

These are the minutes of the regular meeting of the Texas Transportation Commission, which was held on March 29, 2012, in Austin, Texas. The meeting was called to order by Commissioner Ned Holmes, in Chairman Houghton's absence. The meeting opened at 9:03 a.m. with the following commissioners present:

**Texas Transportation Commission:**

Ned Holmes	Commissioner
Fred Underwood	Commissioner
Bill Meadows	Commissioner
Jeff Austin III	Commissioner

**Administrative Staff:**

Phil Wilson, Executive Director  
Bob Jackson, Office of General Counsel  
Rose Walker, Chief Clerk  
JoLynne Williams, Chief Minute Order Clerk

Registration sheets listing others in attendance are on file with the Texas Department of Transportation Chief Minute Order Clerk.

A public notice of this meeting containing all items on the proposed agenda was filed in the Office of the Secretary of State at 2:27 p.m. on March 21, 2012, as required by Chapter 551, of the Government Code, referred to as "The Open Meetings Act."

**ITEM 1. Approval of Minutes of the February 23 regular meeting of the Texas Transportation Commission and the February 16-17, 2012, Transportation Forum**

Commissioner Austin made a motion, which was seconded, and the commission approved the minutes of the February 23 regular meeting and the February 16-17, 2012, Transportation Forum by a 4-0 vote.

**ITEM 2. Resolutions**

**Recognize Brownwood District Engineer Lynn Passmore, P.E., upon his retirement from the department after 39 years of service**

This item was presented by Executive Director, Phil Wilson. The commission received comments from Mr. Passmore.

**ITEM 3. Discussion Item**

**a. Dallas Horseshoe Project**

**Update on the status of the Dallas Horseshoe procurement and discussion regarding the receipt of qualifications submittals from prospective proposers (Report)**

This item was presented by Strategic Projects Division Interim Director Ed Pensock.

b. Legislative Appropriations Request Report

Update and discussion regarding the development of the Texas Department of Transportation's Fiscal Year 2014-2015 Legislative Appropriations Request (LAR)

This item was presented by Chief Financial Officer James Bass.

c. Discuss the Texas Rural Transportation Plan

This item was presented by the Transportation Programming and Planning Division's Systems Planning Engineering Supervisor Peggy Thurin.

d. Update on the status of major project development in Harris County including improvements to US 290, Hempstead Road and SH 288

This item was presented by Strategic Projects Division Interim Director Ed Pensock.

**ITEM 4. Public Transportation**

**Various Counties – Award Federal Rural Transportation Assistance Program funds to the City of South Padre Island and State funds to the Texas Transit Foundation to offset expenses for the 2012 Texas Transit Association Conference, Bus Roadeo and Exposition (MO)**

Commissioner Austin made a motion, which was seconded and the commission approved the following minute order by a vote of 4 – 0. This item was presented by Public Transportation Division Director Eric Gleason.

113038  
PTN

The Texas Transportation Commission (commission) takes special note of its designation by the governor as the administering agency for the Federal Transit Administration (FTA) grant program, Rural Transportation Assistance Program (RTAP) (49 U.S.C. §5311 (b) (3)), in a letter dated October 4, 2005, and further acknowledges that federal program regulations require the Texas Department of Transportation (department) to ensure that these grant funds are distributed fairly and equitably within the state.

The commission desires to award \$14,000 in RTAP funds to the City of South Padre Island and \$8,000 in state funds to the Texas Transit Foundation in support of the 2012 Texas Transit Association Conference, Bus Roadeo and Exposition. Awards are provided to the City of South Padre Island and the Texas Transit Foundation for their specific role in this event to provide technical assistance and logistical support.

Transportation Code, Chapter 455 assigns a broad spectrum of public transportation roles and missions to the department.

Transportation Code, Chapter 456 authorizes the commission to administer funds appropriated for public transportation.

IT IS THEREFORE ORDERED by the commission that the executive director or the director's designee is directed to proceed with the awards as described above and enter into the necessary contracts.

**ITEM 5. Promulgation of Administrative Rules** Under Title 43, Texas Administrative Code, and the Administrative Procedure Act, Government Code, Chapter 2001:

**a. Final Adoption**

**(1) Chapter 15 - Financing and Construction of Transportation Projects (MO)**  
**Amendments to §15.51, Definitions, §15.52, Agreements, §15.55, and Construction Cost Participation (Federal, State, and Local Participation)**

Commissioner Underwood made a motion, which was seconded and the commission approved the following minute order by a vote of 4 – 0. This item was presented by GSD's Contract Services Attorney Janice Mullenix.

