



CAMINO REAL
REGIONAL MOBILITY
AUTHORITY

**PRESENTATION TO
THE CRRMA BOARD**

**CÉSAR CHÁVEZ
EXPRESS TOLL LANES**

**Raymond L. Telles
July 13, 2016**

Camino Real Regional Mobility Authority



César Chávez Express Toll Lanes

1. 2008 CMP – Planned Toll Facilities
2. Major Project Agreement Terms
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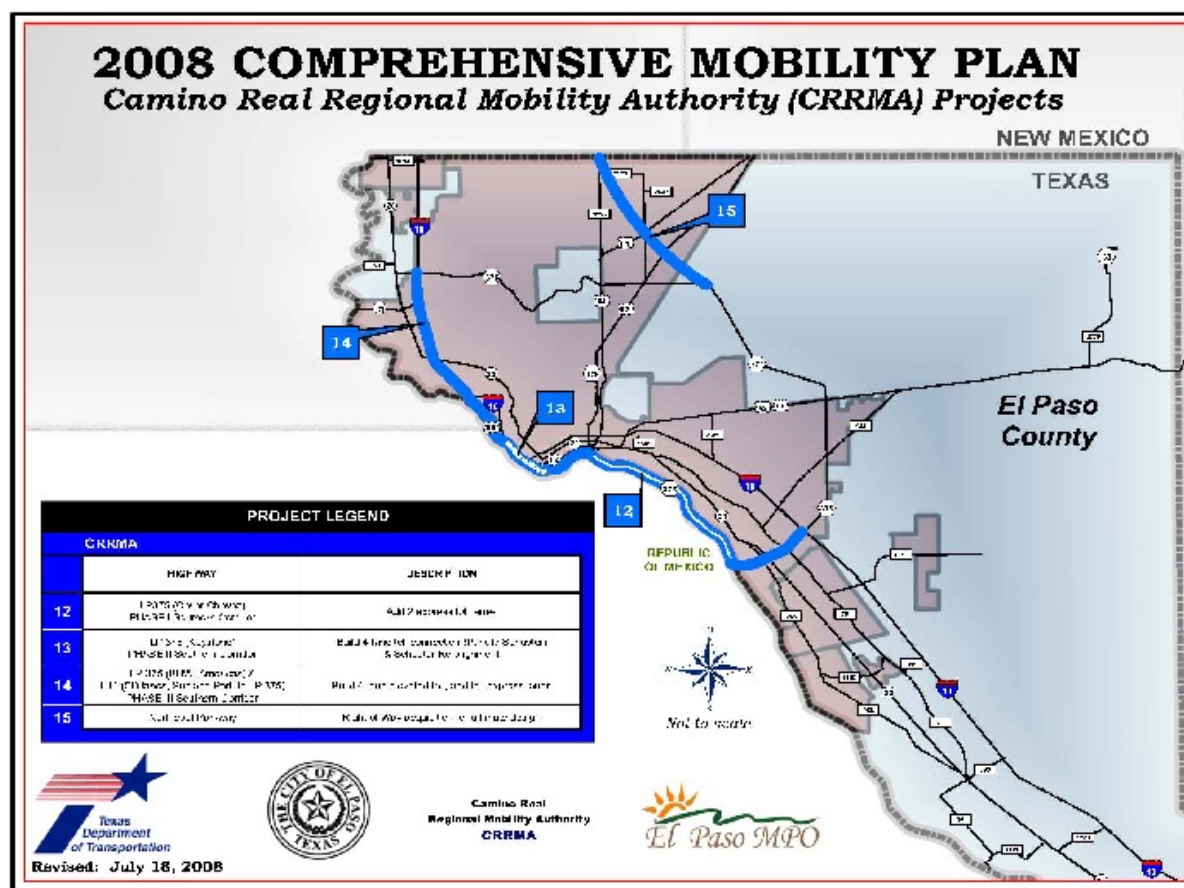
César Chávez Express Toll Lanes



2008 Comprehensive Mobility Plan Planned Toll Facilities

- **César Chávez Express Toll Lanes**
- **Border West Expressway**
- **Americas Managed Lanes**
- **I-10 Managed Lanes**
- **Northeast Parkway**

