FINAL

IH 35E Managed Lanes Project

SB 1420 Committee Report

In accordance with Texas Transportation Code, Section 228.013, added by SB 1420, 82nd Legislature, Regular Session, 2011, and Texas Administrative Code, Sections 27.90 – 27.92 (the Rules), this committee (the Committee), consisting of the members identified below, was formed for the purpose of making certain statutorily required determinations with respect to the IH 35E Managed Lanes Project in Dallas and Denton counties.

The IH 35E Managed Lanes Project (the Project) includes the baseline project as depicted in Exhibit A to this Report. The scope of the baseline project may be changed from that depicted in Exhibit A for reasons that include but are not limited to changes in the available public funds allocated to the Project. The Committee held its duly noticed initial meeting on November 10, 2011. At the initial meeting of the Committee, Michael Morris was elected to serve as Chair. For the avoidance of doubt, the determinations made in this Report apply only to the Project.

At its duly noticed meeting on March 26, 2012, the Committee made the following determinations concerning the Project, as required by SB 1420 and the Rules:

1. Distribution of the Project's financial risk.

Distribution of Project financial risk is defined in the Rules as the allocation of revenue risk for a toll project between the Texas Department of Transportation (TxDOT) and the private entity with which TxDOT enters into an agreement for the project. Revenue risk for the Project will be retained by TxDOT, as set forth in the design-build agreement.

2. Method of financing for the project.

The method of financing is defined in the Rules as the determination of whether the Project should be funded with private or public funding or a combination of private and public funding. The Project will be financed with public funds, which may include the proceeds of bonds or other public securities.

3. Tolling structure and methodology.

The SB 1420 Committee for the IH 35E Managed Lanes Project has determined to utilize the tolling structure and methodology as set by the Regional Transportation Council of the North Central Texas Council of Governments (RTC). The RTC's current tolling structure and methodology, adopted on May 11, 2006 and modified on September 14, 2006 and September 13, 2007, are set forth in Exhibit B to this Report.

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Submitted and approved by:

IH 35E Managed Lanes Project
SB 1420 Committee Members

	Signature
Michael Morris Chairman	
Bill Hale Member	
Alberta Blair Member	
Gerald Carrigan Member	
John Polster Member	
Matthew Marchant Member	
Pete Kamp Member	
Rudy Durham Member	