



Virtual Financial Public Hearing

I-35E Projects

I-35E Phase 2 Project: I-35E from I-635 to the Denton County Line in Dallas County

I-35E Breakout Project #1: I-35E at Corporate Drive and Business SH 121 in Denton County

I-35E Breakout Project #2: I-35E at FM 1171/ Main Street in Denton County

July 29, 2021

Dallas and Denton Counties, Texas





John Hudspeth, PE

**Director of Transportation Planning and
Development, TxDOT Dallas District**



Provide design and financial information about the I-35E Projects.



Provide an opportunity for the public to comment on the financial information.

Project Website: www.keepitmovingdallas.com/i35ePhase2



Please submit your comments regarding this project by using any of the four methods below by our deadline, **Friday, August 13, 2021.**



Comment Online

Click the provided link on the website



Email Us

Ashton.Strong@txdot.gov



Mail-in Comments

TxDOT Dallas
District Office
Attn: Ashton Strong, P.E.
4777 East US Highway 80
Mesquite, TX 75150



Leave a Voicemail

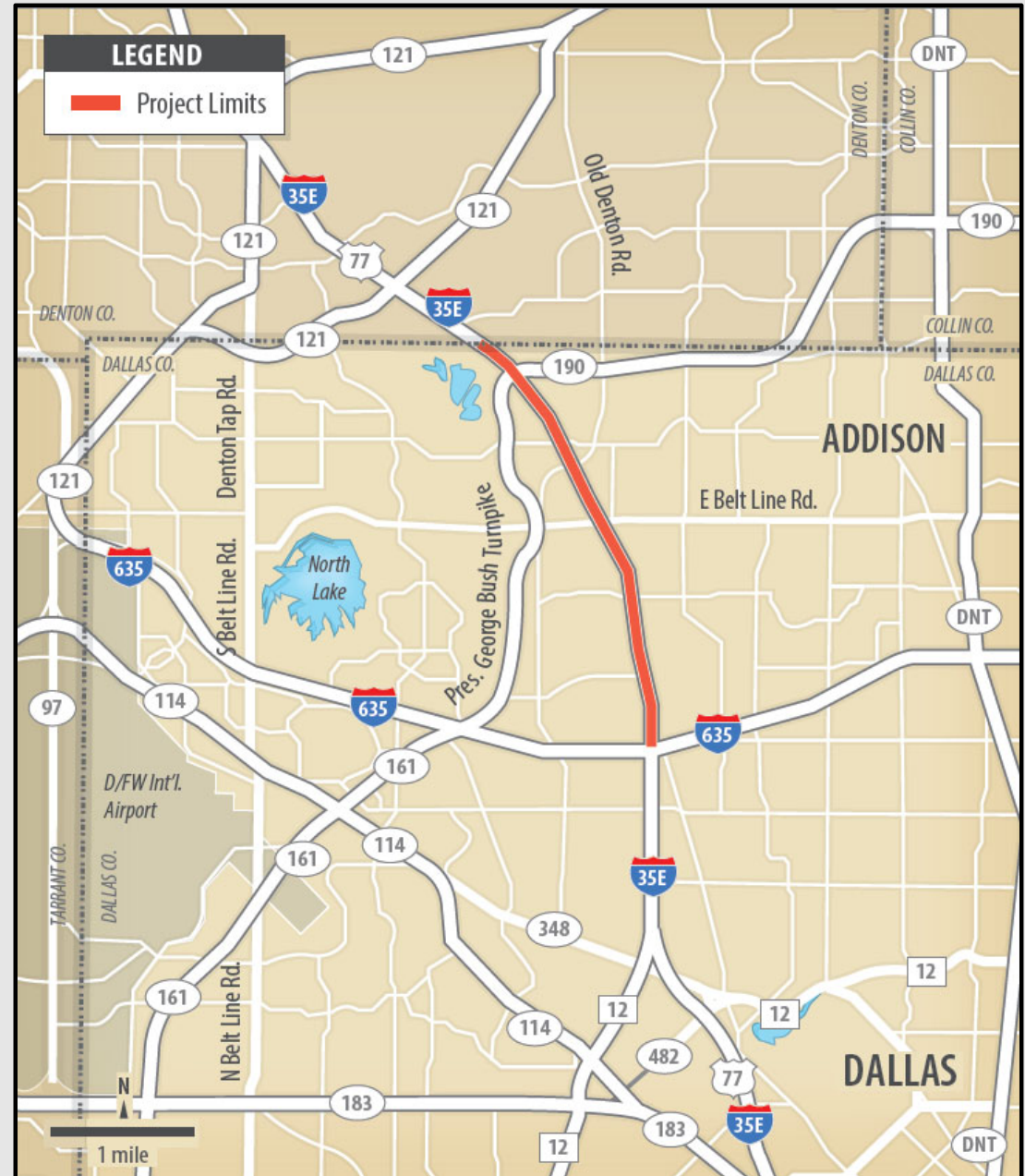
(833) 933-0431

Questions about the project? Please contact TxDOT Project Manager, Ashton Strong, P.E. at Ashton.Strong@txdot.gov.

I-35E Phase 2 Project Overview



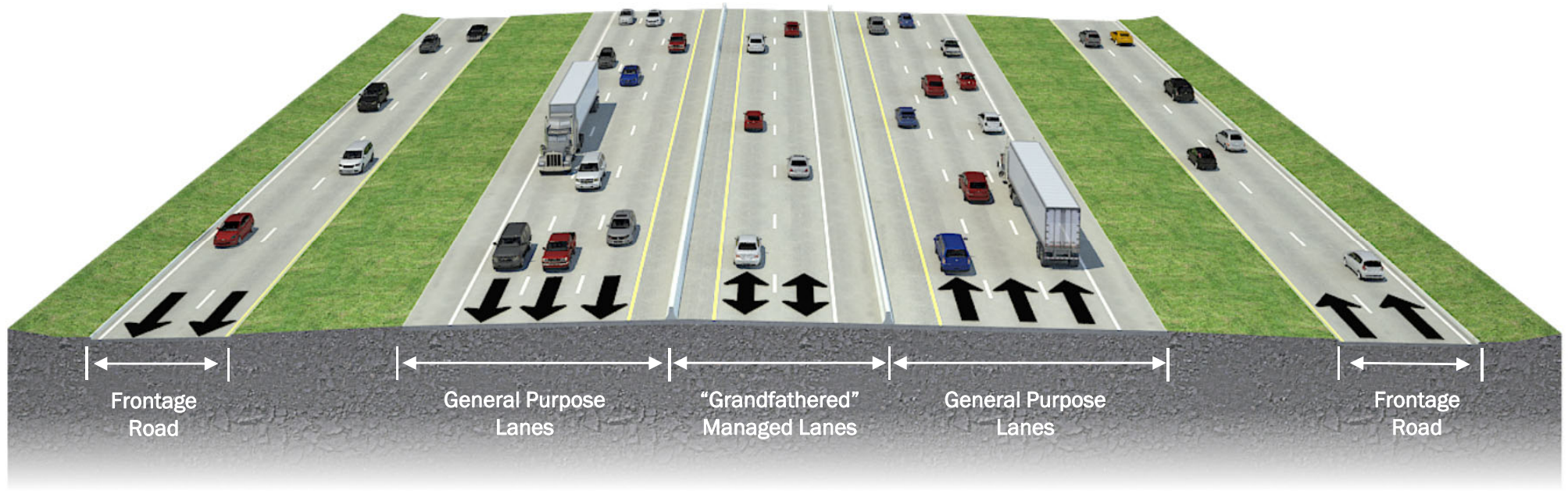
- Design-Build Contract (DBC)
 - To develop, design and construct an approximately 6.4-mile section of I-35E from I-635 to the Denton County Line in Dallas County.
 - CSJs: 0196-03-274, 0196-03-282
- Capital Maintenance Contract (CMC)
 - TxDOT may exercise its sole option to require the DB Contractor to provide capital maintenance services for the I-35E Phase 2 Project for up to three consecutive five-year terms.





