

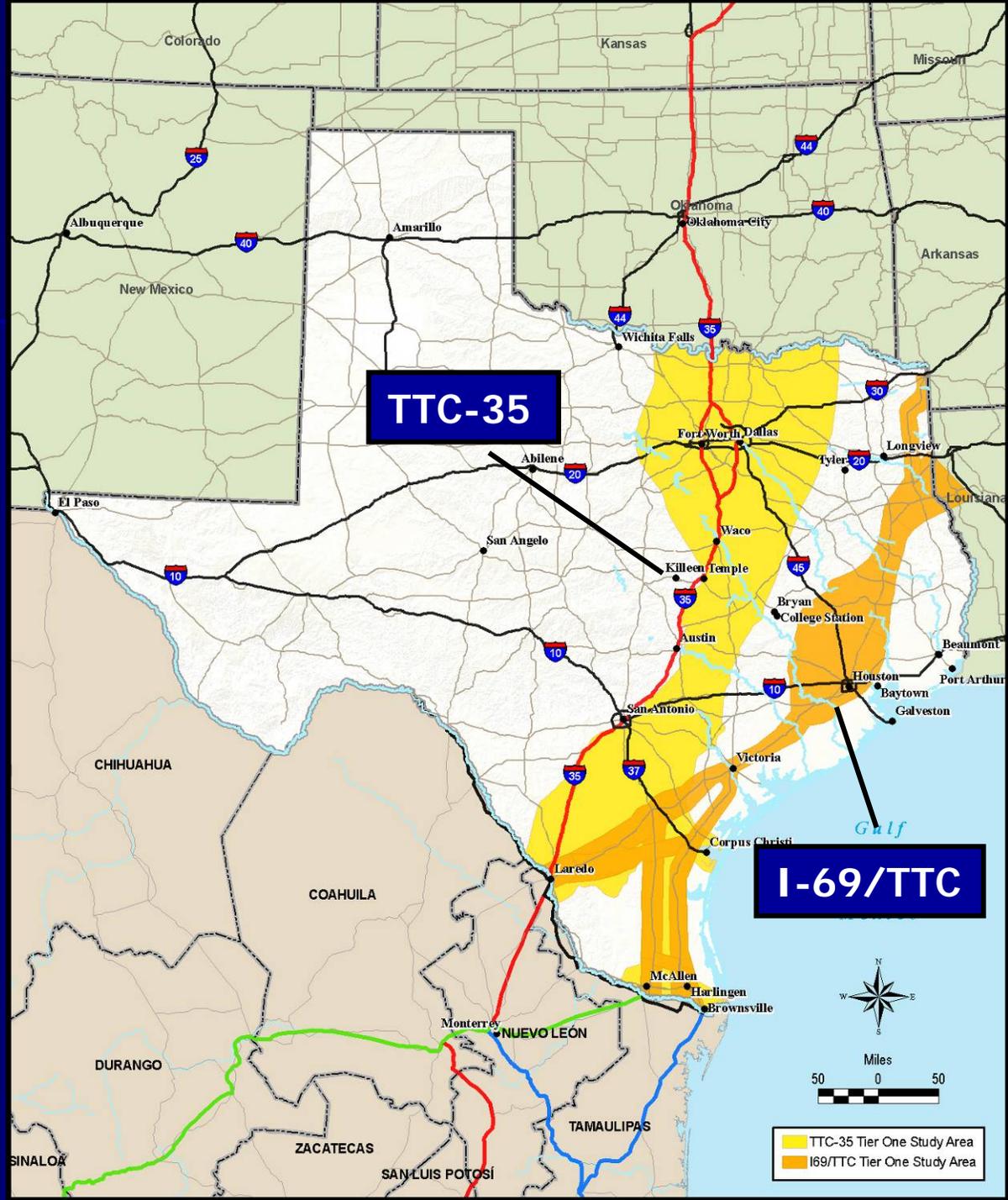
2007 Design-Bridge Conference



Corpus Christi, Texas
August 2007



Trans-Texas Corridor Study Areas



Development of TTC-35

- **Moving forward on two separate but simultaneous tracks**
 - Environmental Study
 - Comprehensive Development Agreement
- **Development tracks are concurrent not sequential**

