

# Master Development Plan for the TxDOT North Tarrant Express Project Segments 2-4

## MDP and MFP Update Methodology Report



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## 17. MDP and MFP Update Methodology Report

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Following completion of the Initial Scope of Work, the Master Development Plan and Master Financial Plan will evolve throughout the process of developing the NTE Facilities. At TxDOT's request, the Developer will be responsible for updating the MDP and MFP. These updates shall occur no more than once per year and shall reflect new developments in a variety of factors affecting the Project. Non-comprehensive lists of potential update triggers are provided in Sections 17.1 and 17.2 below. These events or conditions may individually or collectively merit updating of the MDP and/or MFP.

### 17.1 Potential MDP Update Triggers

The MDP will be updated when certain events occur, including, but not limited to the following:

- material changes in the financial analysis;
- material changes in highway and/or rail usage demand;
- procurement (or failure to procure) major environmental, planning or permitting approvals;
- environmental reevaluation(s) affecting a Facility;
- discovery of unexpected environmental constraints, such as hazardous materials or cultural resources;
- changes in State or federal laws;
- material changes to the NCTCOG's Metropolitan Transportation Plan (MTP) or the TxDOT Unified Transportation Plan (UTP);
- material changes in local government requirements and needs;
- material changes in the regional or national economy, demographic patterns and trends, and political concerns;
- material changes in the assumptions used to develop the current MDP;
- material changes or characteristics of a Facility;
- occurrence of a Risk Event, as detailed in Chapter 12 of the MDP;
- one or more Facility(ies) identified in the MDP, or newly identified by either party, to become Ready for Development; and
- opportunities to meet and coordinate with parties other than TxDOT for purposes of planning the NTE corridor or integrating the infrastructure of the other parties.

One anticipated near-term event that may trigger MDP Update Work is a likely environmental reevaluation for Segment 4 in 2012. In addition, the NCTCOG is expected

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to adopt an updated Metropolitan Transportation Plan, *Mobility 2035*, in 2011. Any material changes from the previous MTP may trigger Update Work.

### 17.2 Potential MFP Update Triggers

The MFP will be updated when certain events occur, including, but not limited to the following:

- material changes to MDP;
- changes in interest rate climate, inflation rates or tax regulation;
- changes in State or federal laws resulting in material changes to existing sources of finance and/or the existence of new/alternative sources of finance;
- material changes in the climate for private investment;
- material changes in the assumptions used to develop the current financial analysis;
- one or more Facility(ies) identified in the MDP, or newly identified by either party, to become Ready for Development; or
- opportunities to meet and coordinate with parties other than TxDOT for purposes of planning the NTE corridor or integrating the infrastructure of the other parties.

### 17.3 Coordination with Stakeholders

Master planning update activities will require the input from, and coordination and collaboration with, outside entities. The Developer shall participate with TxDOT in coordinating with these entities prior to undertaking MDP Update Work. TxDOT will continue working with outside agencies such as the NCTCOG to gather information pertinent to the Project and discuss the development of Facilities. The Developer shall participate in these discussions as requested by TxDOT.

The Developer will support TxDOT at meetings with the public according to the CDA. These meetings may include community outreach, public information, stakeholder, third-party and other meetings. Other stakeholders that may be consulted during Update Work include elected officials, municipalities, federal agencies, utility providers, mass transit authorities, the North Texas Tollway Authority, DFW Airport, landowners / business owners, neighborhood associations and other community groups. Other stakeholders may be contacted at TxDOT's discretion.

Where stakeholder coordination efforts concern an ongoing NEPA approval process, the Developer shall support TxDOT as requested but shall hold no special standing in the process to prevent the appearance of a conflict of interest. Once appropriate NEPA approvals occur, the Developer shall participate actively with TxDOT in coordinating with the identified outside entities.

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### **17.4 Scoping and Compensation for Updates to the Master Development Plan**

In accordance with Section 6.1 of the CDA, the Developer shall be responsible for updating the MDP at TxDOT's request. These updates shall occur no more than once per year. Because updates to the MDP and MFP are not contained within the Initial Scope of Work, the scope and compensation of these updates shall be negotiated separately.

Upon TxDOT's request for Update Work, the Developer shall submit a proposal for the work to be performed. Using the proposal, TxDOT and the Developer shall negotiate a letter agreement that establishes the scope, schedule, terms and compensation for the Update Work to be performed.

Depending on the extent of Update Work required, it may be advisable to divide the work into several milestones which would be set out in the schedule. Upon Notice to Proceed, the Developer shall perform the Update Work in accordance with the letter agreement, CDA and timeframes set out therein. Deliverables shall be subject to TxDOT's review and comment. It is anticipated that submittal and review of deliverables will follow the process set out in Section 9 of the CDA and the Project Management Plan.

Compensation shall be in accordance with the terms and dates set out in the letter agreement, and subject to the terms of the CDA governing Risk Events and termination for convenience. It is anticipated that Update Work will be performed on a Lump Sum basis.

### **17.5 Keeping the MFP Consistent with the MDP**

NTEMP24's financial team shall be involved in the scoping discussions for MDP update work so that they can identify whether any of the MDP updates should also trigger updates to the MFP. The financial team shall also be kept informed of any updates to cost analyses or traffic and revenue studies so that the MFP can be updated accordingly as needed.

