

## Toll Road History - State Highway (SH) 121 Collin, Dallas and Denton Counties

- **1999 – NTTA is asked to bid on SH 121 (Collin County portion only).** Collin County and the cities of Allen, Frisco, McKinney and Plano request NTTA to Study SH 121 between US 75 and the Dallas North Tollway (DNT) as a toll facility.
- **January 2000 – Initial toll feasibility study indicates limited toll viability for the Collin County portion** of the roadway (development costs were approximately twice the debt capacity of the roadway supported by toll revenues). Analysis reflects NTTA feasibility practices of the time...conservative econometrics; static toll rates less than 10 cents/mile; full cash/electronic toll collection (and associated capital and operating costs); and limited interchanges at DNT and US 75.
- **January 2000 - Denton County and the cities of Carrollton, Coppell, The Colony, Grapevine and Lewisville apply for state loan to accelerate construction of SH 121 main lanes in Denton County** through a State Infrastructure Bank Loan from the Texas Department of Transportation (TxDOT). Loan is approved by the Texas Transportation Commission (TTC). Eventual commitment of state highway funds (gas tax dollars) to construct Denton County main lanes cools enthusiasm for a toll road on SH 121 in both counties.
- **May 2003 – New language is added to the State Transportation Code** allowing for gas-tax supported roadways (constructed but not opened) to be opened as toll roads. *Reference: HB 2702 and HB 3588*
- **December 2003 - The TTC passes Minute Order 109519** directing TxDOT staff to examine each added capacity project as a toll road. *Reference: <http://www.dot.state.tx.us/transcom/agendas/1203.htm>.*
- **Early 2004 - TxDOT conducts a sketch-level toll feasibility study on the SH 121 corridor** using updated demographics/census data, higher toll rates and higher toll growth rates. The study indicates better toll viability for the SH 121 main lanes.
- **October 2004 – TTC approves plan to toll SH 121 from Lewisville to the DNT.** A multi-party Memorandum of Understanding (MOU) is adopted. Authorizes the use of proceeds from any bonds issued based on the revenue stream of the main lanes of SH 121 in Denton County, then under construction, to finance a number of nearby state highway projects.
- **November 2003 through late 2004 – Collin County requests another preliminary toll feasibility study from NTTA, North Central Texas Council of Governments (NCTCOG) and TxDOT.** Gas-tax supported funding for the remaining construction of SH 121 to US 75 is unavailable according to NCTCOG and TxDOT estimates. NCTCOG and the Dallas TxDOT District office meet with Collin County officials and the cities of Allen, Frisco, McKinney and Plano to assess their interest in tolling SH 121 to finance the completion of SH 121.
- **January 2005 - Before this study was completed, Skanska BOT submits an unsolicited Comprehensive Development Agreement (CDA) proposal** for the Denton and Collin County sections of SH 121. TxDOT issues a Request for Proposal (RFP) for development of SH 121 under new CDA procurement rules. *Reference: [http://www.dot.state.tx.us/services/texas\\_turnpike\\_authority/sh121\\_cda.htm](http://www.dot.state.tx.us/services/texas_turnpike_authority/sh121_cda.htm)*
- **April 2005 - NCTCOG Collin County SH 121 Study is completed indicating strong toll viability.**
- **July 2005 - TxDOT short lists four firms to participate in the SH 121 CDA procurement process:** Cintra, Skanska BOT, Macquarie, Dallas Mobility Link.
- **November 2005 – NTTA joins Collin County in a bid for SH 121 based on lower toll rates for citizens.** Collin County and the cities of Allen, Frisco, McKinney and Plano request NTTA join them in developing a proposal for submission to TxDOT. The proposal reflects newly established NTTA feasibility model (revised demographics, toll growth rates, etc.). The proposal involves guaranteed annual payments of \$2.7 billion (\$515 million net present value) and potential variable payments of \$2.7 billion (\$517 million net present value).
- **February 2006 – RTC does not accept the Collin County/NTTA proposal.**

