

TEXAS TRANSPORTATION COMMISSION

DALLAS AND TARRANT Counties

MINUTE ORDER

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Transportation Code, Chapter 223, Subchapter E prescribes the process by which the Texas Department of Transportation (department) may enter into a comprehensive development agreement (CDA) with a private entity that provides for the design, development, financing, construction, maintenance, repair, operation, extension, or expansion of an eligible highway project.

On January 31, 2013, by Minute Order 113427, the Texas Transportation Commission (commission) authorized the department to issue a request for qualifications (RFQ) to develop, design, construct, finance, maintain, and operate all or part of the State Highway 183 Managed Lanes Project, comprised of improvements to SH 183 from SH 121 to I-35E and any additional connecting facilities that are necessary for connectivity and financing purposes.

The department issued the RFQ on February 20, 2013 and subsequently determined that all four of the teams submitting qualifications statements in response to the RFQ were qualified to be on the short list of teams that would be requested to submit detailed proposals to develop, finance, construct, operate, and maintain the project.

Transportation Code § 223.203 and 43 TAC § 27.4 provide that, if authorized by the commission, the department will issue a request for proposals (RFP) from all private entities qualified for the short-list. On August 29, 2013, by Minute Order 113680, the commission authorized the department to issue an RFP requesting detailed proposals from the short-listed teams, and authorized a payment for the work product of each unsuccessful responsive proposer of up to \$1,000,000. On November 7, 2013, the department issued the RFP.

On April 14, 2014, proposals were received from Airport Expressway Partners, SH 183 Mobility Partners, and SouthGate Mobility Partners for the development, financing, construction, operation, and maintenance of the SH 183 Managed Lanes Project, comprised of SH 183 from SH 121 to I-35E, including the proposed interchanges with Loop 12, SH 114, and Spur 482, and potentially SH 114 from International Parkway to Loop 12, and Loop 12 from SH 183 to I-35E (SH 183 Managed Lanes Project). From April 15, 2014 until May 16 2014, the department evaluated the proposals.

The proposals were evaluated in the following categories: (1) Pass/Fail and Responsiveness; (2) Technical Score; and (3) Price Score. The proposals were evaluated on the basis of certain pass/fail and responsiveness criteria set forth in the RFP. The project development plans in the technical proposals were evaluated in the categories of general project management, operations and maintenance management technical solutions, design-build management and technical solutions and quality program, using the qualitative ratings of meets minimum, fair, good, very good, and excellent. The technical proposals were assigned qualitative ratings and numerical scores for each evaluation subfactor. Points were assigned to the technical proposals based on those ratings and the weights of the individual evaluation factors, with the sum of those points resulting in a total evaluation score, which was multiplied by a defined percentage to arrive at the Technical Score.

Each proposal consists of a proposer's base scope, which includes the project's minimum base scope and as many of the four Additional Scope Components as the proposer can deliver within the Available Public Funds Amount of \$850 million. The proposals were sorted into five possible tiers based on the proposer's base scope with tier 1 being the highest (minimum base scope plus Additional Scope Components 1-4) and tier 5 being the lowest (only the minimum base scope). The

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Price Score and Total Proposal Score for each proposal were calculated within the tier in which the proposal is included and, if more than one proposal is included in the same tier, by comparing among proposals within the same tier. To arrive at the Price Score, first the Adjusted Proposal Amount for each proposal was calculated for evaluation purposes only, which amounts were calculated using the base scope price (plus any ATC cost adjustments), the adjusted operations and maintenance (O&M) price for the base scope, the adjusted option price for any Additional Scope Components not included in proposer's base scope (plus any ATC cost adjustments), the adjusted option O&M price for any applicable Additional Scope Component not included in the proposer's base scope, and a schedule adjustment for early completion. Then, points were assigned to price proposals using a formula comparing each proposal's Adjusted Proposal Amount to the lowest Adjusted Proposal Amount within the same tier. The price scores were determined without knowing which prices were submitted by which proposer.

The Technical Score points assigned to the technical proposal were then added to the Price Score points to determine the total number of points received by each proposal. The responsive proposal in the highest tier with the highest total proposal score from among other proposals (if any) in the same tier was determined to provide the apparent best value.

The evaluation and scoring of each proposal under the Technical Score and Price Score categories resulted in the proposals being ranked as follows: Southgate Mobility Partners, Airport Expressway Partners, and SH 183 Mobility Partners. The proposal submitted by Southgate Mobility Partners was accordingly determined to provide the apparent best value.

IT IS THEREFORE ORDERED by the commission that the determination that the proposal submitted by Southgate Mobility Partners provides the apparent best value to the department is approved, and the department is authorized and directed to commence and complete negotiations with Southgate Mobility Partners necessary to finalize the comprehensive development agreement to develop, finance, construct, operate, and maintain the SH 183 Managed Lanes Project.

IT IS FURTHER ORDERED that the comprehensive development agreement is awarded to Southgate Mobility Partners subject to, and effective upon the occurrence of, all of the following: (1) the successful conclusion of negotiations; (2) the issuance of a Notice of Intent to Award by the department; (3) applicable Federal Highway Administration approvals as identified by the department; (4) a determination by the Office of the Attorney General that the proposed comprehensive development agreement is legally sufficient, in accordance with Transportation Code, § 371.051; (5) notification and information having been provided to the Legislative Budget Board, in accordance with Transportation Code § 371.052(b) and Riders 22 and 23, Pages VII-28 and VII-29, Chapter 1411, Acts of the 83rd Legislature, Regular Session, 2013 (the General Appropriations Act); and (6) the mutual execution and delivery of the comprehensive development agreement by the executive director of the department and the developer.

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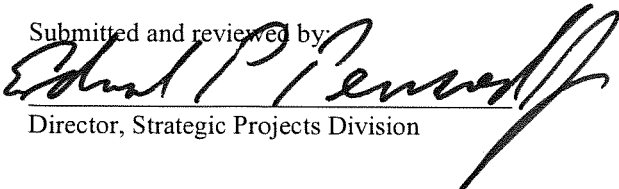
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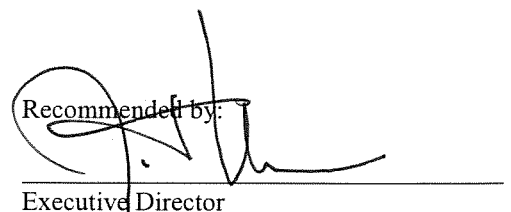
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IT IS FURTHER ORDERED that if the executive director determines that the negotiations with Southgate Mobility Partners cannot be successfully completed, and that therefore the proposal submitted by Southgate Mobility Partners will not provide the apparent best value, the department is authorized to commence and complete discussions and negotiations with Airport Expressway Partners, the next highest ranked proposer, with award to the next highest ranked proposer subject to the terms and conditions in the immediately preceding paragraph of this order.

Submitted and reviewed by:


Director, Strategic Projects Division

Recommended by:


Executive Director

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Minute
Number

Date
Passed