruce Burton, Principal Engineer, California State Water Resource Control Board, Division of Drinking Water

John Benoit, Executive Officer Lake LAFCo

Janet Coppinger Administrator LakeCounty

Dan Ruiz, Engineering Manage, Coachella Valley Water District

Brett Sanders General Manager Lakeside Water District

Jennifer Stephenson, Executive Officer, Plumas LAFCo

Kevin Tilden, Vice President, California American Water

*Special Thanks to Session Organizer:*



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8:00 AM – 9:00 AM

### **International P3 Lessons for U.S. Water Project Delivery**

*Harbor Ballroom B*

Reviewing international best practice for alternative delivery of water projects challenges our thought leaders to consider alternative strategies and delivery methods for water P3s. This panel will share their experiences of working in both the U.S. and internationally on P3 water projects, and share their perspective on trends in partnering, procurement and project delivery that lead to the successful delivery of major water infrastructure programs around the globe that can be harnessed in the U.S.

#### **Moderator:**

Elizabeth Cousins, Infrastructure and P3 Attorney, Nossaman LLP

#### **Panelists:**

Mark Donovan, PE, Desalination Program Director, GHD

Liam Kelly, Principal, Advisory, US Infrastructure Asset Management, KPMG

Brian Nichols, Director, Business Development, Acciona

Fred Kessler, Partner, Nossaman

8:00 AM – 9:00 AM

### **Environmental Impact Bonds**

*Harbor Ballroom C*

Environmental Impact Bonds represent a new, catalytic opportunity to drive private capital towards environmental innovations in the public sector. The growth of impact capital is enabling governments to de-risk invests in promising, nature-based interventions that might have otherwise been overlooked. By sharing the performance risk of these interventions with private investors, governments are able to rationally advance alternative projects that deliver positive health, environmental and workforce development benefits without being forced to choose between the extreme alternatives of either privatization or pure public control. There exists a real opportunity to blend the Environmental Impact Model with other models and Quantified Ventures will be moderating a panel of practitioners who are advancing these concepts across the US.

**Presenter:** Eric Letsinger, Founder, Quantified Ventures

8:00 AM – 9:00 AM

### **Design and Construction Oversight in a P3**

*Harbor Ballroom D*

9:15 AM – 10:15 AM

### **The Federal Perspective: A Conservation Across Agencies**

*Harbor Ballroom B*

This session is a conversation with representatives from Federal Agencies focused on P3s. How are the USDA, EPA, United States Army Corps of Engineers (USACE), and Department of Interior (DOI) approaching water partnerships in the new administration? What sorts of P3s are likely to be encouraged? What policy direction is being developed? What are possible uses for P3s? In this discussion, panelists will discuss their agencies' policy approaches to P3s, where they

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perceive opportunities for the model, discuss policies supportive of water project delivery, and provide guidance and information on assistance programs currently in operation or development.

**Moderator:**

Dave Wegner, Buildings and Infrastructure, Jacobs Engineering

**Panelists:**

Kim Dolbow Vann, California State Director, USDA Rural Development, California

Kent Evans, Water Programs Director, USDA Rural Development, Washington DC

Robert Wolfe, Director, Program and Budget, Bureau of Reclamation

9:15 AM – 10:15 AM

**Aging EPA Block Grant Funded Wastewater Plants as a P3 Opportunity**

*Harbor Ballroom C*

In the late 1970s and early 1980s, EPA block grants funded the construction of a number of wastewater treatment facilities. As these facilities age, it is becoming necessary to embark on capital improvement plans or to construct new facilities altogether. This panel will discuss the P3 opportunities associated with upgrading wastewater treatment facilities, including into indirect potable reuse or direct potable reuse facilities.

