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EXPERT: FUNDING ROADS WITH PRIVATE MONEY A GROWING NATIONAL TREND

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BY JOHN WELSH

Funding large transportation projects with private money is a growing national trend, a consultant told a panel of Riverside County policy makers.

Whether the Riverside County Transportation Commission can one day approve of such public-private partnerships for Inland roads and hubs remains an issue for the Legislature, consultant Corey Boock told commission board members.

The state does not allow for such deals without special permission of the Legislature.

However, public-private partnerships are a key element of Gov. Schwarzenegger's plan to increase the amount of money devoted to the state's transportation needs. Eric Haley, the commission's executive director, supports such funding concepts, saying that if the Legislature approved, it could bring billions of dollars into California.

Boock, an attorney with the firm Nossaman Guthner Knox Elliott hired by the Riverside commissioners, explained the benefits and pitfalls associated with public-private partnerships during Wednesday's workshop session. No vote was taken.

Boock said the more control a transportation agency gives to the private sector, the less risk involved in such areas as cost overruns and construction delays. The public agency gives up some control over project designs, Boock said.

He cited Highway 125 in San Diego County as a success story. Transportation officials there lobbied the state for special permission to build the north-south, 9.5-mile toll road between Highway 54 and Highway 905, near the U.S.-Mexico border.

The \$775million project known as the South Bay Expressway is being developed with a franchise agreement between the state and a private company, California Transportation Ventures Inc. It is scheduled to open in early 2007.

The 91 Express Lanes connecting Orange and Riverside counties is an example of a privately funded project that abuts a public thoroughfare, Highway 91.

Haley stressed that if the commission pursues such ventures, the projects promised when voters approved Measure A, the half-cent sales tax for transportation projects, would not be affected.