



## Grand Parkway Transportation Corporation



Frontage Road Policy Adopted as of November 16, 2015

WHEREAS, pursuant to Minute Order 113046 dated March 29, 2012, the Grand Parkway Transportation Corporation (GPTC) was formed to act on behalf of the Texas Transportation Commission (Commission) to develop, design, construct, expand, finance, toll, operate and maintain various segments of State Highway 99, the Grand Parkway (the "Project"); and

WHEREAS, responsibility for the development, construction and maintenance of SH 99 Segments D, E, F-1, F-1, G, H, I-1, and I-2 was transferred by the Commission to the GPTC pursuant to Minute Orders 113202 dated July 26, 2012 and 114290 dated June 25, 2015; and

WHEREAS, the Market Valuation Waiver Agreement (MVWA), executed by the State and the seven counties traversed by SH 99, dated March 25, 2009, describes the minimum and ultimate scope for the Grand Parkway and includes intermittent frontage road segments along the Grand Parkway corridor; and

WHEREAS, the GPTC has issued approximately \$2.9 billion in toll revenue bonds for a portion of Segment D, and Segments E, F-1, F-2, and G, and contemplates issuing additional toll revenue bonds for Segments H, I-1, and I-2, to construct the Grand Parkway Project in accordance with applicable Environmental Clearances and permits, and in accordance with the project limits and general scope of work as defined within the MVWA; and

WHEREAS, a substantial growth in planned and completed development has occurred and is anticipated to continue to occur in the areas adjacent to the Project, which could benefit the Grand Parkway and the bondholders; and

WHEREAS, it is the belief of the Board that the additional development and access to the Grand Parkway that would be encouraged by additional frontage roads could further benefit the Grand Parkway, and it is desirable that the GPTC provide certain principles to be considered for the development of such frontage roads;

IT IS THEREFORE RESOLVED that it is the policy of the GPTC that it will entertain requests for permission for additional frontage roads not described in ultimate scope of the Grand Parkway Project as set out in the Market Valuation Waiver Agreement under the following circumstances:

1. Each request for additional frontage roads shall be presented to the Board of Directors of the GTPC for consideration and possible approval after evidence of satisfaction of the requirements below:
  - Such additional frontage roads shall only be developed as required to improve safety, access, or mobility to the Grand Parkway corridor and the Project and may not allow for continuous frontage roads or an alternative route to avoid the payment of tolls on the Grand Parkway in violation of the GPTC's contract with its bondholders.
  - Development and use of such additional frontage roads shall not negatively impact revenues derived from the Project, as evidenced by a certificate from the GPTC's traffic and revenue consultant to that effect.
  - Surplus revenues from the Project will not be used to fund the development, design, construction, operation or maintenance of any such additional frontage roads.
  
2. Any agreement providing for a frontage road in or around the corridor of the Grand Parkway Segments D (portion in Harris County), E, F-1, F-2, G, H, I-1 or I-2 that is not included in the ultimate scope described in the MVWA and is developed in violation of the policy and approval of the Board of Directors of the GPTC shall be considered null and void.