



Public Hearing Tarrant County

April 14, 2009





Public Hearing Agenda

Welcome and Project Overview

Ms. Maribel P. Chavez, P.E.

District Engineer

Texas Department of Transportation

Fort Worth District



Public Hearing Purpose

- Describe Phase 1 Construction Project to be delivered through North Tarrant Express (NTE)
- Describe Project Financial Information
- Provide Opportunity for Public Comment on Financial Information for the Project



Public Comments

Oral Comments Tonight:

Court reporters will be available to document oral comments

Mail Written Comments to:

Ms. Maribel P. Chavez, P.E.

Texas Department of Transportation

P.O. Box 6868

Fort Worth, Texas 76115

E-Mail Written Comments through Project Web Page: www.txdot.gov

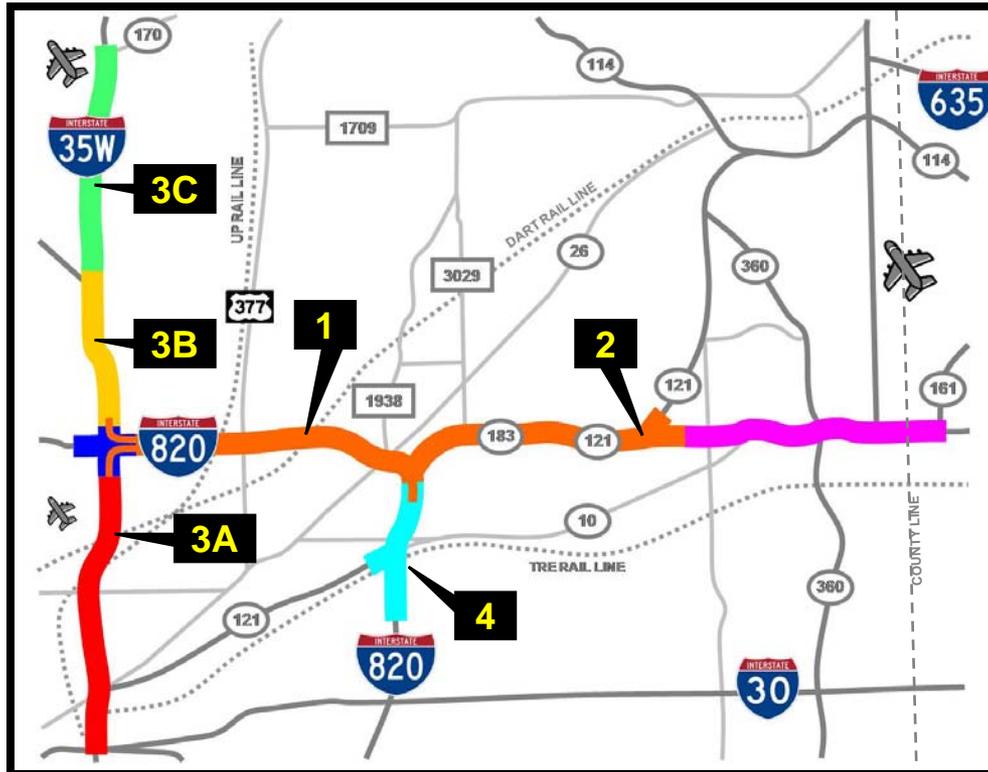
Search keyword: **North Tarrant Express**

**** Written Comments must be postmarked by April 17, 2009**

Summary and Analysis of Comments to be Posted on Project Web Page



General Description of NTE Project



The North Tarrant Express (NTE) project is dedicated to **improving mobility** along IH820, IH 35W, and SH121/SH183 Airport Freeway through a regionally supported managed lane system in **partnership with corridor communities, roadway users and other interested parties** to accelerate construction



General Description of NTE Project

- TxDOT solicited proposals and the Texas Transportation Commission has selected an apparent best value proposer for the award of **two comprehensive development agreements (CDAs)** for NTE
 - Concession CDA (Phase 1): **design, develop, construct, finance, maintain, and operate 13 miles** along IH820 and SH121/SH183 from IH35W to SH121 for a period of **52 years**
 - Segments 2 – 4 CDA (Phase 2): **develop master plans for remainder of 36 mile corridor** along SH183 from SH121 to SH161, IH820 east from SH121/SH183 to Randol Mill Road, and along IH35W from IH30 to SH170 in Tarrant and Dallas counties, as well as other facilities for connectivity, safety and financing



Phase 1 Construction Project



Segment	Reconstructed GP Lanes per direction	New Managed Lanes per direction*	New & Reconstructed Frontage Lanes per direction	Total Lanes Per direction
1 (IH820)	2	2	2	6
2 (SH121/183)	3	2	2	7

•Delivery of 3rd GP Lane in Segment 1 and a 3rd Managed Lane in Segment 2, per direction, expected by 2030 at the latest. As funding is available TxDOT has option to require completion of IH 35W Interchange.



