

SH 183 Managed Lanes Project SB 1420 Committee

Procurement Update and Discussion

December 20, 2012
City of Irving

Agenda

- ❑ 1. Welcome
- ❑ 2. Introductions
- ❑ 3. Approval of Minutes from November 27, 2012 meeting - **ACTION ITEM**
- ❑ 4. Update, discussion and possible action on the re-issuance of the report of determinations made by the Committee to the Executive Director of TxDOT regarding the SH 183 Managed Lanes Project in Dallas County - **ACTION ITEM**
- ❑ 5. Adjourn - **ACTION ITEM**

1. Welcome

Welcome to the SH 183 Managed Lanes
Project meeting of the SB 1420
Committee

Thank you City of Irving

2. Introductions

- ❑ Michael Morris (Chair) – NCTCOG
- ❑ Alberta Blair (Vice Chair) – Dallas County
- ❑ Elizabeth Mow – NTTA
- ❑ Bill Hale – TxDOT
- ❑ Ramiro Lopez – City of Irving
- ❑ Rick Galceran – City of Dallas

3. Approval of Minutes

- ❑ Approval of Minutes from November 27, 2012 (***Attachment 3.1***)

ACTION ITEM

4. Procurement Options

- ❑ Four options were discussed at the last meeting:

Option 1 - Continue procurement with single proposer – Toll Concession

Option 2 - Revise SH 183 delivery method – Design-Build or Pass Through Finance

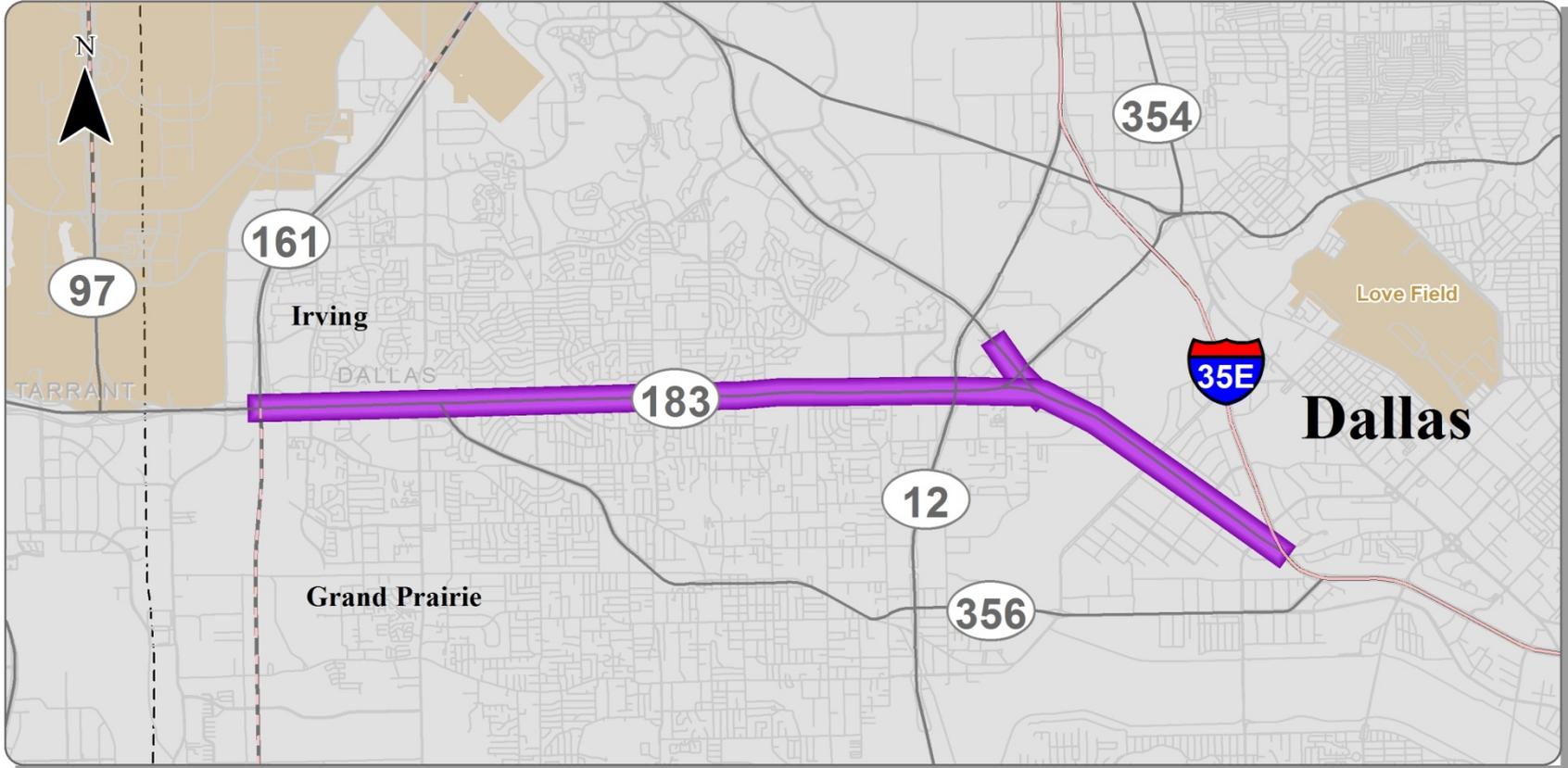
Option 3 - Increase project scope/create larger project – Toll Concession