TTC-35

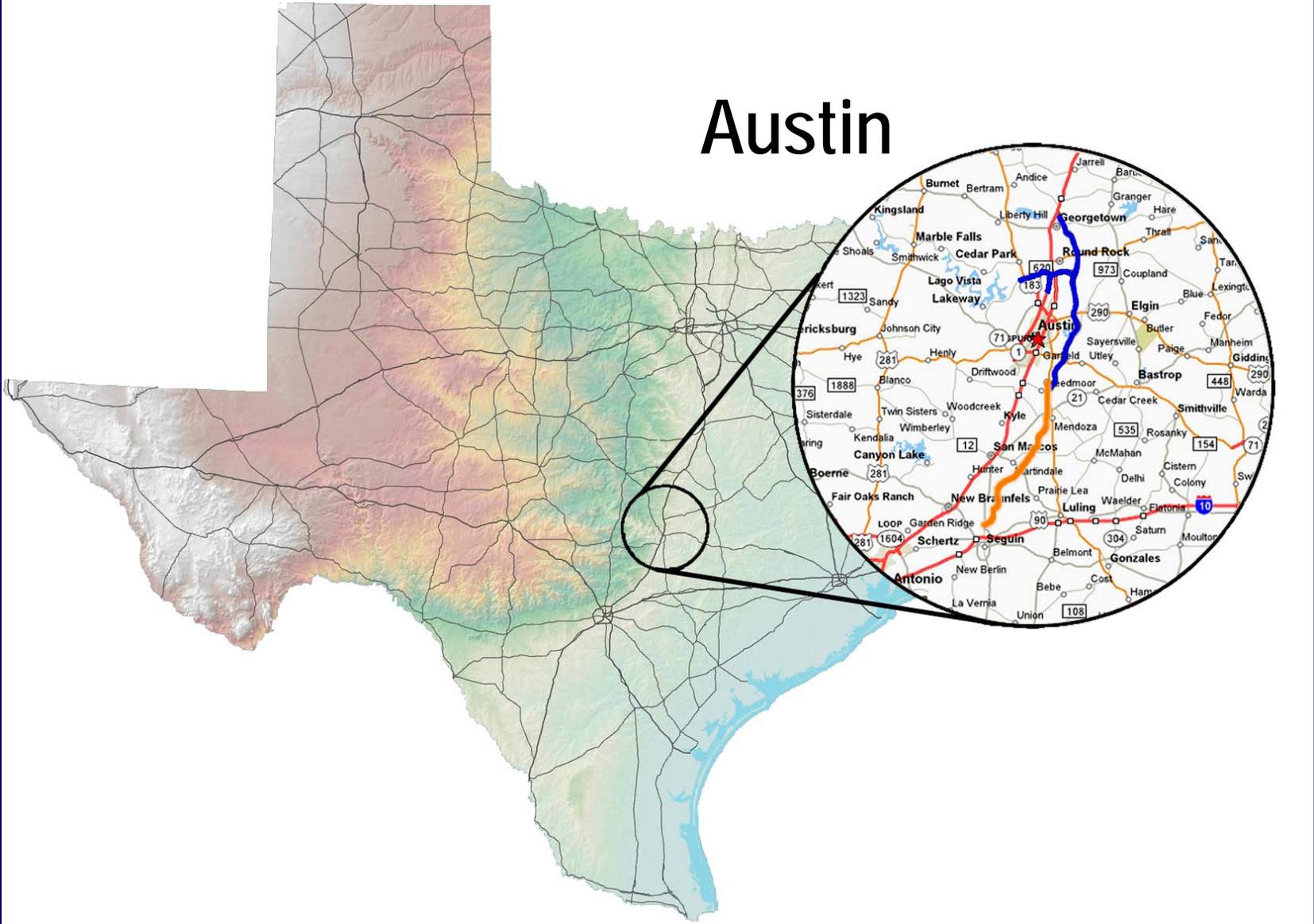
- **CDA signed with Cintra-Zachry in 2005**
 - **Pre-development agreement for north-south corridor parallel to I-35**
- **Master Development Plan delivered last fall**
 - **Projects identified as near-, mid- and long-term**
 - **7 identified as near term facilities**
- **Approach to project development remains to be seen**
 - **TxDOT may negotiate with CZ for self-performance**
 - **TxDOT may mandate a CZ procurement**
 - **TxDOT may initiate a CDA procurement**
 - **TxDOT may deliver traditionally**

