



Florida Transportation  
Builders' Association

CONSTRUCTION CONFERENCE - 2010

**THE MOST IMPORTANT**

**P**

**IN PPP**

Presented by: Jerry P. Brodsky – Peckar & Abramson





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# Payment

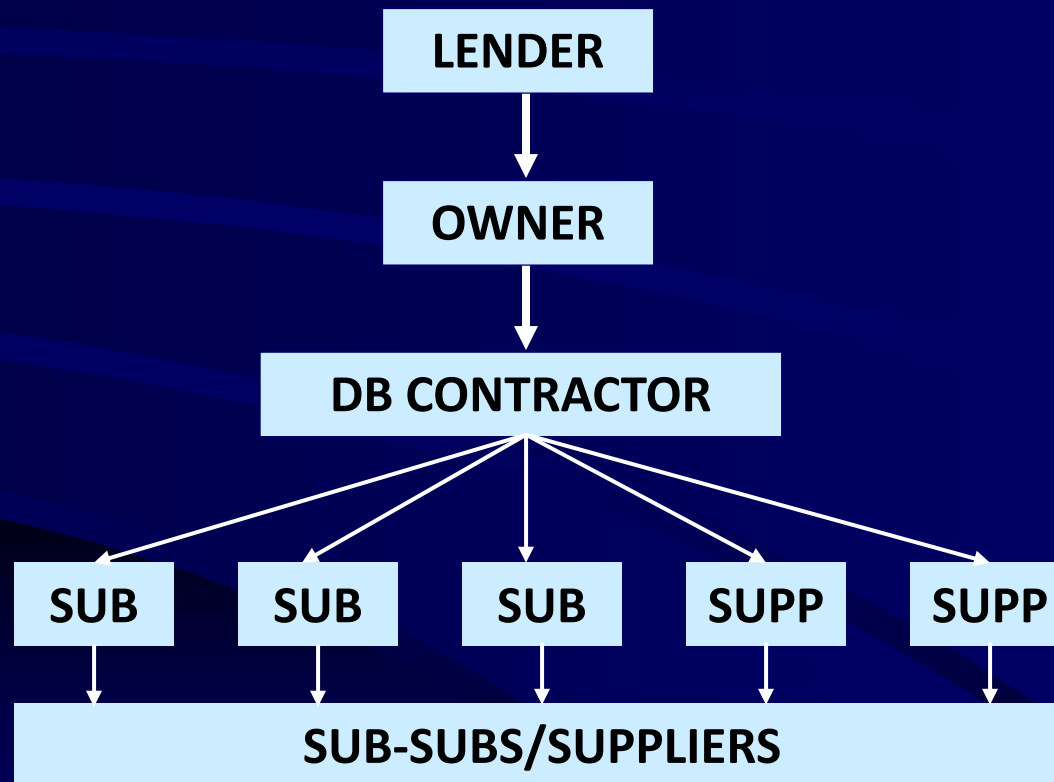




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## TRADITIONAL PAYMENT MODEL





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## TRADITIONAL PAYMENT MODEL

Lender releases **construction loan funds** to Owner for payment to Contractor (and by Contractor to subs/suppliers) based on **progress of construction** measured against agreed **Schedule of Values**





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## TYPES OF PPP

- Management Contracts
- Design-Build
- Design-Build-Operate-Maintain
- Build Operate Transfer
- Build Transfer Operate
- Build Own Operate
- Design Build Operate Finance
- Concession
- Asset Sale.

