

## TEXAS TRANSPORTATION COMMISSION

VARIOUS Counties

### MINUTE ORDER

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HOUSTON and BEAUMONT Districts

Texas Transportation Code, Chapter 223, Subchapter F, prescribes the process by which the Texas Department of Transportation (department) may enter into a design-build agreement (DBA) with a private entity that provides for the design, construction, expansion, extension, related capital maintenance, rehabilitation, alteration, or repair of a highway project on the state highway system.

On June 26, 2014, by Minute Order 113979, the Texas Transportation Commission (commission) authorized and directed the department to issue a request for qualifications (RFQ) to develop, design, construct, and potentially maintain Segments H, I-1, and all or part of I-2 of the SH 99 Grand Parkway in Chambers, Harris, Liberty and Montgomery Counties (SH 99 H&I project). A portion of Segment I-2 in Chambers County, referred to as I-2A, was already in operation by the department as a four-lane controlled-access facility from I-10 East to FM 1405 (with the section from I-10 East to Fisher Road being tolled). The department issued the RFQ on July 31, 2014, and subsequently determined that three of the four 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, design, construct, and potentially maintain the project.

Texas Transportation Code §223.246 and Title 43 Texas Administrative Code (TAC) §9.153 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 October 30, 2014, by Minute Order 114096, the commission authorized and directed the department to issue an RFP requesting detailed proposals from the short-listed teams to develop, design, construct, and potentially maintain the SH 99 H&I project, including, potentially, to maintain the existing Segment I-2A facility in Chambers County, and authorized a payment for work product for each proposer that submitted a responsive, but unsuccessful, proposal of up to a maximum amount per proposer of 0.25% of the successful proposer's price for all work under the DBA. On April 30, 2015, the department issued the RFP, which also included an option for the addition of lanes on the west end of Segment H (Option).

On October 27, 2015 proposals were received from Fluor Balfour Beatty Williams Brothers, Grand Parkway Infrastructure, and Zachry-Kiewit-Traylor Parkway Builders. The department then determined to issue a request for proposal revisions.

On January 24, 2017, proposal revisions (the proposals) were received from Fluor Balfour Beatty Williams Brothers, Grand Parkway Infrastructure, and Zachry-Kiewit-Traylor Parkway Builders. From January 25, 2017 until March 27, 2017, the department evaluated technical, financial, and price proposals from the proposers.

The proposals were evaluated in the following categories: (1) pass/fail and responsiveness; (2) technical score; and (3) price score. The proposals were first evaluated on the basis of certain pass/fail criteria set forth in the RFP, and reviewed for responsiveness to the submittal requirements in the RFP. The technical proposals were then evaluated and scored in accordance with the requirements of the RFP, which included performance evaluations prepared by the department in accordance with 43 TAC §9.152 and §27.3, and other performance evaluations as deemed relevant by TxDOT. The price proposals were then evaluated and scored, also in accordance with the requirements of the RFP. The technical score points assigned to the technical proposals were then added to the price score points to determine the total number of points received by each proposal. The responsive proposal with the highest score was determined to provide the apparent best value.

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The evaluation and scoring of each proposal under the technical score and price score categories resulted in the proposals being ranked as follows: Grand Parkway Infrastructure; Fluor Balfour Beatty Williams Brothers; Zachry-Kiewit-Traylor Parkway Builders. The proposal submitted by Grand Parkway Infrastructure was accordingly determined to provide the apparent best value.

The commission adopted 43 TAC §15.95 to establish procedures applicable to toll project corporations created under Transportation Code, Chapter 431 (chapter 431), in entering into contracts with or on behalf of the commission in connection with the funding and development of toll projects. In Minute Order 113046, dated March 29, 2012, the commission adopted a resolution creating the Grand Parkway Transportation Corporation (GPTC) pursuant to Title 43, Texas Administrative Code, §15.95, approving its certificate of formation and bylaws and appointing the initial directors.

GPTC is authorized to assist and act on behalf of the commission in the development, financing, design, construction, reconstruction, expansion, operation and/or maintenance of the SH 99 Grand Parkway project, including Segments H, I-1 and I-2, in fulfillment of the purposes of chapter 431, including promoting and developing public transportation facilities and systems by new and alternative means, reducing burdens and demands on the limited funds available to the commission, and increasing the effectiveness and efficiency of the commission.

By Minute Order 113279, dated September 27, 2012, the commission requested GPTC to perform the functions authorized by chapter 431 and any other functions not specified by chapter 431 as necessary in the promotion and development of public transportation facilities and systems of the department by developing, financing, designing, constructing, expanding, operating, or maintaining some or all of the segments of the Grand Parkway that were to be developed by the department, initially Segments D (the portion in Harris County), E, F-1, F-2, and G.

By Minute Order 114290, dated June 25, 2015, the commission authorized, and provided a process for, the addition of Segments H, I-1 and I-2 to the Grand Parkway System of GPTC. Upon execution of the DBA and the associated capital maintenance agreement (CMA), including all related contracts and agreements, all or part of the department's right, title, and interest in those should be assigned to GPTC as provided herein.

**IT IS THEREFORE ORDERED** by the commission that the determination that the proposal submitted by Grand Parkway Infrastructure provides the apparent best value to the department is approved, and the department is authorized and directed to commence and complete negotiations with Grand Parkway Infrastructure necessary to finalize the DBA and the associated CMA to develop, design, construct, and maintain portions of, Segments H, I-1, and I-2 of the Grand Parkway project in Chambers, Harris, Liberty and Montgomery Counties, and to modify the DBA and CMA as necessary as a result of such negotiations.

**IT IS FURTHER ORDERED** that the DBA and the associated CMA are awarded to Grand Parkway Infrastructure subject to, and effective upon the occurrence of, all of the following: (1) the successful conclusion of negotiations, including satisfaction of conditions to final award specifically identified by the department in its letter notice of conditional award to the proposer; (2) the issuance of a Notice of Intent to Award by the department; (3) applicable FHWA approvals as identified by the

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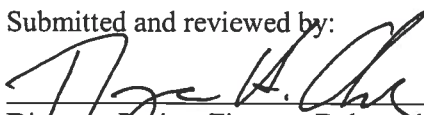
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department; and (4) the mutual execution and delivery of the DBA and CMA by the executive director of the department and the developer.

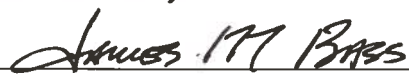
IT IS FURTHER ORDERED that if the executive director determines that the negotiations with Grand Parkway Infrastructure cannot be successfully completed, and that therefore the proposal submitted by Grand Parkway Infrastructure will not provide the apparent best value, the department is authorized to commence and complete discussions and negotiations with Fluor Balfour Beatty Williams Brothers, 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.

IT IS FURTHER ORDERED that upon execution of the DBA and the CMA, including all related contracts and agreements, the executive director is authorized to assign all or part of the department's right, title, and interest in those agreements to GPTC. The executive director is authorized to make such assignments with such terms, conditions, and reservations as are determined to be appropriate to accomplish the purposes of this minute order, in the executive director's discretion.

Submitted and reviewed by:

  
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Director, Project Finance, Debt and  
Strategic Contracts Division

Recommended by:

  
\_\_\_\_\_  
Executive Director

114879 MAR 28 '17  
Minute Date  
Number Passed