



TEXAS DEPARTMENT OF TRANSPORTATION DISCLOSURE OF FINANCIAL

INFORMATION: Pursuant to the authority granted under Texas Transportation Code, Chapter 223, the Texas Department of Transportation (TxDOT) has solicited proposals and recommended selection of a proposer for award of a Design-Build Agreement (DBA) and a Comprehensive Maintenance Agreement (COMA) for the development of the SH 360 Project (the "Project") in Tarrant County, Johnson County and Ellis County, Texas. The purpose of the Project is to add toll lanes and frontage road improvements to extend the existing SH 360 main lanes and frontage roads from just south of I-20 to US 287. The Project includes the design, construction, and maintenance of approximately 9.7 miles of improvements, generally from Green Oaks Boulevard to US 287. The improvements include two toll lanes in each direction from approximately two miles south of I-20 near East Sublett Road/Camp Wisdom Road to East Broad Street and one toll lane in each direction with periodic passing lanes from East Broad Street to US 287, in addition to frontage road and intersection improvements. On February 26, 2015, in Minute Order 114206, the Texas Transportation Commission (Commission) determined that the proposal submitted by the Lane-Abrams Joint Venture (contractor) provides the apparent best value to TxDOT and authorized TxDOT to commence and complete negotiations necessary to finalize the DBA and COMA.

Under the DBA, construction work is expected to begin in late 2015 and the Project is scheduled to be completed in fall of 2017. Upon completion, the contractor may be required to provide comprehensive maintenance services for the Project under the COMA for up to three five-year terms. The North Texas Tollway Authority (Authority) will own and operate the tolled portion of the Project. TxDOT will continue to own the frontage roads. The Authority will be responsible for maintaining all aspects of the Project other than traffic signal systems and related safety lighting systems on the frontage roads.

Pursuant to Transportation Code, Chapter 371, subchapter D, TxDOT is publishing financial information regarding the project and providing notice of a public hearing that will be held regarding the financial disclosure.

Project Financing. TxDOT has allocated up to \$294 million from state funding sources for the development, design and construction of the Project. No debt has been or will be assumed by the State of Texas to acquire, design, construct, operate, or maintain the Project. In accordance with the SH 360 Project Agreement between TxDOT and the Authority dated February 28, 2014 (Project Agreement), the TxDOT funding will be repaid using Project toll revenues. TxDOT has also entered into a separate agreement with the Authority and the Regional Transportation Council (RTC) of the North Central Texas Council of Governments that commits the RTC to allocate funds to repay TxDOT if necessary due to the insufficiency of Project toll revenues.

Duration of Tolling. Tolls will continue to be collected on the Project following repayment of the TxDOT funding.

Method for Setting Toll Rates. The initial toll rates will be set by the Authority in accordance with Regional Transportation Council Resolution R13-07 dated December 5, 2013. Additionally, the Project Agreement between TxDOT and the Authority requires the Authority to set toll rates at an amount expected to yield net revenues sufficient to reimburse TxDOT for amounts owed by the Authority to TxDOT under the Project Agreement.

Competing Facilities. TxDOT has the right to build any facilities at any time. There are no terms in the DBA related to competing facilities and there are no penalties associated with their construction.

Termination for Convenience. TxDOT has the right to terminate the DBA at any time without cause. If TxDOT elects to exercise this right, TxDOT must pay the contractor for the design and construction work already performed under the DBA and the costs of terminating subcontracts.

Toll Rates. In 2017, it is estimated that the initial toll rate charged will be \$0.2008 per mile. The estimated toll rate at the end of the comprehensive maintenance term (if TxDOT exercises its options for all three maintenance periods) is \$0.2707 per mile in 2032.

Methodology for Increasing Toll Rates. In 2017, the regional toll rate is estimated to be \$0.1801 per mile. The SH 360 toll rate is estimated to be \$0.2008 per mile upon opening to traffic until such time as it is equal to the regional toll rate and thereafter will be escalated consistent with the Regional Transportation Council policy for other toll roads in the Dallas-Fort Worth region. Based on current projections, the SH 360 toll rate will equal the regional toll rate in 2022. If actual Project Revenues exceed baseline revenue estimates, the SH 360 toll rate will equal the regional toll rate prior to 2022. The SH 360 toll rate may be further adjusted in the event toll revenues do not cover the scheduled repayment of the TxDOT funding.

Concession Payments. There will be no concession payments.

Public Hearings. TxDOT will hold three public hearings concerning this disclosure of financial information for the Project. A hearing will be held on April 21, 2015 from 2:00 p.m. – 4:00 p.m. in Cleburne, at the Cleburne Conference Center, located at 1501 W Henderson St, Cleburne, TX. A second hearing will be held on April 21, 2015 from 7:00 p.m. to 9:00 p.m. at the Waxahachie Civic Center, located at 1950 N Interstate 35E Service Road, Waxahachie, TX. A third hearing will be held on April 23, 2015 from 6:00 p.m. to 8:00 p.m. at the Texas Department of Transportation Regional

Training Center, located at 2501 SW Loop 820, Fort Worth, TX. Questions and comments concerning the financial information will be accepted by TxDOT at the public hearings. Questions and comments may also be submitted to TxDOT by U.S. mail addressed to Mr. Brian Barth, P.E., Texas Department of Transportation, 2501 SW Loop 820, Fort Worth, TX 76133-2300. These comments will be accepted until 5 p.m., April 28, 2015.

Copies of the DBA and COMA will be made available for viewing at the public hearings and at TxDOT's Fort Worth District office located at 2501 SW Loop 820, Fort Worth, TX 76133, and can be accessed on TxDOT's website at <http://www.txdot.gov/inside-txdot/projects/studies/fort-worth/sh-360.html>. Copies of the DBA and COMA may also be purchased from TxDOT's Fort Worth District office at the cost of reproduction. TxDOT will consider all properly submitted questions and comments and will prepare a summary and analysis of the comments received. The summary and analysis will be posted on TxDOT's website and made available upon request. Persons interested in attending the hearing(s) who have special communication or accommodation needs are encouraged to contact the Fort Worth District at (817) 370-6500. Requests should be made at least 72 hours prior to the public hearing. Because the public hearings will be conducted in English, any requests for language interpreters or other special communication needs should also be made at least 72 hours prior to the public hearing. TxDOT will make every reasonable effort to accommodate these needs.