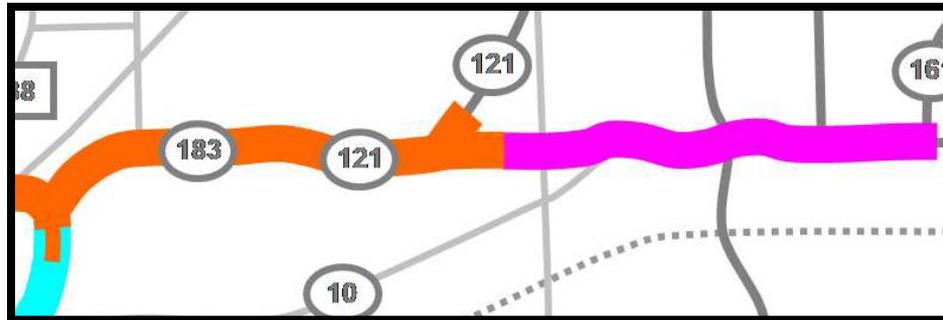
Segment 1 Limits



- IH820 between IH820/IH35W Interchange and NE Interchange @ SH183/SH121
- Existing: 2 General Purpose (GP) lanes in each direction
 - 2 (discontinuous) Frontage Road lanes in each direction
- Proposed: 2 GP lanes reconstructed in each direction plus
 - 2 new Managed Lanes in each direction with direct connector ramps between IH35W northbound and southbound and IH820 eastbound
 - 2 reconstructed and extended Frontage Road lanes in each direction
 - Future widening of 1 additional GP lane in each direction
 - Reconstruct UPRR and DART RR Bridges
 - As funding is available TxDOT has option to require completion of IH 35W Interchange.



Segment 2 (West) Limits



- SH121/SH183 between NE Interchange @ IH820 and SH121 split
- SH183 between SH121 and SH161 is part of Phase 2
- Existing: 3 GP lanes in each direction
 - 2 (discontinuous) Frontage Road lanes in each direction
- Proposed: 3 GP lanes reconstructed in each direction plus
 - 2 new Managed Lanes in each direction
 - 2 reconstructed and continuous Frontage Road lanes in each direction
 - Future widening of 1 additional Managed Lane in each direction



Managed Lanes

- General purpose lanes: non tolled freeway lanes open to all, that provide frequent access to major cross roads
- Managed lanes: a set of lanes where operational strategies, including pricing, are proactively implemented and managed in response to traffic conditions
- Managed on the basis of time of day, vehicle type & occupancy, and pricing/tolls
- Purposes for managed lanes
 - Provide additional capacity
 - Increase efficiency
 - Congestion free travel
 - Travel time reliability
 - Provide for operational flexibility in response to changing corridor needs

Source: NCTCOG



Regional Transportation Council Policy

Managed Lane Policy (Adopted May 11, 2006, Mod. September 13, 2007)

- Toll rate established to maintain a minimum **50 mph** average Managed Lane speed.
- Toll rate set up to \$0.75 per mile during fixed-schedule phase within first six months.
- Market-based tolls applied during the dynamic-pricing phase after the first six months of operations.
- Single-occupant vehicles pay full rate.
- Trucks pay a higher rate.
- HOV2+ vehicles and publicly-operated vanpools pay full rate in the off-peak period.
- HOV2+ vehicles and publicly-operated vanpools receive **50% discount during Peak Period** (phases out after Air Quality Attainment Maintenance Period)
- For more information: <http://www.nctcog.org/trans/committees/rtc/>



Managed Lanes

- Frontage Roads – Serves local trips, no demand management
- General Purpose Lanes – Serves subregional/corridor trips, no demand management
- Managed Lanes – Serves regional trips, active traffic management



