

Memorandum



CITY OF DALLAS

DATE December 9, 2011

TO Members of the Transportation and Environment Committee:
Linda L. Koop (Chair), Sheffie Kadane (Vice Chair), Sandy Greyson,
Delia Jasso, Vonciel Jones Hill, Pauline Medrano

SUBJECT **Memorandum of Understanding for I-35E**

On Monday, December 12, 2011, the Transportation and Environment Council Committee will consider a request to endorse the I-35E Managed Lane Project Memorandum of Understanding for I-35E in support of the Dallas Regional Mobility Coalition's Stakeholders Coalition.

The Texas Department of Transportation (TxDOT) is engaged in project development activities for a 28 mile section of I-35E in Dallas and Denton Counties for the I-35E Managed Lanes Project. The redevelopment project as authorized by the Texas Transportation Commission includes the reconstruction and widening of I-35E from I-635 to US 380 to incorporate additional general purpose mainlanes, managed lanes and frontage roads. TxDOT and local stakeholders are currently analyzing options for the financing and delivery of the project including the possibility of utilizing a design-build contract, concession agreement, or availability payment contract.

The Dallas Regional Mobility Coalition (DRMC) formed an I-35E Stakeholders Coalition comprised of local municipalities, businesses and affected parties along the corridor to assist in securing legislative authority for financing, advising on implementation strategies and securing involvement from stakeholders. To that end the DRMC seeks to strengthen the commitment and support of the I-35E Stakeholders Coalition through the execution of a Memorandum of Understanding further demonstrating the collaboration and commitment of interested and affected stakeholder to complete the enhancements and mobility improvements for I-35E.

Please feel free to contact me at 214-670-5299 if you need additional information.

A handwritten signature in black ink, appearing to read 'Jill Jordan'.

Jill A. Jordan, P.E.
Assistant City Manager

c: The Honorable Mayor and Members of the City Council
Mary K. Suhm, City Manager
Thomas P. Perkins, Jr. City Attorney
Rosa Rios, Acting City Secretary
Craig Kinton, City Auditor
Judge C. Victor Lander, Administrative Judge
A.C. Gonzalez, First Assistant City Manager
Ryan S. Evans, Assistant City Manager
Forest Turner, Assistant City Manager
Joey Zapata, Interim Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Edward Scott, Director, Controller's Office
Frank Libro, Public Information Office
Theresa O'Donnell, Director, Sustainable Development and Construction
Rick Galceran, Director, Public Works
Helena Stevens-Thompson, Assistant to the City Manager – Council Office

MEMORANDUM OF UNDERSTANDING FOR I-35E

WHEREAS, Interstate Highway 35 (I-35) was an original Interstate Highway that was approved by the Texas State Highway Commission in 1962; and,

WHEREAS, the Interstate Highway System in Texas has had a positive economic impact and I-35, in particular, has become one of the nation's most important interstate routes due to international trade and commerce; and,

WHEREAS, traffic volumes have increased geometrically as cities along I-35 have grown and become economic centers of national importance; and,

WHEREAS, I-35 has been designated by the United States Congress as a High Priority Corridor on the National Highway System; and,

WHEREAS, I-35 has been designated as an international trade route for commerce, known as the NAFTA Superhighway; and,

WHEREAS, the segment of I-35 East (I-35E) from Interstate Highway 635 (I-635) in Dallas to U.S. Highway 380 (U.S. 380) in Denton is approximately 28 miles in length with traffic counts between 175,000 and 200,000 vehicles per day; and,

WHEREAS, the 2030 traffic projections show traffic will exceed 330,000 vehicles per day in the most congested areas of I-35E; and,

WHEREAS, the use of managed toll lanes on I-35E was authorized by the Federal Highway Administration (FHWA) through approval of an Express Lane Demonstration Program entered into between TxDOT and FHWA on September 30, 2009; and,

WHEREAS, the design schematics interstate access justification for I-35E were approved on October 28, 2009; and,

WHEREAS, the design schematic for I-35E calls for the construction of four general purpose lanes and three service road lanes in each direction, providing a total of fourteen lanes for which no toll will be assessed; and,

WHEREAS, the capacity for the I-35E general purpose lanes and service road lanes will be enhanced by the inclusion of two managed toll lanes in each direction, and the managed toll lanes are a critical component to obtain financing necessary to complete development of the project; and,

WHEREAS, there has been significant public involvement during the I-35E design process, including multiple public meetings and forums; and,

WHEREAS, TxDOT has over the past ten years worked closely with local elected officials, stakeholders, and citizens along I-35E on the planned improvements; and,

WHEREAS, the total cost of the project, which is divided into three segments covering 28 miles, is now projected to exceed \$4 billion; and,

WHEREAS, TxDOT was authorized by the 82nd Session of the Texas Legislature (SB 1420, 82nd Lege., R.S., eff. date Sept 1, 2011) to utilize public private partnerships in combination with other development authority for all or part of I-35E; and,

WHEREAS, pursuant to SB1420, a committee has been formed to determine the projects financial risk, method of financing and tolling methodology; and

WHEREAS, the SB 1420 committee will have completed its statutory change upon determination of the enumerated terms (Section 228.013 Texas Transportation Code) and will be dissolved subsequent to reporting its determinations; and

WHEREAS, due to the length, complexity, cost and other factors associated with the I-35E project the full implementation of the projects final design may require certain phasing and staging to complete it; and

WHEREAS, the Cities, Counties, Businesses, Chambers of Commerce and other affected parties have formed an I-35E Stakeholder's Coalition under the auspices of the Dallas Regional Mobility Coalition which has been involved in: securing legislative authority for financing; providing advise and input on implementation strategies; and securing involvement from Stakeholders; and

WHEREAS, both the Stakeholders Coalition and TxDOT recognize and acknowledge the need and benefit of an ongoing collaborative effort.

NOW, THEREFORE BE IT RESOLVED, BY THE BELOW SIGNED TO THIS MEMORANDUM OF UNDERSTANDING, THAT:

1. The goal of this Region and the Signators hereto is to complete the improvements and enhancements for I-35E to the ultimate and final design as approved in the NEPA Documents.
2. Full implementation may require project phasing which may impact the delivery time when the ultimate design is open to traffic, but will not lessen the project scope.
3. TxDOT will recognize and work collaboratively with the Stakeholder Coalition during all phases of the project, until it is finally constructed and opened as ultimately designed, and during its operation.
4. Prior to procurement of any phases the Stakeholder Coalition will offer comment and advise on scoping, phasing, staging or other implementation decisions on one or if needed additional procurement opportunities.

5. Subsequent to the initial or subsequent procurement the Stakeholder Coalition will work collaboratively with TxDOT on project construction progress, review of project significant contract changes, project delivery timelines, and other relevant matters to communicate progress, receive public comment, establish reasonable project expectations and facilitate project completion and operation.
6. TxDOT and the Stakeholder Coalition are committed to the timely cost effective construction of the ultimate design for I-35E and its efficient operation and will mutually work together to that end.
7. This Memorandum of Understanding is effective upon the execution by TxDOT and at least four members of the Stakeholder Coalition.