**Moderator:**

Morgan Gallagher, Associate, Rutan & Tucker, LLP

**Panelists:**

Eric Owens, Technical Resources Manager, West Basin

Jim Crabtree, Managing Partner, WaterMark Resource Development

9:15 AM – 10:15 AM

**Getting Started: Engaging an Owner Advisor to Support P3 Success**

*Harbor Ballroom D*

The presentation and follow-on discussion, facilitated by the Water Design-Build Council, discusses the unique aspects of design-build and operations practices in the water and wastewater sector and how those practices inform the use of Owner Advisors in support of P3 delivery. Since collaborative delivery is inherently embedded in almost any P3 approach, applying design-build best practices is critical to getting started on and then implementing P3 for your organization. The presentation portion of this session will focus on how to engage and scope an Owner Advisor, with a focus on the key issues and risk transfer considerations unique to the water and wastewater sector, followed by an interactive discussion focused on the practical side of engaging an Owner Advisor with the right scope to support your P3 project, including:

What are the first steps in getting your organization prepared to consider and implement a P3 project? How does your prior design-build experience transfer to P3? What might make water and wastewater P3s different than other types of infrastructure? Are there progressive design-build and other collaborative options available within the P3 framework? What are the right selection criteria and scope elements for an Owner Advisor?

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## Presenters:

Mark Alpert, Executive Director, Water Design Build Council

Leafwin Clark, Past WDBC President and Education Committee Chair, Brown and Caldwell

David E. Kinchen, Associate Vice President/Director, Black & Veatch

10:15 AM – 10:45 AM

## Networking Coffee Break

*Expo Hall*

Sponsored by:



10:45 AM – 11:45 AM

## Leveraging a P3 for Water Delivery: The Vista Ridge Water Supply Project

*Harbor Ballroom A*

San Antonio, Texas, needed funding for a water delivery solution that would protect the Edwards Aquifer, prepare for drought and support future prosperity. Increasing taxes was not an option. A long-term contract between a private party and a government entity was the solution. Hear how the future of water delivery systems can be informed by the experiences of the public and private sectors, working with their financing partners, came together on the innovative Vista Ridge water delivery P3. The panel will provide an analysis of the challenges, successes and lessons learned including how the project could have been shelved had the construction partner, Garney Construction, not assumed a meaningful leadership role in overseeing the design, construction and financing of the project.

## Moderator:

Francesca McCann, Business Development Director, infraManagement Group [subsidiary of Black & Veatch]

## Panelists:

Nancy Belinsky, Vice President and General Counsel, San Antonio Water System

Michael J. Irlbeck, BD Director, EPCOR

Scott A. Parrish, Chief Operating Officer Western Pipe, Garney Construction

Eric S. Petersen, Partner, Hawkins Delafield & Wood LLP

10:45 AM – 11:45 AM

## Good Small P3s: Key Success Factors for Small Communities

*Harbor Ballroom B*

Small and medium size communities can benefit the most from P3 projects, but have they been left out of the P3 market? How does the new infrastructure program affect these communities? What are the key success factors for small and medium size communities to implement and benefit from a P3 project? This session will explore the tools and financing options available to small community stakeholders to evaluate, plan and execute a successful P3 project.

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Whether upgrading an existing facility, building a new facility or planning for anticipated growth, establishing the right partners and capitalizing on proven success factors in advance is key to delivering a winning project and can make a small project become a big deal.

### **Moderator:**

Mark Lambert, Managing Partner, WaterMark Resource Development

### **Panelists:**

William Brennan, Managing Director, Arena Growth Holdings

Brian Cullen, President, PERC Water

William Green, President, South Coast Water District

David Moore, Managing Partner, Clean Energy Capital

10:45 AM – 11:45 AM

### **The Realities Inherent in Performance-Based Stormwater Delivery Approaches.**

*Harbor Ballroom C*

Building off the discussion on performance based metrics, this panel focuses on linkage of specific metrics to alternative delivery mechanisms, and presents lessons learned from initiatives and programs already under way (P3's, CBP3's? PBC?) The panel will discuss different financial structures, and the benefits and drawbacks of each structure, with a focus on governance, transactional acceptance, risk management, and contractual obligations. Examples and case studies from across the country will be discussed, providing insights to financial and regional considerations.

### **Moderator:**

Yuval Cohen, Jacobs | LeighFisher

### **Panelists:**

Dr. Jacqueline Ashmore, Director of Research and Outreach Activities, Institute for Sustainable Energy, Boston University

Seth Brown, Principal, Storm and Stream Solutions, LLC

Greg Cannito, Managing Director, Corvias

Edward Fanter, Infrastructure & Capital Projects, Deloitte Advisory

Sanjiv Sinha, Vice President, Environmental Consulting & Technology (ECT), Inc.

