



**IH 35E Managed Lanes SB 1420 Committee**

**MEETING MINUTES**

**March 9, 2012 at 9:00 am  
Denton City Council Chambers  
215 East McKinney St.  
Denton, Texas 76201**

***IH 35E Managed Lane Project SB 1420 Committee members in attendance:***

***John Polster – Denton County  
Elizabeth Mow – NTTA  
Bill Hale – TxDOT  
Alberta Blair – Dallas County  
Michael Morris – NCTCOG – Committee Chair  
Matthew Marchant – City of Carrollton  
Rudy Durham – City of Lewisville  
Pete Kamp – City of Denton***

***Support Staff in attendance:***

***John Hudspeth  
Jack Ingram  
John Munoz  
Dieter Billek  
Matt MacGregor***

***A Public Notice of this meeting containing items on the proposed agenda was filed with the Office of the Secretary of State on March 1, 2012 as required by Title 43, Texas Administrative Code, §27.92(f).***

**Minutes**

***Item 1 Welcome and Introductions***

*Michael Morris provided a few brief opening remarks and provided a brief introduction. Mr. Morris then introduced his proposed approach of how the project can be financed. He explained that the ultimate project could be broken down into two phases: Phase 1a and Phase 1b. Phase 1a would be built using money in hand that can build the first phase of the particular project. It includes the original \$600 million and it includes any additional revenues that we have obtained in the last 30 days or so, which right now is approximately \$1.1 billion. The Regional Transportation Council would take final action on this by June.*

*Mr. Morris further explained that Phase 1b would be constructed using the revenue created from the implementation of the managed lanes. The intent would be that that revenue collected on the corridor*



would stay on the corridor. Mr. Morris also explained that Phase 1b could be a matter of months or maybe a few years before it could be implemented.

Ms. Kamp welcomed everyone to the City of Denton and expressed her appreciation for everyone being there.

Mr. Morris reviewed the agenda.

**Item 2 Approval of minutes from December 19, 2011 meeting of the SB 1420 Committee**

Minutes from the December 19, 2011 meeting were provided to the committee. There was a motion to approve the minutes and a second to the motion. The motion was passed unanimously.

**Item 3 Grand Parkway Discussion**

John Munoz presented an update to the Grand Parkway procurement in the Houston area. Mr. Munoz said the project will be delivered using a design-build approach, not a concession. Mr. Munoz also said there were five design-build teams shortlisted for the procurement and TxDOT is hoping at least three remain at the time of contract award. Mr. Munoz announced that the Commission made a decision to drop the concession delivery option about a week after the teams were shortlisted.

Mr. Munoz explained the procurement process and the Alternative Technical Concept (ATC) process where developers can provide innovative ideas for the design and construction of the project that could provide cost savings or added benefit to the project.

Mr. Morris asked if there was anything from the Grand Parkway Project that would help the IH 35E 1420 Committee make a decision on the delivery method. Mr. Munoz responded that there was not.

**Item 4 RTC Resolution**

This item was tabled and will be on the agenda for the next meeting.

**Item 5 Environmental Clearance**

John Hudspeth reported to the Committee that all three segments of the IH 35E project are now environmentally cleared. Mr. Morris congratulated TxDOT on achieving this significant milestone.

**Item 6 DRAFT Baseline Option and Revenue**

Mr. Hudspeth presented a conceptual baseline project scenario to the Committee. The Committee provided feedback on the scenario regarding what should be shown in the slides as well as additional improvements that were needed in the project scope. Ms. Kamp said a lot of people have been working on this for a lot of years and while she appreciated the hard work and the progress that was being made, it was important that any increases in capacity be made through Denton. Bill Hale explained the physical



parameters around implementing such an improvement. Mr. Morris pointed out that at this point, the project described was at or above the available public funds and that any costs added to the project would need to be taken out in other areas.

Mary Horn asked to see further detail around the Loop 288 area and asked about the need for pedestrian access across Lake Lewisville.

Mr. Morris asked TxDOT to work with Jeff Neal on that area to coordinate improvements around Loop 288.

Jeff Neal of the NCTCOG stated that there was the potential for project cost savings in the range of \$40 - \$50 million from a redesign of the Belt Line Road interchange. The Committee requested to see information on how the connection with IH 635 will be constructed and the cost those improvements.

Mr. Morris discussed how revenue could be generated as early as possible during Phase 1A construction. Mr. Morris asked John Munoz how long it would take to get a baseline of the revenue before it would be useful for evaluating further improvements. John Munoz said it typically takes approximately 2 years of operations for revenues to level off for analysis purposes. Mr. Munoz also stated that it would take at least until 2022 to get revenues enough to get from Scenario 10 to Scenario 9.

#### **Item 7 Request for Qualifications (RFQ) Status**

Mr. Hudspeth notified the committee that TxDOT issued an RFQ for the project seeking design-build and concession teams on January 23, 2012. Qualification statements from the two teams are due on March 23, 2012.

#### **Item 8 Discussion of the issuance of the report of determinations made by the Committee to the Executive Director of TxDOT regarding the IH 35E Project**

- **RTC Policy on Managed Lanes**
- **Public, Private, Combination of Public/Private finance**
- **Toll Revenue Risk**

There was a discussion as to when the next meeting should be held. John Polster suggested that it may be beneficial to see the number and quality of the qualification statements for both design-build and concession before making a final determination. It was stated that a final determination prior to the qualification statement due date was preferred by TxDOT. Mr. Morris asked that the TxDOT staff confirm that TxDOT Administration still preferred a final determination prior to the qualification statement due date.

Potential dates for the next meeting were March 20, 21, and 26. Mr. Morris asked Mr. Hudspeth to send the dates to the committee members and coordinate the best time for the next meeting.

#### **Item 9 Public Comments**



*Mr. Morris asked the audience if anyone would like to make comments. No comments were provided.*

***Item 10 Adjourn***

*There was a motion to adjourn and a second to the motion. The motion passed unanimously.*

DRAFT