113039  
GSD

The Texas Transportation Commission (commission) finds it necessary to adopt amendments to §15.51, §15.52, and §15.55 relating to federal, state, and local participation to be codified under Title 43, Texas Administrative Code, Part 1.

The preamble and the adopted amendments, attached to this minute order as Exhibits A and B, are incorporated by reference as though set forth verbatim in this minute order, except that they are subject to technical corrections and revisions, approved by the General Counsel, necessary for compliance with state or federal law or for acceptance by the Secretary of State for filing and publication in the *Texas Register*.

IT IS THEREFORE ORDERED by the commission that the amendments to §15.51, §15.52, and §15.55 are adopted and are authorized for filing with the Office of the Secretary of State.

The executive director is directed to take the necessary steps to implement the actions as ordered in this minute order, pursuant to the requirements of the Administrative Procedure Act, Government Code, Chapter 2001.

Note: Exhibits A and B are on file with minute order clerk.

**(2) Chapter 21 - Right of Way (MO)**

**Amendments to §21.144, §21.146, §21.149, §21.152, §21.155, §§21.158 - 21.160, §21.169, §§21.172 - 21.174, §21.179, §21.180, §21.183, §21.187, §21.193, §21.198, and New §21.204 (Regulation of Signs Along Interstate and Primary Highways);**  
**Amendments to §21.405, §21.409, §21.411, §21.416; the Repeal of §21.419 and New §21.419; Amendments to §§21.420 - 21.423, §21.429, and New §§21.447 - 21.457**  
**(Control of Signs Along Rural Roads)**

Commissioner Holmes abstained from acting on this item and passed the gavel to Commissioner Underwood. Commissioner Austin made a motion, which was seconded and the commission approved the following minute order by a vote of 3 – 0. This item was presented by Right of Way Division Director John Campbell. Following

action on this item, Commissioner Underwood passed the gavel back to Commissioner Holmes.

113040  
ROW

The Texas Transportation Commission (commission) finds it necessary to adopt amendments to §21.144, §21.146, §21.149, §21.152, §21.155, §§21.158 - 21.160, §21.169, §§21.172 - 21.174, §21.179, §21.180, §21.183, §21.187, §21.193, §21.198, and new §21.204 relating to Regulation of Signs Along Interstate and Primary Highways; amendments to §21.405, §21.409, §21.411, §21.416; the repeal of §21.419 and new §21.419; amendments to §§21.420 - 21.423, §21.429, and new §§21.447 - 21.457 relating to Control of Signs Along Rural Roads to be codified under Title 43, Texas Administrative Code, Part 1.

The preamble and the adopted amendments, attached to this minute order as Exhibits A - C, are incorporated by reference as though set forth verbatim in this minute order, except that they are subject to technical corrections and revisions, approved by the General Counsel, necessary for compliance with state or federal law or for acceptance by the Secretary of State for filing and publication in the *Texas Register*.

IT IS THEREFORE ORDERED by the commission that the amendments to §21.144, §21.146, §21.149, §21.152, §21.155, §§21.158 - 21.160, §21.169, §§21.172 - 21.174, §21.179, §21.180, §21.183, §21.187, §21.193, §21.198, §21.405, §21.409, §21.411, §21.416, §§21.420 - 21.423, §21.429, the repeal of §21.419, and new §21.204, §21.419, and §§21.447 - 21.457 are adopted and are authorized for filing with the Office of the Secretary of State.

The executive director is directed to take the necessary steps to implement the actions as ordered in this minute order, pursuant to the requirements of the Administrative Procedure Act, Government Code, Chapter 2001.

Note: Exhibits A through C are on file with minute order clerk.

**(3) Chapter 31 - Public Transportation (MO)**  
**Amendments to §31.11, Formula Program (State Programs)**

Commissioner Austin made a motion, which was seconded and the commission approved the following minute order by a vote of 4 – 0. This item was presented by Public Transportation Division Director Eric Gleason.

113041  
PTN

The Texas Transportation Commission (commission) finds it necessary to adopt amendments to §31.11 relating to formula program to be codified under Title 43, Texas Administrative Code, Part 1.

The preamble and the adopted amendments, attached to this minute order as Exhibits A and B, are incorporated by reference as though set forth verbatim in this minute order, except that they are subject to technical corrections and revisions, approved by the General Counsel, necessary for compliance with state or federal law or for acceptance by the Secretary of State for filing and publication in the *Texas Register*.