César Chávez Express Toll Lanes



César Chávez Express Toll Lanes



Major Project Agreements (Terms & Conditions)

There are more than fifteen (15) agreements that the CRRMA has entered into related to the development and operation of Chávez. Of particular importance to the discussion of removing tolls are the following major terms and conditions from those project agreements:

- CRRMA receives all toll revenues;
- CRRMA is responsible for operation and maintenance expenses;
- CRRMA has a loan from TxDOT for O&M expenses during the period that revenues do not cover expenses; and
- Once revenues cover expenses, excess revenues may be used by the CRRMA for area transportation projects.

César Chávez Express Toll Lanes



Revenue, Expenses & Debt

Fiscal Year	Actuals	
	Revenue	Expenses
2014	\$ 107,271	\$ 346,298
2015	\$ 313,676	\$ 496,317
2016	\$ 257,845	\$ 387,997
Totals	\$ 678,792	\$ 1,230,612

Notes:

1. Expenses include cost of collections, operations, insurance, and maintenance.
2. Revenue is net of leakage.
3. 2016 is through May 31, 2016 only.

César Chávez Express Toll Lanes



Revenues, Expenses and Debt

As projected, expenses exceed revenues and, per the O&M Loan, TxDOT has made three disbursements to the CRRMA:

2014 Disbursement	\$1,335,950
2015 Disbursement	\$1,208,087
<u>2016 Disbursement</u>	<u>\$1,070,384</u>
Total Disbursement	\$3,614,421

The O&M Loan permitted up to twelve (12) disbursements totaling \$9.4M in permitted debt. The O&M Loan also consolidated \$673,595 in debt from prior financial assistance agreements and established interest as a flat fee of \$6M, prorated on amounts disbursed. However, not all disbursement amounts have been spent to date, some of which could be returned to TxDOT to reduce the prorated Interest Fee due.

César Chávez Express Toll Lanes



Toll Removal Options Reviewed

Per CRRMA Board direction, staff has met with TxDOT to discuss potential options available to remove tolls. As requested by the Board, all discussions with TxDOT have included certain baseline requirements for any scenario that removes tolls:

1. The CRRMA cannot retain any debt incurred by the operation and maintenance of the Express Toll Lanes.
2. Upon removal of tolls, TxDOT will become responsible for operation and maintenance of César Chávez in perpetuity.

César Chávez Express Toll Lanes



Toll Removal Options Reviewed

No Change

- Tolls remain in place

Debt Retired by Other Funds

- Other agency funds (e.g. MPO) are used to retire CRRMA debt

Toll Suspension

- Tolls suspended until revenue covers expenses

Forgiveness of Debt

- All CRRMA debt is forgiven by TxDOT

Shift of Debt to Border West Expressway (BWE)

- CRRMA debt shifted to BWE, reducing CRRMA ownership percentage

César Chávez Express Toll Lanes



Toll Removal Options Reviewed

Shift of Debt to Border West Expressway (BWE)

After several discussions with TxDOT, this appears to be the only viable option for removal of tolls from the César Chávez Express Toll Lanes. However, the shifting of CRRMA debt to BWE will reduce the CRRMA's ownership percentage.

For discussion purposes, with a total project cost of \$626,000,000, the CRRMA's ownership interest would be approximately 79.8%.

Shifting CRRMA debt to BWE in this scenario would reduce the CRRMA's ownership interest between 0.4% and 2.0%, depending upon the final debt amount agreed upon (\$3M-\$16M), resulting in an estimated CRRMA ownership interest of between 79.4% and 77.8%.

César Chávez Express Toll Lanes



REQUESTED BOARD ACTION

MOTION to:

AUTHORIZE the CRRMA Chair to submit a formal request to TxDOT to negotiate the removal of tolls from the César Chávez Express Toll Lanes, whereby any CRRMA debt is shifted to the Border West Expressway Project and TxDOT assumes operation and maintenance of the facility in perpetuity; and

DIRECT CRRMA staff to meet with TxDOT to negotiate the removal of tolls from the César Chávez Express Toll Lanes, with any resulting proposal to be brought back to the CRRMA Board for action.

Questions?



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