Ken Susilo, P.E., CPSWQ, Geosyntec Consultants

10:45 AM – 11:45 AM

### **Structuring and Financing Options for Water P3's**

*Harbor Ballroom D*

P3s have long been discussed as a potential solution to the underfunding of U.S. water infrastructure needs. In this session we explore various financing structures that have been successful for delivering water projects: comparing the tax-exempt and taxable debt models, equity options, and different government programs. We also discuss how P3 financing models are evolving and how a traditional project finance program compares to other P3 tools, such as concession agreements, that are more common in other sectors. Panelists will explore what we can expect regarding future market activity and prospects for both primary and secondary water infrastructure markets? Lastly we examine which P3 structure work best for a specific project or to meet the specific goals of an agency, delving specifically into how each structure impacts the project viability, the return to the agency; and its credit profile and balance sheet.

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11:45 AM – 1:00 PM

## **Networking Lunch**

*Expo Hall*

Sponsored by:



1:00 PM – 2:00 PM

## **Sustainability and Implications for Utility Management and Financing**

*Harbor Ballroom A*

This panel will explore characteristics of a sustainable utility in an ever changing global environment, focusing on various perspectives including rate setting management, debt financing and financial policy, consumer transparency and investor interests. Panelists will discuss best practices, professional excellence and stand-out leaders, examine how the sector's approach to sustainability has evolved and what future changes might be required. The discussion will explore the growing utilization and market demand for green bonds, sustainability efforts from the standpoint of affordability and capital investment, managing competing demands, sustainable rate-setting and debt financing structures, and the role of the private sector and P3s in supporting a utility in achieving its sustainability goals.

### **Moderator:**

Kathrin Heitmann, Assistant Vice President, Moody's Investors Service, Inc

### **Panelists:**

John Mastracchio, Vice President, Raftelis

Ed D. Vallejo, Vice President, American Water

1:00 PM – 2:00 PM

## **Harnessing Alternative Delivery for the One Water LA 2040 Plan**

*Harbor Ballroom B*

The City of Los Angeles One Water LA 2040 Plan (Plan) sets the tone for strategic water planning solutions across Los Angeles. The Plan relies on collaboration and planning between agencies and stakeholders to identify sustainable programs and projects that will yield long-term water supplies for Los Angeles. This panel will discuss projects being procured or and under consideration for procurement using alternative delivery methods by the City, including how the City of LA is identifying projects, determining the appropriate delivery model and successfully delivering projects across the Plan.

1:00 PM – 2:00 PM

## **Political and Economic Realities for Water P3s**

*Harbor Ballroom C*

Industry professionals will explore the possibilities and the realities of dealing with political subdivisions, regional growth and the need to challenges to provide fresh water to communities and companies is as meaningful in urban population

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centers as it is for the rural economy. There are opportunities for regional consolidation, or the combination of services, including common services to address water and wastewater treatment needs across the country. The panel will highlight opportunities, based on practical experiences drawn from best of class projects and best practices in policy implementation, to convey the possibilities of managing the political and economic realities facing communities with water infrastructure needs.

### **Presenters:**

Tad Guleserian, Executive Vice President, Hunt Companies

Mark Ellison, Sales Director, IDE Americas, Inc

James Murphy III, Water Supply Planner, Halff Associates

Frederic Brassard, President, Alma Global Infrastructure

1:00 PM – 2:00 PM

### **Workforce Issues Across the Water Industry**

*Harbor Ballroom D*

Water utilities are struggling with workforce issues around the country. The industry has an aging population and a loss of institutional knowledge presents a major challenge for many utilities. Adapting to a workforce that makes heavier use of technology is both an opportunity and challenge. Meanwhile, the industry's focus is further shifting to resource recovery. P3s are able to address some of these workforce issues, if integrating changes in workforce staff and organization is addressed appropriately. This panel will feature water utility leaders from around the country, a water district director, and a labor union representative to represent all viewpoints.