Option 4 –SB 1420 Committee directed staff to evaluate additional project scope – Design-Build or Toll Concession

4. Option 1 and Option 2

- ❑ Option 1: Continue current procurement – Toll Concession
 - ❑ Existing Procurement canceled following discussion at last 1420 meeting
 - ❑ Option 2: Revise SH 183 delivery method – Design-Build or PTF
 - ❑ PTF has not been advanced because it did not provide significant value
- ❑ SH 183 Design-Build Option is base case**

4. Option 1 and Option 2



- Both options consider SH 183 from SH 161 to I-35E

4. Option 3 – Larger Toll Concession

SH 183 ▪ NTE 2E ▪ SH 114

- ❑ Larger scope considered based on Industry Feedback

- ❑ New Request for Qualifications

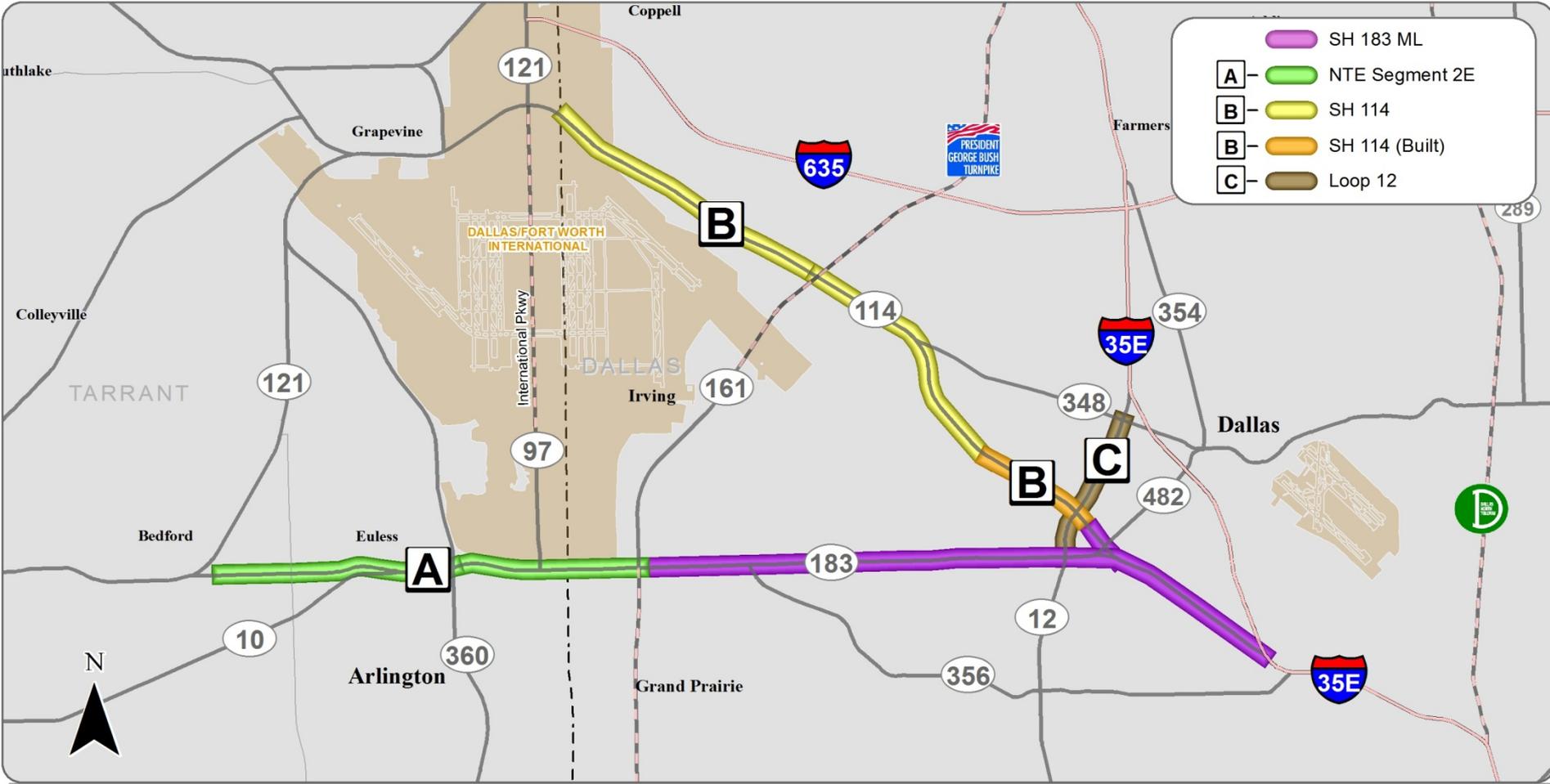
- ❑ Schedule impacts
 - Legislative action
 - MTP update