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## Continued

- **April 2006** - RTC adopts a series of policies for the SH 121 CDA procurement process including Business Terms for Toll Roads on State Highways, Policy on Excess Revenue Sharing and other policies relating to the CDA process. Reference: <http://www.nctcog.org/trans/committees/rtc/index.asp>
- **May 2006** - TxDOT issues a draft Request for Detailed Proposals for SH 121 to the short-listed firms for industry review reflecting revised demographics and RTC toll rates starting at 14 ½ cents per mile and resetting every two-years. This also includes a 75/25 split in funding (i.e. 75% upfront payment and 25% over the life of the agreement).
- **June 2006** - The RTC delivers recommendations to the TTC on the evaluation criteria and weighting to be used by the Commission in making its decision on the best value proposal in the SH 121 procurement process. In brief, the criteria are weighted 80% for financial value.
- **June 2006** – NTTA Board of Directors authorizes staff to develop a proposal for the Collin and Denton counties portion of SH 121. NTTA staff prepares a public sector comparator bid for submission to TxDOT. Reference: NTTA Board of Directors Minutes – June 2006
- **July 2006** - The TTC adopts a Minute Order 110609 to include as CDA delivery projects two NTTA projects: SH 190 (President George Bush Turnpike) in Dallas County and SH 121 (Southwest Parkway) in Tarrant and Johnson counties. Reference: [http://www.dot.state.tx.us/publications/commission/2006\\_meetings/july\\_27\\_minutes.pdf](http://www.dot.state.tx.us/publications/commission/2006_meetings/july_27_minutes.pdf)
- **August 2006** - The NTTA Board of Directors rescinds the authorization to propose on SH 121 as part of a comprehensive Regional Protocol Agreement between NTTA and TxDOT. TTC rescinds all previous adopted orders authorizing or directing a CDA delivery on SH 190 in Dallas County and SH 121 in Tarrant and Johnson counties. References: <http://www.nctcog.org/trans/committees/rtc/Toll%20Policies/Request%20of%20NTTA.pdf>  
[http://www.dot.state.tx.us/publications/commission/2006\\_meetings/aug\\_24\\_minutes.pdf](http://www.dot.state.tx.us/publications/commission/2006_meetings/aug_24_minutes.pdf)
- **March 2007** - Senator John Carona, Chairman of the Texas Senate Committee on Transportation and Homeland Security, requests information from NTTA “in determining how much the NTTA believes it could offer in up-front fees as well as excess future cash flow after all debt service and operating expenses for SH 121.” Reference: *March 2, 2007 Letter from Senator Carona*
- **March 2007** - NTTA responds to Senator Carona with a sketch level outline of an NTTA review of SH 121. The sketch level proposal demonstrates three scenarios based on rough traffic and revenue estimates and ranges in value to region from \$4.6 to \$7.3 billion. Reference: *March 12, 2007 Letter to Senator John Carona.*
- **March 2007** - RTC invites the NTTA to submit a proposal for construction and operation of SH 121. TTC Chairman Ric Williamson also sends a letter to RTC Chair indicating TxDOT’s willingness to amend the Regional Protocol Agreement if NTTA decides to submit a SH 121 proposal. Amadeo Saenz, TxDOT Assistant Executive Director Engineering Operations, also sends a letter to NTTA Executive Director indicating they are willing to allow NTTA “sufficient time to determine a course of action: and submit a “binding commitment” for SH 121. References: *March 26, 2007 Letter from Cynthia White, March 28, 2007 Letter from Ric Williamson, March 29, 2007 Letter from Amadeo Saenz*
- **April 2007** – NTTA staff is requested to prepare a proposal for construction and operation of SH 121 by the NTTA Board of Directors at a Special Called Board Meeting.
- **May 2007** - NTTA Board of Directors unanimously approves a proposal to finance, construct and maintain SH 121 prepared by staff and consultants as a public sector comparator. Board also passes a resolution to amend NTTA toll rate policy to reflect RTC’s SH 121 tolling policies.
- **May 2007** - On May 15, the TTC waives the Regional Protocol Agreement between TxDOT and the NTTA, clearing the way for the NTTA to submit its proposal. Reference: [http://www.txdot.gov/news/local\\_news/dallas\\_news/043-2007.htm](http://www.txdot.gov/news/local_news/dallas_news/043-2007.htm)
- **May 2007** - The NTTA submits a proposal to the RTC to finance, construct and manage State Highway 121 on May 18. Reference: <http://www.ntta.org/AboutUs/Projects/SH121.htm>