The existing roadway includes:

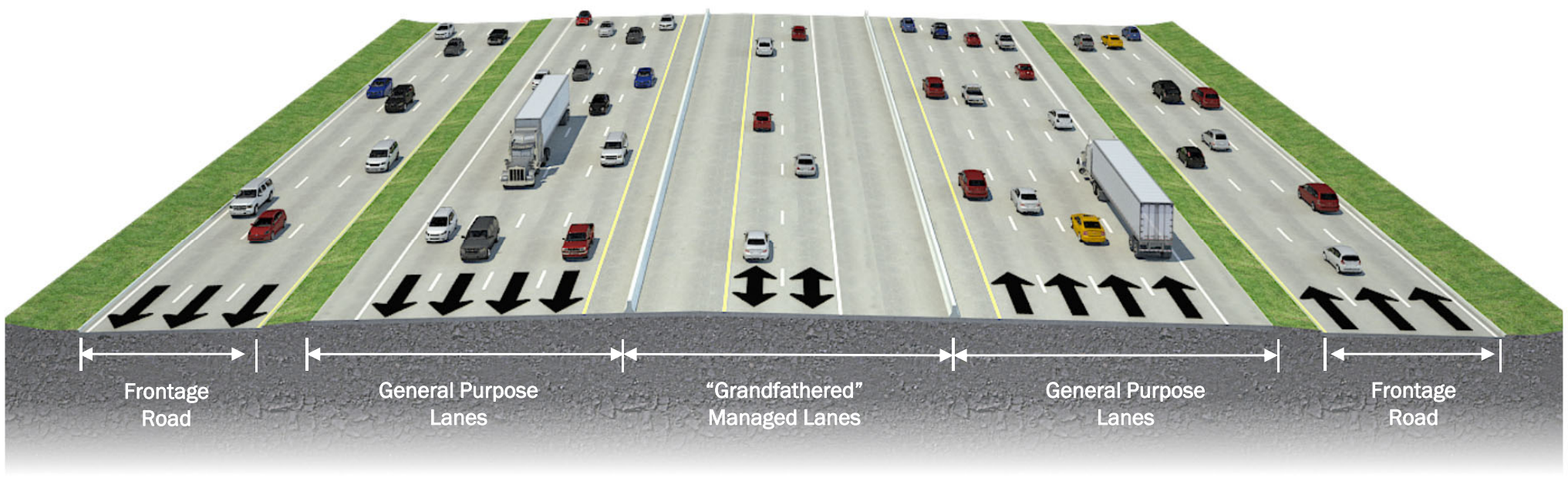
- Six (6) mainlanes
- Two (2) reversible tolled managed lanes
- A total of eight (8) lanes
- Discontinuous frontage roads





The proposed roadway includes:

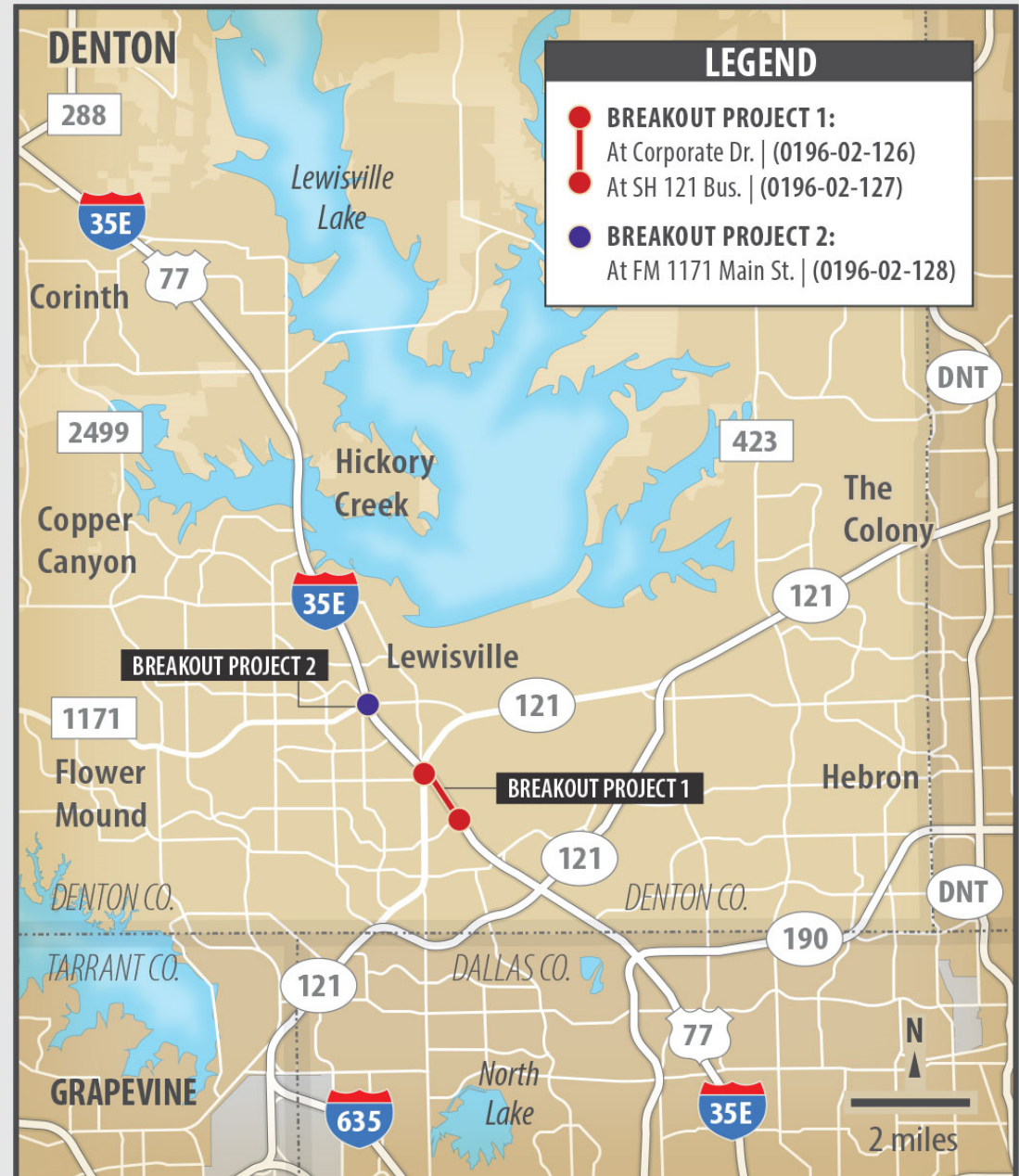
- Full reconstruction and widening from six (6) to eight (8) mainlanes
- Full reconstruction of the two (2) existing, “grandfathered” reversible tolled managed lanes
- A total of ten (10) lanes
- Construction of continuous frontage roads
- Intersection improvements





Design Bid Build Contracts:

- **I-35E Breakout Project #1**
 - I-35E from Corporate Drive to Business SH 121
 - Denton County
 - CSJs: 0196-02-126, 0196-02-127
- **I-35E Breakout Project #2**
 - I-35E at FM 1171/Main Street
 - Denton County
 - CSJ: 0196-02-128