Public Sector

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Private Sector





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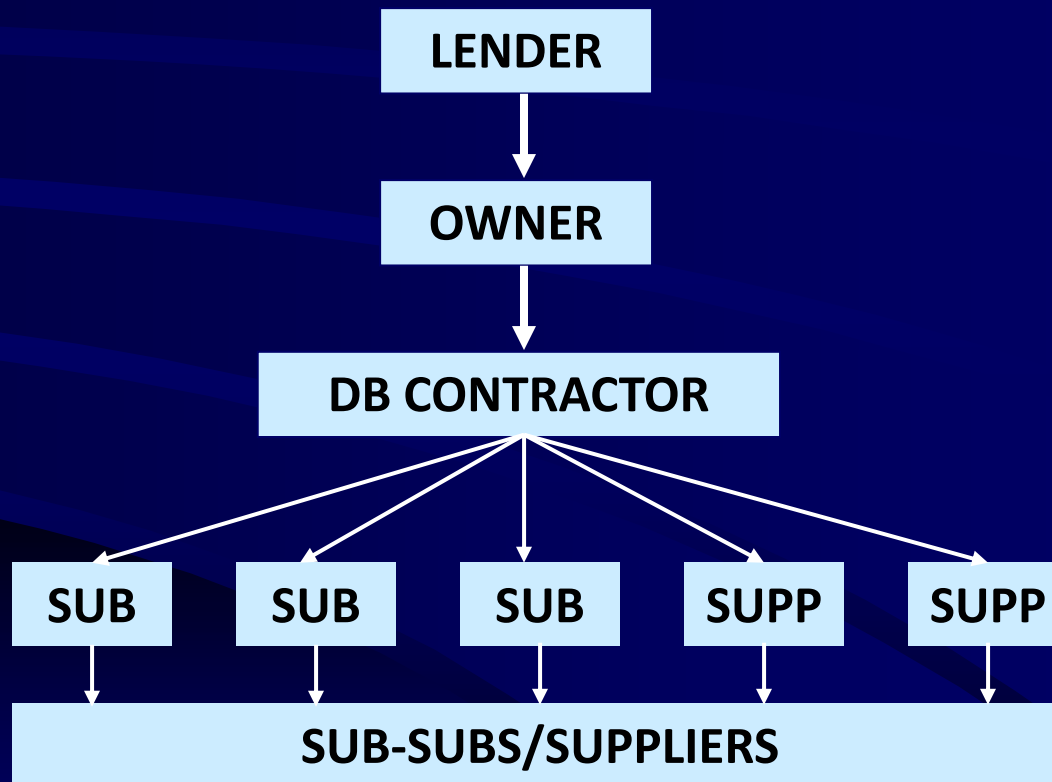




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## TRADITIONAL PAYMENT MODEL

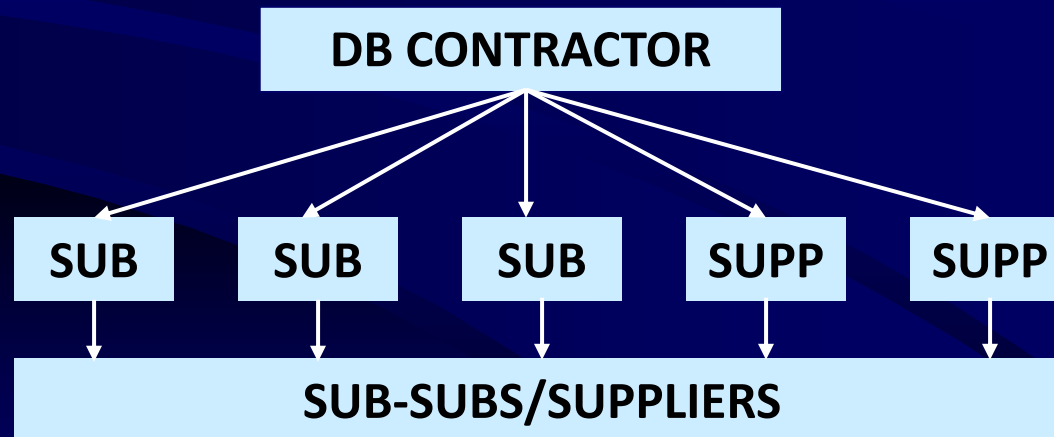




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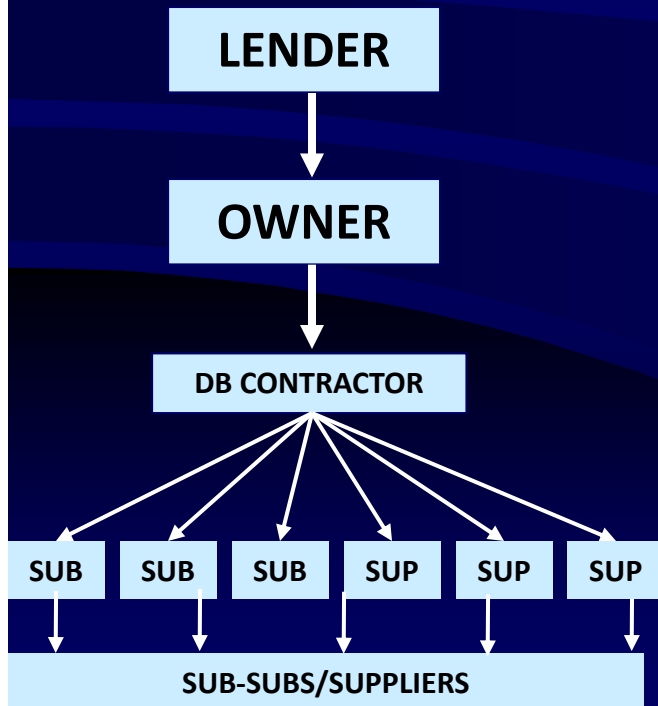
## TRADITIONAL PAYMENT MODEL