IT IS THEREFORE ORDERED by the commission that the amendments to §31.11 are adopted and are authorized for filing with the Office of the Secretary of State.

The executive director is directed to take the necessary steps to implement the actions as ordered in this minute order, pursuant to the requirements of the Administrative Procedure Act, Government Code, Chapter 2001.

Note: Exhibits A and B are on file with minute order clerk.

**b. Proposed Adoption**

**Chapter 9 - Contract and Grant Management (MO)**

Repeal of §§9.50 - 9.57 (Business Opportunity Programs) and New Subchapter J, Disadvantaged Business Enterprise (DBE) Program, New §§9.200-9.242; New Subchapter K, Small Business Enterprise (SBE) Program, New §§9.300-9.333; and New Subchapter L, Historically Underutilized Business (HUB) Program, New §§9.350-9.367

Commissioner Underwood made a motion, which was seconded and the commission approved the following minute order by a vote of 4 – 0. This item was presented by Office of Civil Rights Interim Director Tamela Saldana.

113042  
OCR

The Texas Transportation Commission (commission) finds it necessary to propose the repeal of §§9.50-9.57 and new Subchapter J, Disadvantaged Business Enterprise (DBE) Program, new §§9.200-9.242; new Subchapter K, Small Business Enterprise (SBE) Program, new §§9.300-9.333; and new Subchapter L, Historically Underutilized Business (HUB) Program, new §§9.350-9.367, to be codified under Title 43, Texas Administrative Code, Part 1.

The preamble and the proposed repeals and new sections, attached to this minute order as Exhibits A - E, are incorporated by reference as though set forth verbatim in this minute order, except that they are subject to technical corrections and revisions, approved by the General Counsel, necessary for compliance with state or federal law or for acceptance by the Secretary of State for filing and publication in the *Texas Register*.

IT IS THEREFORE ORDERED by the commission that the repeal of §§9.50-9.57; new Subchapter J, Disadvantaged Business Enterprise (DBE) Program, new §§9.200-9.242; new Subchapter K, Small Business Enterprise (SBE) Program, new §§9.300-9.333; and new Subchapter L, Historically Underutilized Business (HUB) Program, new §§9.350-9.367 are proposed for adoption and are authorized for publication in the *Texas Register* for the purpose of receiving public comments.

The executive director is directed to take the necessary steps to implement the actions as ordered in this minute order, pursuant to the requirements of the Administrative Procedure Act, Government Code, Chapter 2001.

Note: Exhibits A through E are on file with minute order clerk.

**ITEM 6. Office of Compliance and Ethics Report**

This item was presented by Office of Compliance and Ethics Director Suzanne Mann.

**ITEM 7. Environmental Affairs**

**a. Anderson County – Authorize purchase of real property (grave sites) for purposes of mitigating impacts from construction of improvements to SH 155 (MO)**

Commissioner Underwood made a motion, which was seconded and the commission approved the following minute order by a vote of 4 – 0. This item was presented by Environmental Affairs Division Director Carlos Swonke.

113043  
ENV

The Texas Transportation Commission (commission) previously approved the of improvements to State Highway 155, from 0.1 miles south of Farm to Market Road 19 to 0.7 miles south of Farm to Market Road 2267, by widening the facility to a four-lane divided highway with depressed median. During pre-construction activities, an archeological field investigation was conducted of a site that had previously been identified as containing artifacts of the Caddo Nation of Oklahoma (the Caddo). During the investigation 10 burials culturally affiliated with the Caddo were identified.

The Texas Health and Safety Code, Section 711.010, requires that before an owner may make improvements to property, any human remains discovered in an unknown cemetery must be moved to a perpetual care cemetery. The department, in consultation with the Caddo, determined the human remains and associated funerary objects must be reinterred as near as possible to the original burial location.

As provided for by Texas Transportation Code, Chapter 203, Subchapter D, Section 203.052, the commission finds and determines that it is necessary or convenient for the mitigation of an adverse environmental effect that directly results from the construction of a state highway, to purchase fee simple title in 10 burial plots at the Frankston City Cemetery.

IT IS THEREFORE ORDERED by the commission that the approval of the purchase in fee simple title of the 10 burial plots is approved by this single order.

IT IS FURTHER ORDERED that the executive director is hereby authorized to proceed to acquire fee simple title for 10 burial plots at the Frankston City Cemetery for purposes of reintering the burials discovered.