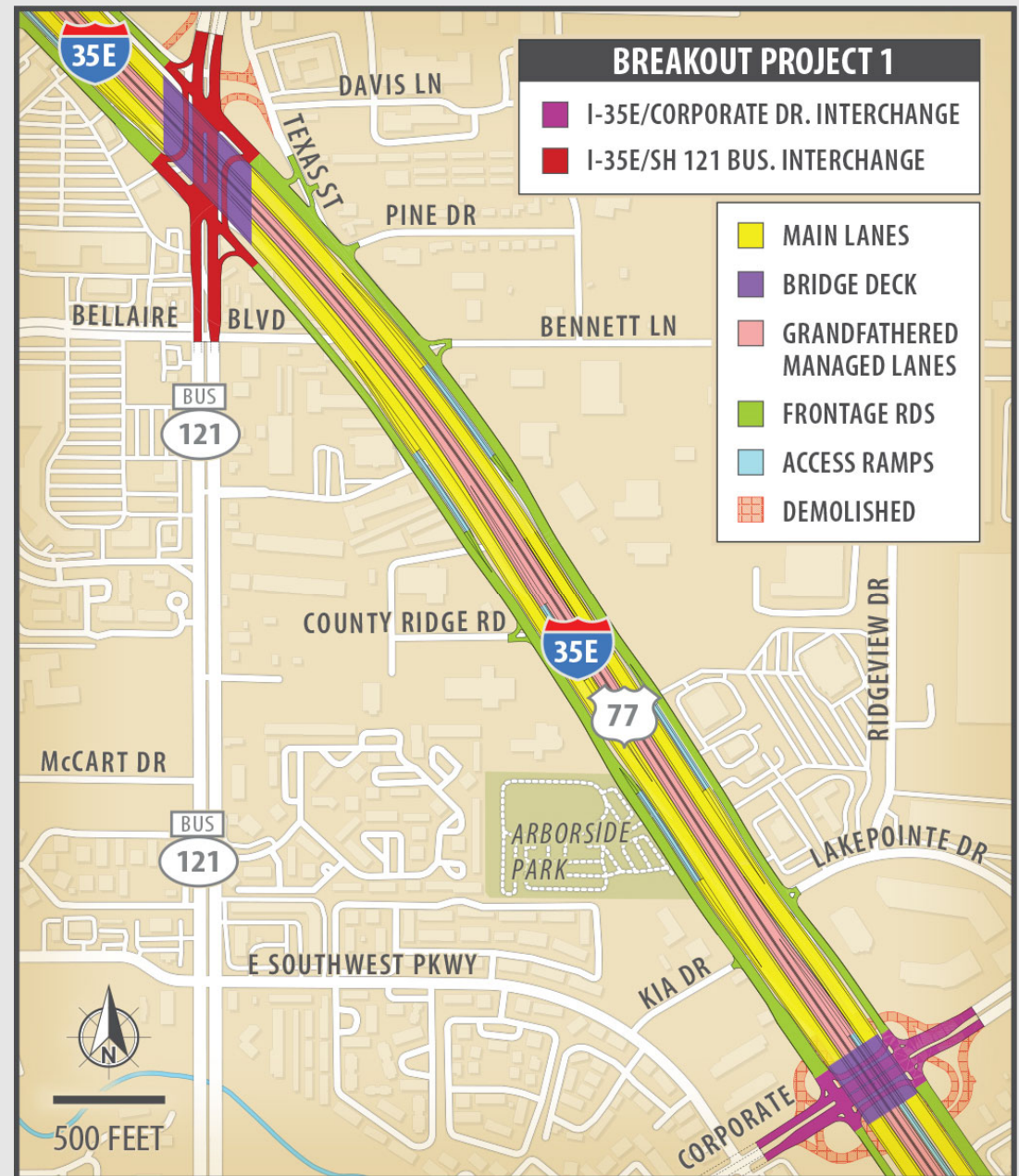


I-35E Breakout Project #1 Overview – Proposed Roadway



The proposed roadway includes:

- Reconstruction of I-35E from Corporate Drive to Business SH 121
- Reconstruction of the Corporate Drive and Business SH 121 interchanges
- Reconstruction of mainlanes, existing tolled managed lanes, and frontage roads



I-35E Breakout Project #2 Overview – Proposed Roadway



The proposed roadway includes:

- Reconstruction of I-35E at FM 1171/Main Street
- Reconstruction of the FM 1171/Main Street interchange
- Reconstruction of mainlanes, existing tolled managed lanes, and frontage roads





- 1998: TxDOT began the I-35E corridor planning study in Dallas and Denton counties
- 2011 and 2012: TxDOT received environmental clearance for the project through a FHWA Finding of No Significant Impact (FONSI)
- 2013–2018: The I-35E Phase 1 Project was constructed in Denton County
- 2020 and 2021: TxDOT initiated a reevaluation of the I-35E Phase 2 Project in Dallas County and reevaluations of the I-35E breakout projects in Denton County. All reevaluations received approval.