MDP Near-Term Facilities

Near Term Facility	Facility Cost	Estimated Concession Value
 TTC-35 From IH 35 at Oklahoma to US 75	1,185	294
 TTC-35 Eastern Loop around Dallas from US 75 to IH 30	\$932	\$355
 TTC-35 Eastern Loop around Dallas from IH 30 to IH 35 southeast of Dallas	\$1,504	\$492
 TTC-35 From IH 35 near Hillsboro to North of Temple	\$1,101	\$580
 TTC-35 From North of Temple to SH130 in Georgetown	\$1,018	\$418
 TTC-35 Southeastern Loop around San Antonio from IH 10 to IH 37	\$1,308	\$409
 TTC-35 Southwestern Loop around San Antonio from IH 37 to IH 35	\$422	\$(269)
Near Term Connecting Facility		
 Connecting Facility Dallas SE to Waxahachie	Under development	Under development
 Connecting Facility Dallas Fort Worth Southern Loop	Under development	Under development
 Connecting Facility SH 130 Segments 5 and 6 from US 183 to IH 10	\$1,350	\$270
Totals:	\$8,820	\$1,961



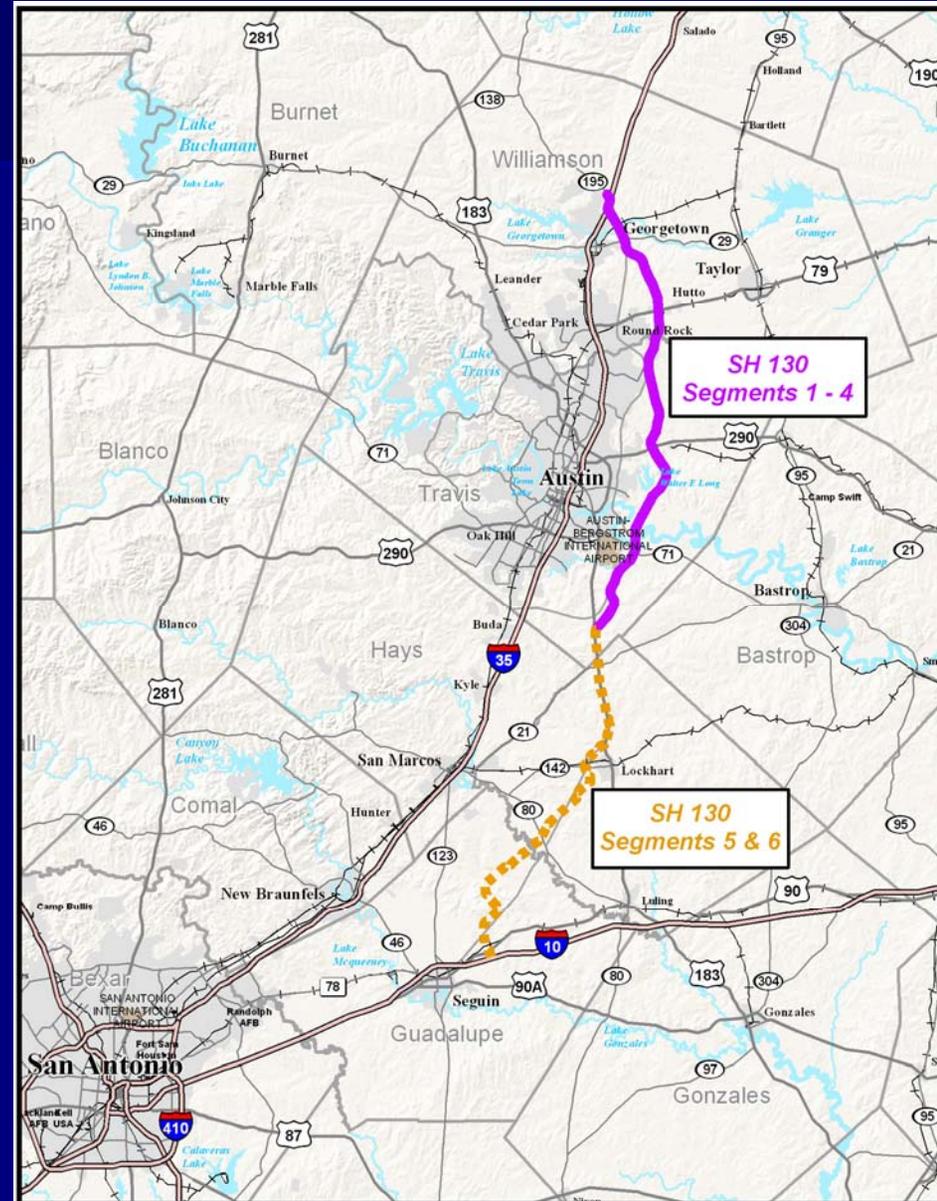
Austin



SH 130
Segments 5 & 6:
First Concession Agreement

SH 130 PPP Concession Project

- 41 miles, 4-Lane tollway
- Cintra-Zachry self-performing all development, financing, and O&M
- 100% open road tolling
- 50-year concession
- \$1.35 Billion project at no cost to State
- Developer provides up-front payment (\$25 million) and revenue sharing to TxDOT (P.V. estimated at \$245 million)
- Ongoing capacity improvement and handback standards