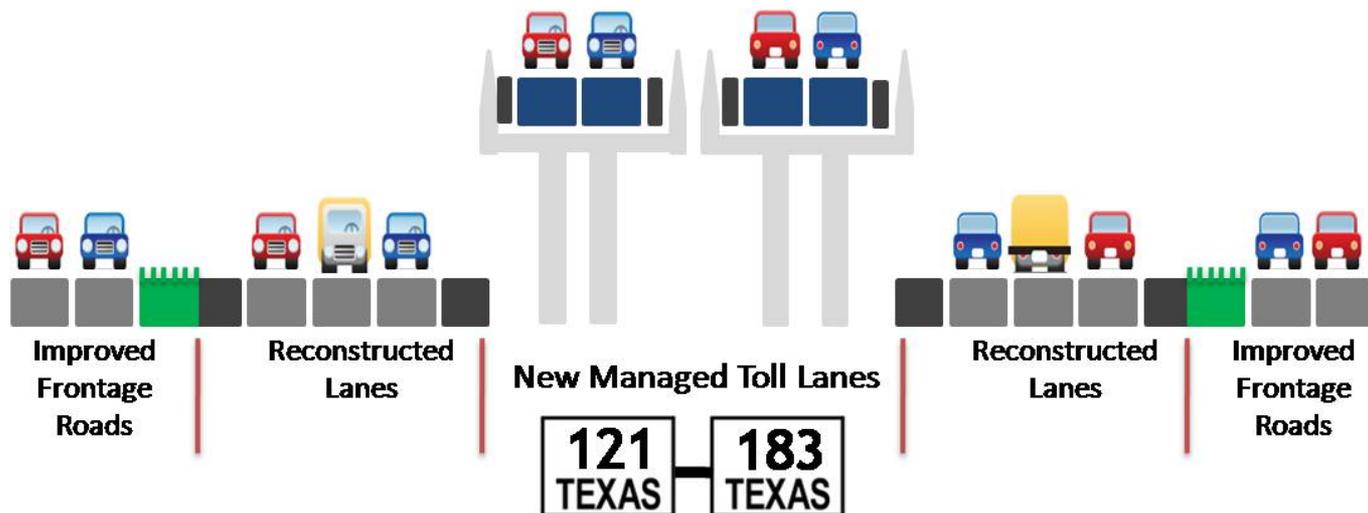
HOV – High Occupancy Vehicles

SOV – Single Occupant Vehicles

Source: NCTCOG



Phase 1 Cross Section*

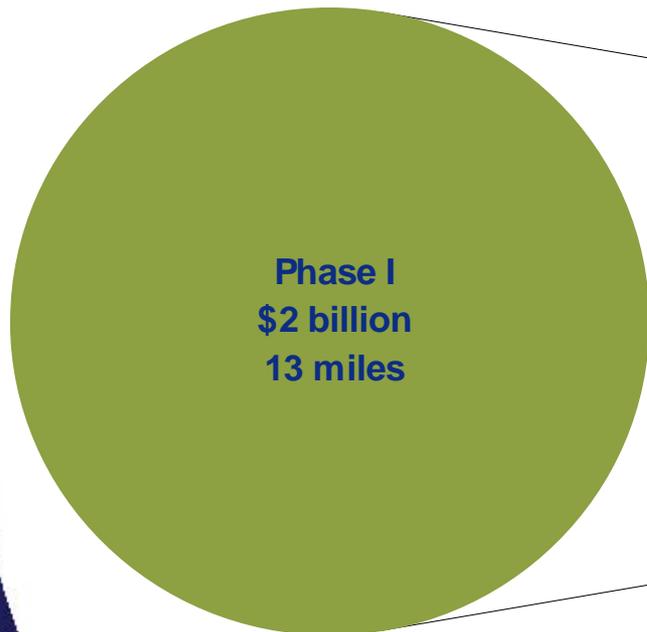


* Proposed opening configuration



Project Costs & Funding

- TxDOT estimated total cost of **\$2 billion** for **13 miles along IH820 and SH183** to design, finance, purchase right of way & relocate utilities, and construct



Available gas
tax funds -
\$600 million

Additional gas
tax funds -
\$700 million

New debt -
\$700 million

In order for TxDOT to deliver Phase 1 itself (using a design-build approach), it would need **an additional \$700 million** in gas tax funds and need to raise **\$700 million in new debt**

- Neither the state nor the region has enough funds to advance this project with the limited gas-tax dollars



Comprehensive Development Agreement

- The approach to delivering NTE Phase 1 includes a public-private partnership allowing TxDOT to combine design, construction, maintenance, operation, and financing of a project into one contract
- Two-step competitive process utilized to select Best Value Proposer
- Request for Qualifications issued December 8, 2006:
 - Seven teams submitted responses
- Request for Proposals - TxDOT received proposals on December 1, 2008 from two teams:
 - NTE Mobility Partners
 - OHL Infrastructure, Inc.
- Proposals evaluated on merits of Financial and Technical attributes with determination of Best Value Proposer. Local officials, FHWA, and Office of the Attorney General observed evaluation process



Comprehensive Development Agreement

- Texas Transportation Commission approved conditional award for NTE project on January 29, 2009 to NTE Mobility Partners
- Throughout the duration of the contract, the **NTE project will belong to the state**, just as any other state highway facility belongs to the state; NTE Mobility Partners develops, operates and maintains the project in compliance and conformance with the contract
- NTE Mobility Partners bears risks associated with the project including cost overruns, financial, and traffic levels
- Taxpayers benefit by leveraging limited dollars to create improved mobility and air quality.