- Two-step process was used to determine the best-value proposer
- Request for Qualifications (RFQ) Phase:
 - May 20, 2020 – Issued RFQ
 - July 2, 2020 – Short-listed three of four proposers
- Request for Proposals (RFP) Phase:
 - October 20, 2020 – Issued final RFP
 - April 5, 2021 – Received 3 technical proposals
 - April 16, 2021 – Received 3 financial proposals
 - Summer 2021 – Anticipated conditional award
 - Summer 2021 – Anticipated contract execution
- Early 2026 – Anticipated substantial completion



- TxDOT intends to fully fund the I-35E Phase 2 Project with federal and state funding sources. No debt has been or will be assumed to acquire right of way, design, construct, operate and maintain the project.
 - Anticipated funding sources include, but are not limited to:
 - Category 2, Metropolitan and Urban Area Corridor Project Funds
 - Category 3, Non-Traditional Funds
 - Category 12, Strategic Priority Funds

- There are no concession payments.

- TxDOT will collect tolls on the I-35E Phase 2 Project based on the most current Regional Transportation Council (RTC) policy, even though there is no debt to repay.



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Methodology for Setting Toll Rates:

- Dynamic pricing is being and will continue to be applied on the tolled managed lanes of the I-35E projects
 - Market-based tolls will apply
 - Peak (rush) hour/high demand times will have higher toll rates
 - Off-peak/low demand times will have lower toll rates
 - Single-occupancy vehicle will pay the full rate
 - Trucks will be allowed to use the managed lanes and will pay a higher rate
 - High-occupancy vehicles (HOV) and vanpools will pay the full rate in the off-peak period
 - HOV vehicles will receive a 50% discount during the peak period; eligible HOVs must pre-register
 - RTC-sponsored public vanpools are permitted to add peak-period tolls as eligible expenses
 - Transit vehicles will not pay tolls
- Toll rate will be established to maintain a minimum 50 mph average managed lane speed
- The complete policy is available online at:
<https://resources.nctcog.org/trans/committees/rtc/index.asp>

Source: NCTCOG



- Pursuant to the RTC’s tolled managed lane policies, the initial toll rate cap of \$0.75 per mile (2010\$) was established and has been escalated annually.
- The escalated 2021 toll rate cap is \$0.93 per mile.
- The toll rate cap will be considered “soft” during times of deteriorating performance, when a controlled rate increase above the toll rate cap will be temporarily allowed.
- The toll rate cap shall escalate annually in accordance with the Consumer Price Index for All Urban Consumers (CPI-U), released every January.
- Based on demand projections and subject to Commission adoption, it is estimated that the toll rates charged will be as follows:

Price per Mile	2021 (in today’s \$)*	2041 (in today’s \$)
High	\$0.93	\$1.46
Low	\$0.19	\$0.33

* Based on observed 2021 data



- **Competing Facilities**
 - TxDOT has the right to build any facilities at any time.
 - There are no terms in the DBC related to competing facilities and there are no penalties associated with their construction.

- **Termination for Convenience**
 - TxDOT has the right to terminate the DBC at any time without cause.
 - If TxDOT elects to exercise this right:
 - TxDOT must pay the DB Contractor for the design and construction work already performed under the DBC and the costs of terminating subcontracts.



The public comment period for the virtual financial public hearing ends on **Friday, August 13, 2021**.

I-35E Phase 2 Project

- Complete negotiation with Design-Build Contractor and finalize the contract
- Contract review by Federal Highway Administration
- Construction expected to begin in late 2021
- Substantial completion expected by early 2026
- For more information, visit the I-35E Phase 2 Project website at: <https://www.txdot.gov/inside-txdot/division/debt/strategic-projects/alternative-delivery/i-35ephase2.html>

I-35E Breakout Project #1

- Let for construction in early 2025
- Construction expected to begin in early 2025
- Substantial completion expected in early 2028

I-35E Breakout Project #2

- Let for construction in early 2023
- Construction expected to begin in early 2023
- Substantial completion expected in fall 2025



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Thank you for your interest in the

I-35E Projects