**b. Environmental Covenant - Authorize the executive director to execute an environmental restrictive covenant in favor of the Texas Commission on Environmental Quality (TCEQ) and the State of Texas that would prohibit the use of groundwater at the approximately five-acre former North Texas Tollway Authority (NTTA) maintenance facility property located on either side of South Riverfront Boulevard (formerly Industrial Boulevard) just west of the I-30/I-35E Interchange in Dallas, Texas (MO)**

Commissioner Underwood made a motion, which was seconded and the commission approved the following minute order by a vote of 4 – 0. This item was presented by Environmental Affairs Division Director Carlos Swonke.

113044  
ENV

In DALLAS COUNTY, the Texas Department of Transportation (department) owns land on either side of South Riverfront Boulevard (formerly Industrial Boulevard) just west of the Interstate 30/Interstate 35 East Interchange in Dallas. The North Texas

Tollway Authority (NTTA) used the property as a maintenance facility from 1977 to 2004, and has since conducted soil remediation of the property under the Texas Commission on Environmental Quality's (TCEQ's) Voluntary Cleanup Program (VCP). TCEQ has determined that the property now meets its standards for residential land use, but overlies groundwater exceeding TCEQ-approved protective concentrations of certain chemicals. TCEQ has further determined that the property is eligible for a VCP Certificate of Completion if TxDOT consents to placing on the property the attached environmental restrictive covenant (Exhibit "C", Restrictive Covenant, VCP No. 1960), in favor of the TCEQ and the State of Texas, prohibiting the "use of and exposure to" groundwater at the property for any purpose until such time when the concentrations of certain chemicals no longer exceed levels protective of public health. The department and NTTA have entered into a cost-sharing agreement under which NTTA is required to share in certain contaminated groundwater costs, should such costs be incurred by the department in the future, provided that the attached environmental restrictive covenant is executed.

IT IS THEREFORE ORDERED by the commission that the department's executive director is authorized to execute the attached environmental restrictive covenant pursuant to Transportation Code, §202.061.

Note: Exhibit C is on file with minute order clerk.

**ITEM 8. Public Private Partnership Procurements**

**Dallas County - Consider the approval of the department's determination to exercise its option to develop, finance, construct, and operate the SH 183 Managed Lanes Project, a project to redevelop an 8.9 mile section of SH 183 from SH 161 to I- 35E/Trinity Parkway in Dallas County, authorize the department to issue a request for qualifications for the development, design, construction, and, potentially, financing, maintenance, and operation of all or any portion of the project, and authorize the project with CONSTRUCT authority (MO)**

Commissioner Meadows made a motion, which was seconded and the commission approved the following minute order by a vote of 4 – 0. This item was presented by Strategic Projects Division Interim Director Ed Pensock.

113045  
SPD

Subchapter E, Chapter 223, Transportation Code prescribes the process by which the Texas Department of Transportation (department) may enter into a comprehensive development agreement (CDA) with a private entity that provides for the design, development, financing, construction, maintenance, repair, operation, extension, or expansion of an eligible project.

Senate Bill 1420, 82nd Legislature, Regular Session, 2011, amended Chapter 223, authorizing the department to enter into a CDA for eleven projects, including the SH 183 Managed Lanes Project, a project to redevelop an 8.9 mile section of SH 183 from SH 161 to I-35E/Trinity Parkway in Dallas County. The department's authority to enter into a CDA for the SH 183 Managed Lanes Project expires August 31, 2015.

The SH 183 (Airport Freeway) Corridor in the west portion of Dallas County and the east portion of Tarrant County is one of the most highly congested and mobility constrained corridors in the region. It has retained its basic configuration for through-lanes since the late 1970's, and although adjacent development has increased, the roadway's capacity has remained unchanged.

The SH 183 Managed Lanes Project will replace the functionally obsolete, deteriorating infrastructure, as well as add capacity to the corridor. Improvements to this corridor are critical to the region's continued mobility and economic vitality. The goals of the project are to facilitate the replacement of existing infrastructure that has reached or exceeded its design life; add additional capacity to an extremely congested corridor; utilize pricing as a mechanism to operate and fund parts of the project; and provide an additional link in the growing managed lane network to offer transportation options for optimizing mobility.

Transportation Code, Chapter 373 establishes a process for providing local toll project entities, including regional tollway authorities, regional mobility authorities, or counties acting under Transportation Code, Chapter 284, with the first option to develop, finance, construct, and operate toll projects located within the boundaries of the local toll project entity.