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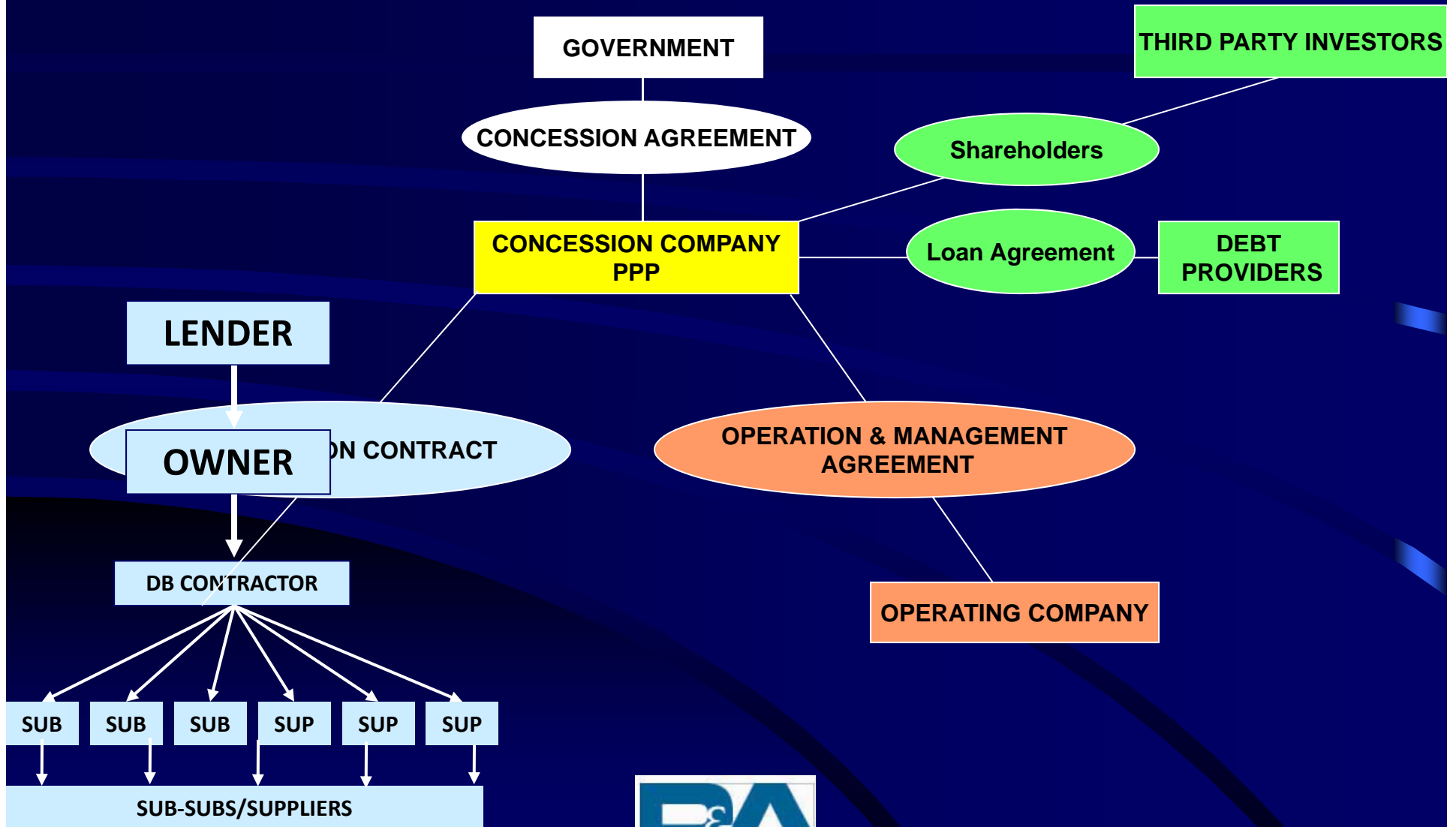
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## CONSTRUCTION CONFERENCE - 2010





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## PPP PAYMENT MODEL

- Still based on contractual rights
- Same legal framework
- Lenders and Government can control
- Progress of construction is factor
- Payment model covers entire project
- Maximum Availability Payment





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- Maximum Availability Payments (Gov't funds)





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## PPPs: Where are they by Sector? (1985-2004)

Project Type (worldwide)	Value \$billion	%of Total
Roads	324.7	37
Rail	280.6	32
Airports	88.0	10
Seaports	39.5	4
Water	95.4	11
Building	59.2	7
<b>Total</b>	<b>887.4</b>	<b>100</b>





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Water		
Building		
<b>Total</b>	<b>621.8</b>	<b>83</b>





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## QUESTIONS?

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