NTE Mobility Partners – Team Members

- Cintra*
- Meridiam Infrastructure *
- Dallas Police and Fire Pension System**
- Ferrovial
- W.W. Webber
- Earth Tech
- AECOM
- Aguirre & Fields
- JPMorgan Securities
- Ross Communications
- CSJ Engineering Associates
- Coleman & Associates
- Cox | McLain Environmental Consulting
- Fugro Consultants
- MACTEC Engineering and Consulting
- Margulies Communications Group
- Othon

* Equity members

** Dallas Police and Fire Pension System has an option to participate with up to a 10% Equity contribution



Contractual General Details

- **Design, Construction, Operations & Maintenance** of general purpose lanes, managed lanes & frontage roads for a term of 52 years
 - NTTA provides toll collection services as a subcontractor to NTE Mobility Partners
- **Interoperability** – drivers will be able to use any toll tag currently available for use in Texas
- At the end of the CDA, road must meet TxDOT predetermined **quality performance requirements**
- As additional funding becomes available, TxDOT has the option to require:
 - Delivery of remaining IH35W Interchange
 - Accelerated delivery of an additional GP Lane each direction for Segment 1 and a 3rd Managed Lane each direction for Segment 2 (West)
 - Additional lanes are required to be delivered **at no additional cost to TxDOT by 2030 at the latest** or earlier if revenues are higher than projected



Contractual Project Financing

- The total amount of debt raised by NTE Mobility Partners to acquire right of way, relocate utilities, design, construct, operate, and maintain the project is approximately \$1.6 billion
- Debt will be repaid by NTE Mobility Partners from Toll Revenues over a 40 year term from the completion of construction
 - Debt includes PABs, Bank Debt, and TIFIA
- The projected amount of interest that will be paid on the debt is approximately \$1.4 billion (2008 \$) or \$2.6 billion (nominal \$)
- Managed Lanes will continue to be tolled after the debt has been repaid
- There are no concession payments. The contract includes provisions for revenue sharing linked to the performance of the project. Any such shared revenues will be deposited into State Highway Fund, dedicated to projects in the region.



Contractual Tolling Policy

- Maximum rate of \$0.75/mile for the first 180 days after opening
- After the first 180 days the toll rates will be based on traffic demand:
 - If traffic demand is low, such as during off-peak hours, a lower toll rate will be charged
 - If traffic demand is high, such as during peak commute times, a higher toll rate will apply
- Toll rates will be subject to increase or decrease in not less than five minute intervals depending on average traffic flows or average speeds
- Goal is to maintain 50 mph minimum operating speed in Managed Lanes
- Recognized transit agency buses, rubber-wheeled trolleys, and vans used for mass transportation are classified as exempt vehicles
- HOV2+ and publicly-operated vanpools receive 50% discount during Peak Period (phases out after Air Quality Attainment Maintenance Period)



Contractual Tolling Policy

- Under anticipated operating conditions the estimated cost in tolls to travel per mile in today's dollars are:

	<u>Opening year (2015)</u>	<u>Final year (2061)</u>
– High toll:	\$0.53	\$0.78
– Low toll:	\$0.09	\$0.09



Contractual Competing Facilities Provisions

- Any other transportation facilities may be built at any time by anyone including TxDOT
- NTE Mobility Partners is not entitled to any compensation if any facilities outside the right of way of the Project are built, or if any other mode of transportation, such as rail, within the right of way is built
- If TxDOT builds additional mainlanes within the right of way of the Project:
 - And if such facilities reduce revenues or increase costs, TxDOT will compensate NTE Mobility Partners
 - And if such facilities increase revenues or decrease costs, NTE Mobility Partners will compensate TxDOT
- Currently, no such additional mainlanes are planned



Termination for Convenience Provisions

- TxDOT has the right to terminate the CDA at any time without cause
- If NTE Mobility Partners is not in default and TxDOT elects to use this right, TxDOT must compensate them an amount based on various elements:
 - Outstanding debt balances
 - Forgone dividends plus a pre-established markup
 - Incidental costs
 - Cash balances
- Compensation amounts by TxDOT are capped at a pre-established level



Next Steps

- TxDOT prepares summary and analysis of comments received; summary and analysis will be posted on internet site and made available upon request
- Review of CDA by
 - FHWA
 - Attorney General
 - Legislative Budget Board
- Execute CDA by Spring 2009



For more information about the project, the contract, and NTE Mobility Partners' proposal and technical drawings visit:

www.txdot.gov

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