Texas Department of Transportation®
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NOTICE
REGARDING SH 183 MANAGED LANES PROJECT RFQ

April 30, 2013

The Texas Department of Transportation (TxDOT) recently held a series of one-on-one meetings with industry participants related to the Request for Qualifications that was issued February 20, 2013, as amended (RFQ) for the SH 183 Managed Lanes Project (Project). TxDOT appreciates the feedback received from industry in these recent one-on-one meetings and has taken this feedback into account in considering revisions to the delivery method for the Project and related revisions to the RFQ.

At this time, TxDOT intends to convert the delivery method for the Project to a design, build, finance, operate and maintain agreement (Pass Through) with a payment structure described generally in Exhibit I attached hereto. TxDOT will host an industry webinar workshop in early May to provide additional information on this delivery method and to receive feedback from industry. The details for participating in this webinar will be posted on the RFQ Project website at http://www.txdot.gov/inside-txdot/projects/studies/dallas/sh183/183-rfq.html.

TxDOT expects to issue Addendum #3 to the RFQ in May. This Addendum #3 would extend the Qualifications Statement (QS) Due Date to a date consistent with the schedule set forth in Exhibit I and would extend the deadline for submitting questions related to the RFQ. In the interim, TxDOT is exercising its right to waive the existing deadline for submission of questions set forth in Addendum #2 to the RFQ, and will accept additional questions submitted in the manner set forth in the RFQ.

TxDOT intends to provide in Addendum #3 additional information regarding the Pass Through payment structure. TxDOT does not currently expect to make material changes to the submittal requirements or evaluation criteria in the RFQ as it relates to conversion of the delivery method for the Project to a Pass Through payment structure. Prior to the issuance of Addendum #3, TxDOT will accept questions regarding the information set forth in this Notice, including Exhibit I, in the same manner questions regarding the RFQ may be submitted.

After the issuance of Addendum #3, TxDOT plans to hold one-on-one meetings with industry in May to discuss this delivery method and other aspects of the Project and the RFQ. The specific dates for such one-on-one meetings will be announced at the webinar workshop.

TxDOT looks forward to discussing the Project and procurement in the upcoming webinar and one-on-one meetings and to working with industry participants to bring this Project to fruition for the benefit of motorists in the Dallas-Fort Worth region.

All of the information set forth herein (including Exhibit I) is subject to change by TxDOT in its sole discretion. Additionally, in connection with this notice, the RFQ and all related matters, TxDOT reserves to itself all rights (which rights shall be exercisable by TxDOT in its sole discretion) available to it under the Code, the Rules and applicable law, including without limitation, with or without cause and with or without notice, all the rights set forth in Part A, Section 8 of the RFQ.

Exhibit I

SH 183 Managed Lanes Project
Project & Procurement Summary

Project Scope: Construct managed lanes from SH 121 to I-35E

Phase 1: 1+1 (one managed lane in each direction)

Phase 2: 2+2 (expand to two managed lanes in each direction as feasible)

Additional scope may be added at time of Request for Proposal (RFP) issuance subject to financial feasibility and receiving NTTA primacy waivers:

- Managed lanes on SH 114 from Loop 12 to International Pkwy
- Managed lanes on Loop 12 from IH 35E to SH183

Schedule/Timeline:

April 30, 2013 – Notification to Industry

Early May 2013 – Industry webinar workshop

May 2013 – Issue amended Request for Qualifications (RFQ) and One-on-One Meetings with Industry

May 30, 2013 – Pass Through Fares and Tolls Rule Amendments Proposed

June 2013 – Revised RFQ due date

July 25, 2013 – Anticipated final adoption of Pass Through Fares and Tolls Rule Amendment

August 2013 – Shortlist proposers and issue RFP

Early 2014 – Proposal due date

Design, Build, Finance, Operation and Maintenance Agreement (Pass Through) Description:

- ❑ TxDOT will convert the procurement for the SH183 Managed Lanes Project to a Pass Through payment structure.
- ❑ Proposers bid a per vehicle fee (or per vehicle-mile fee).
- ❑ Best Value selection is anticipated to be based on a number of metrics including requested per vehicle fee (or per vehicle-mile fee).
- ❑ Developer receives scheduled Pass Through payments based on number of vehicles/vehicle-miles.
- ❑ Deductions are made to Pass Through payments if Developer does not comply with agreement performance requirements.
- ❑ TxDOT will provide construction milestone payment(s) (estimated to be in the $300 million range, subject to Commission approval).
- ❑ TxDOT will pay the cost of ROW.
- ❑ TxDOT and the Developer will share risk as follows:
    - Toll revenues are the first source of funds for Pass Through payments;

- If toll revenues are insufficient to cover the Pass Through payment due to the Developer, TxDOT will fund the difference subject to a maximum amount to be determined;
- Revenues in excess of estimates may be shared with the Developer.

- ❑ Either TxDOT or the Developer could be responsible (via NTTA) for toll revenue collections.
- ❑ Pass Through agreement term is yet to be determined but is expected to be less than 52 years.
- ❑ Design, construction, financing, operations, routine maintenance and lifecycle maintenance risks are transferred to the Developer.
- ❑ Section 222.104 of the Texas Transportation Code presently authorizes TxDOT to enter into Pass Through agreements, and, subject to Commission concurrence, TxDOT's Administrative Rules will be amended at the Commission's May and July meetings to authorize the above delivery option.