### **17.6 Example and Summary of Update Work Process**

As an example of the scope of Update Work that may be necessary following a given trigger, the MDP Update Work resulting from a NEPA reevaluation would likely include the following work items:

- evaluate whether the results of the NEPA reevaluation would affect the design, cost, schedule and/or traffic demand of NTE Facilities;

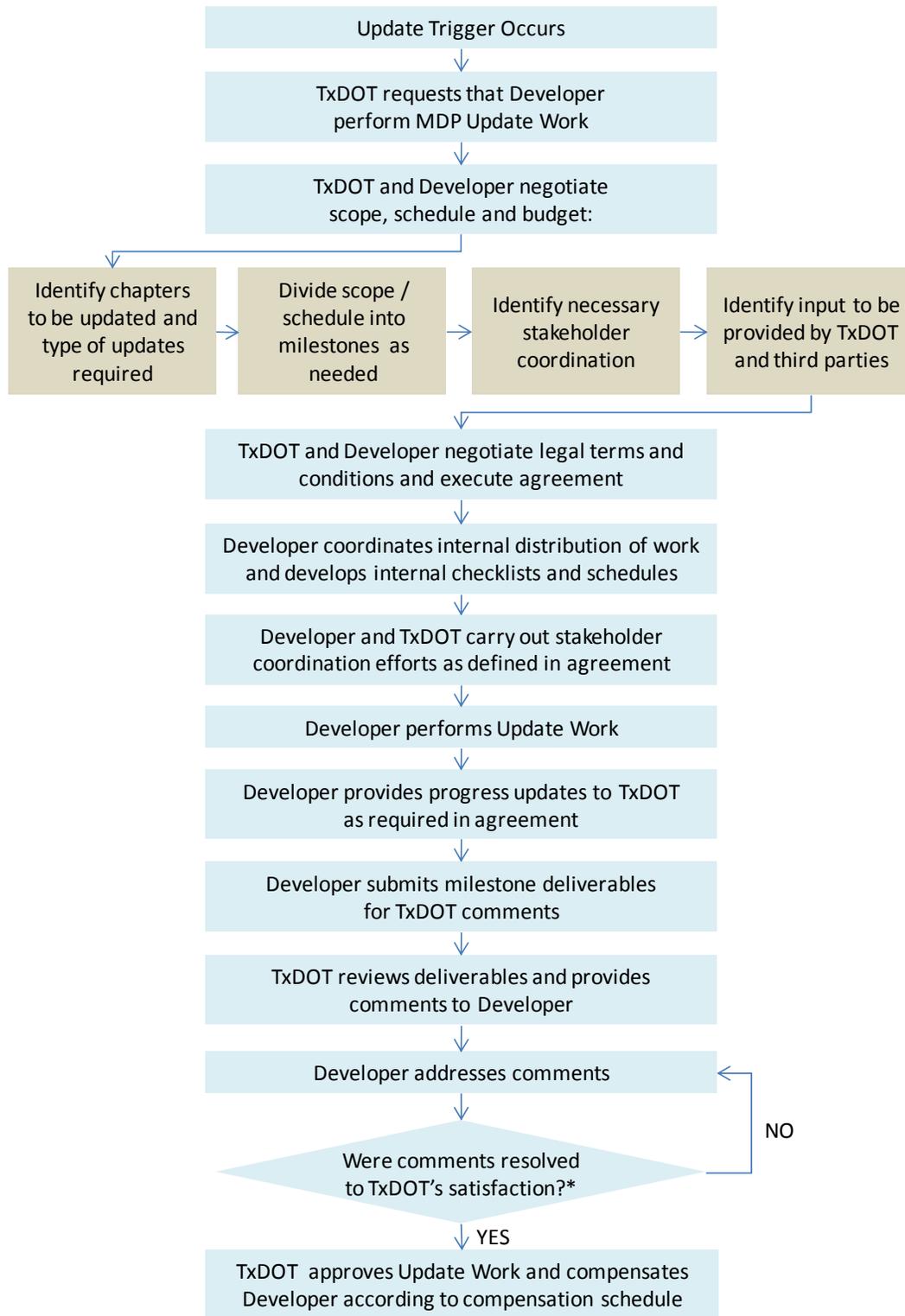
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- update references to NEPA approval in all applicable chapters;
- update permitting and mitigation requirements in the Phasing and Sequencing Report;
- to the extent that the reevaluation mandates design changes, update Preliminary Design, Draft List of Facilities, Preliminary Cost Estimates, Right of Way chapter (if affected), Traffic and Revenue Forecasts (if affected) and Master Financial Plan;
- to the extent that a reevaluation introduces additional costs, update Preliminary Cost Estimates and Master Financial Plan;
- to the extent that the initial proposed schedule is affected by the NEPA reevaluation, update the Phasing and Sequencing Report, Traffic and Revenue Forecasts and Master Financial Plan; and
- to the extent that the reevaluation indicates that stakeholder coordination is necessary, and that this coordination is applicable to the planning process, carry out stakeholder coordination and update MDP chapters accordingly.

Figure 17-1 illustrates the typical process for performing MDP Update Work.

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Figure 17-1: MDP Update Work Process



\* Number of rounds of comments to be set out in agreement for Update Work.