### **Moderator:**

Brian Shell, P.E., Senior Technical Principal, WSP

### **Panelists:**

Salil Kharkar, P.E., BCEE, Director, Operations, District of Columbia Water and Sewer Authority

Megan Yoo Schneider P.E., Director, Municipal Water District of Orange County

LECET Representative

2:15 PM – 3:15 PM

### **Understanding P3 Pitfalls and Success Factors – the Advisor Perspective: A Practical View of How to Move Projects Forward from People Who Have Done It Before**

*Harbor Ballroom A*

P3 pitfalls and success factors – the advisor perspective: A practical view of how to move projects forward from people who have done it before In this session, representatives from leading financial, legal, engineering and public relations advisory firms will share practical insights and key lessons learned on what it takes to implement water P3 projects. The panel will draw on its collective experience to offer perspectives on what success means in water P3, why the drivers of success are different from those of traditional procurement and contracting models, and to provide procuring authorities with guidance on matters such as how to:

1. Secure stakeholder commitment by embedding engagement and communication strategies into the P3 process
2. Build a robust technical and economic foundation for a successful project through the feasibility study process

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3. Build and sustain credibility with the private sector Design and implement an effective tender process while avoiding procurement and legal pitfalls
4. Manage your advisory team to get the best value out of them

### **Moderator:**

Klair White, Senior Vice President, Ernst & Young Infrastructure Advisors LLC

2:15 PM – 3:15 PM

### **Green Infrastructure: Investments in the Public and Private Realm**

*Harbor Ballroom B*

As water conservation, utility efficiency, and environmental protection become ever more important priorities for municipalities, green infrastructure is increasingly considered among the measures that can achieve public policy objectives. Meanwhile, as private property owners consider new investments and re-investments in buildings and land, those investments present opportunities to advance water policy objectives while also creating new real estate value by integrating green infrastructure practices. This session will explore the relationship between the objectives of green infrastructure policy, public programs and incentives that can facilitate private investment in green infrastructure, and the financial motivations and imperatives for private real estate investment in green infrastructure on commercial and residential properties.

2:15 PM – 3:15 PM

### **Performance-Based Contracting by Anne Arundel County to Meet its MS4 Requirements**

*Harbor Ballroom C*

This panel will involve a discussion of how one Maryland County, Anne Arundel County, evolved to a performance-based delivery model for meeting some of their MS4 permitting requirements. It will include a discussion of the background MS4 obligations, the permit metrics and available regulatory practices and accounting tools. In addition, the panel will discuss how the delivery of solutions evolved to the performance-based model over time and why. This will include a discussion on the pros and cons of such a model, the comparative costs and representative procurement approaches. The County will also discuss different ways to achieve their objectives, the forecast for future efforts and ways to improve the process.

### **Presenters:**

George W. Kelly, Chief Markets Officer, RES  
Erik Michelsen, Administrator, Anne Arundel County

2:15 PM – 3:15 PM

### **P3 Development in Rural Communities**

*Harbor Ballroom D*

Rural communities face unique critical infrastructure needs and significant funding challenges that cannot be addressed solely by public resources. Public-private partnerships must be part of the solution. United States Department of Agriculture (USDA) staff and partners will moderate the discussion to explore how public-private partnerships have been able to provide opportunities for development of critical water and wastewater infrastructure in rural areas and small cities. Our presenters will describe their experiences in past and upcoming projects, as well as the challenges

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confronted, and best practices employed in procurement and water project delivery.

### **Moderator:**

Douglas Herbst, DBIA, Freese and Nichols, DBIA Water/Wastewater Liaison to DBIA P3 Committee

3:30 PM – 4:30 PM

### **Overcoming Barriers to Advance Public-Private Partnerships**

*Harbor Ballroom A*

P3s are frequently touted as one of many strategic solutions to overcome the nation's many water infrastructure challenges. Despite the numerous benefits of P3s, both municipalities and private water companies often face barriers in gaining public support for private sector involvement. A recent poll conducted by the National Association of Water Companies (NAWC) found that public perception of water being a "public good" and fear of negative voter reaction are significant factors impeding the use of P3s. This session will demystify P3s and address the barriers that can deter communities from pursuing a P3 as a potential solution to their water challenges. A panel comprised of both private and public sector representatives will share their respective experiences in overcoming public resistance to private participation in water projects.

3:30 PM – 4:30 PM

### **P3 Questions and Answers Discussion Session - Where to Go from Here?**

*Harbor Ballroom B*

Join industry leaders and AIAI members for an interactive conversation specifically tailored to audience questions and answers about P3s. Attendees will have the opportunity to submit questions in advance and also join in the discussion of the benefits, values, and applications of P3s in an open dialogue.

4:30 PM

**Summit Ends | Exhibitor Breakdown**