- Long-term source of maintenance funding - - saves over \$700 million of public funds



Risk Analysis

Risk Management =

- **Identification – (what risks are out there?)**
- **Allocation – (who should own them?)**
- **Quantification – (how bad are they?)**
- **Valuation/Pricing – (what will they cost?)**

Risk Allocation And Quantification Examples

	Principal Risk	Developer	TxDOT	Likelihood	Impact	Total
	Changes in Project Scope		√	2	2	4
	NEPA Approval		√	1	3	3
	NEPA Compliance	√		1	2	2
	Permits and Approvals	√	√	1	2	2
	Right-of-Way Acquisition Cost and Delay	√	√	2	3	6
	Utility Delays	√		2	2	4
	Design Flaws (Change Orders)	√		2	1	2
	Construction Costs	√		2	2	4
	Construction Quality	√		2	1	2
	Traffic	√		3	3	9
	Toll Revenue	√		2	2	4
	Operations and Maintenance Costs	√		3	2	6
	Financing Costs	√		3	1	3
	Schedule Delays	√	√	2	2	4
	Force Majeure	√	√	1	3	3

Pricing Risk

- The Price of Risk (\$) =

$$\{ IRR_{\text{expc}} + \sum P! + (D_{iz} + \Theta_g) + C_{i-i!} + O(s^{n-q} - w_e) + Mk + [3 \int_3^n E^*_{\Delta n-1}] + 3(T / \Omega^\pi)^{50} + \Delta F + \epsilon T \zeta \} * 0 + X_{w\alpha G}$$



All Electronic Tolling

- All electronic open road tolling
- No toll booths
- Interoperable with other toll roads in state
- TxTag® and video billing

Lessons Learned

- **Education**

- **Communication**

- **Success**

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