- ❑ Likely attracts more proposers
 - Addresses market barriers
 - Delivers more facilities

- ❑ Requires additional public funds

4. Option 3 – Larger Toll Concession

SH 183 ▪ NTE 2E ▪ SH 114



4. Option 4 - SB 1420 Committee Direction

Expanded Scope

❑ Base Scope

- SH 183 from SH 161 to I-35E

❑ Consider managed lane additions for following facilities:

A. NTE Segment 2E from SH 121 to SH 161

B. SH 114 from SH 183 to SH 161 (short)

C. Loop 12 from SH 183 to LBJ Express (new)

D. IH 35 E from SH 183 Merge to DNT (new)

E. SH 161 from SH 183 to Belt Line (connect to PGBT) (new)

4. Option 4 – SB 1420 Expanded Scope

DB or Concession NTE 2E ▪ SH 114 ▪ Loop 12 ▪ I-35E ▪ SH 161



4. Option 4 – Other Considerations

- ❑ SB 1420 Committee requested consideration of potential cost and revenue ideas:
 - ❑ NTE 2E Value Engineering
 - Revise managed lane connections between Loop 360 and SH 161
 - ❑ SH 114 recently-constructed section identified on map
 - ❑ DFW Connector Toll Revenue

4. Financing

	Cost		Total Subsidy	
	Phase 1	Phase 2	DB/TELA	Concession
SH 183	\$548	\$519	\$(625)	\$(89)
SH 183/ NTE 2E	\$1,001	\$679	\$(849)	\$(295)
SH 183/ NTE 2E VE	\$831	\$1,028	\$(935)	\$(157)
SH183, NTE 2E & SH114 (Long)	\$1,566	\$1,186	--	\$(678)
SH183, NTE 2E & SH114 (Short)	\$1,243	\$679	\$(1069)	\$(468)
Loop 12	\$136	--	\$(130)	\$(92)
I-35E /Lower Stemmons ¹	\$180	--	See Note 2	

Notes:

1. All values shown in millions and nominal dollars

2. Project revenues on I35E/Lower Stemmons project prevented analysis of project using debt financing

4. Option 4 – Expanded Scope (cont'd)

- ❑ SH 161 Managed Lanes
 - TxDOT continuing discussions with NTTA

- ❑ DFW Connector Revenues
 - Limited revenues after toll operation costs
 - TxDOT would need to cover O&M and lifecycle costs

	Cost		Concession (Subsidy)	
	Phase 1	Phase 2	Phase 1	Phase 2
SH 161	\$45	--	\$160	--
DFW Connector	N/A	N/A	\$75	N/A

Note: All values shown in millions and nominal dollars

4. Major Planning Issues

	CDA Authority In-place?	Plan Amendment Required?
SH 183	Yes	No
NTE 2E	Yes	No
SH 114	No	Yes
Loop 12	No	Yes
IH-35E	No	Yes
SH161	No	Yes

4. Estimated Procurement Timeline



4. Summary

- The two best alternatives appear to be, subject to availability of funds:
 1. Standalone SH183 as Design-Build w/TELA
 2. SH183, NTE 2E, SH114 (Short), Loop 12 as one Toll Concession

	Procurement Method	Total Project Cost	Total Public Subsidy
SH183	Design-Build w/TELA	\$1,067 m	\$(625)m
SH 183, NTE 2E, SH114 (Short), Loop 12	Concession	\$2,058 m	\$(560) m

- Concession procurement has ability to
 - Provide greatest connectivity and network expansion (9 miles vs. 20 miles)
 - Maximize leverage of public funds (approximately 4:1)

5. Adjourn

- Adjourn - **ACTION ITEM**