By Resolution 12-25, adopted on March 1, 2012, the North Texas Tollway Authority (NTTA) confirmed the NTTA's previous waivers of its first option to develop, finance, construct, and operate the SH 183 Managed Lanes Project, and waived and declined to exercise the NTTA's option to develop, finance, construct, and operate the SH 183 Managed Lanes Project pursuant to Transportation Code, §373.055, as described, and only upon the terms, in the resolution. Pursuant to Transportation Code, §373.053, the department has determined that its option to develop, finance, construct, and operate the SH 183 Managed Lanes Project should be exercised.

The development and completion of all or part of the SH 183 Managed Lanes Project could be expedited through the use of a public-private partnership agreement, and the employment of innovative methods for the development and financing of projects that are available with a public-private partnership agreement. Development of the SH 183 Managed Lanes Project is a crucial element to responding to traffic congestion throughout the Dallas/Fort Worth Metroplex.

Transportation Code, §223.203 prescribes requirements for a CDA procurement and requires the department to publish a notice advertising a request for qualifications in the *Texas Register* that includes the criteria that will be used to evaluate any qualification submittals, the relative weight given to the criteria, and a deadline by which qualification submittals must be received.

The planned improvements will provide increased capacity through the use of congestion pricing on new managed lanes and the addition of new general purpose and frontage road lanes, and are critical to the region's continued mobility and economic viability. Increasing capacity of the corridor will relieve congestion, reduce travel time, and improve air quality, as well as provide social and economic benefits, locally, regionally, statewide, and nationwide. The SH 183 Managed Lanes Project will also provide a transportation system that will meet the travel needs of people, goods, and services safely, efficiently and economically.

IT IS THEREFORE ORDERED by the commission that the department's determination to exercise its option to develop, finance, construct, and operate the SH 183 Managed Lanes Project, from SH 161 to I-35E/Trinity Parkway in Dallas County, pursuant to Transportation Code, §373.053, is approved, and the project is authorized with CONSTRUCT authority.

IT IS FURTHER ORDERED that the department is authorized to issue a request for qualifications for the development, design, construction, and, potentially, financing, maintenance, and operation of all or any portion of the SH 183 Managed Lanes Project from SH 161 to I-35E/Trinity Parkway, and to publish in the *Texas Register* and in one or more newspapers of general circulation in this state a notice advertising the request for qualifications.

## **9. Toll Roads**

### **a. Surface Transportation Corporation**

Authorize the creation of a surface transportation corporation pursuant to Transportation Code, Chapter 431, to develop State Highway 99 (Grand Parkway) in Harris and Montgomery counties, approve the corporation's certificate of formation and bylaws, and appoint the initial directors (MO)

Commissioner Underwood made a motion, which was seconded and the commission approved the following minute order by a vote of 4 – 0. This item was presented by Chief Financial Officer James Bass.

113046  
CFO

The Texas Department of Transportation (department) has been requested to develop, finance, refinance, design, construct, reconstruct, expand, operate and/or maintain various segments of the State Highway 99 (Grand Parkway) toll project in accordance with the Market Valuation Agreement dated March 25, 2009.

The Texas Transportation Commission (commission) as the governing body of the department is authorized pursuant to the authority cited in Transportation Code, Chapter 431, Subchapters A through C (Chapter 431) to create a transportation corporation to assist and act on behalf of the commission to promote and develop new and expanded public transportation facilities and systems including the issuance of bonds.

The creation by the commission of a transportation corporation is further authorized by Title 43, Texas Administrative Code, Chapter 15, §15.95 adopted by the commission on February 23, 2012.

The commission has received an application from three qualified voters in the state for incorporation of a transportation corporation pursuant to Chapter 431 including the suggested forms of certificate of formation and bylaws for the corporation.

The commission has determined that creation of the corporation pursuant to Chapter 431 to assist in the development, financing, refinancing, design, construction, reconstruction, expansion, operation and/or maintenance of the Grand Parkway toll project is advisable and in the best interest of the state to assist the commission in fulfilling the purposes of Chapter 431, including promoting and developing public transportation facilities and systems by new and alternative means, reducing burdens

and demands on the limited funds available to the commission, and increasing the effectiveness and efficiency of the commission.

Chapter 431 provides that the corporation may be created only if the commission adopts a resolution authorizing the creation of the corporation and approving the certificate of formation and bylaws of the corporation, and further provides that the commission shall appoint the initial directors of the corporation.

IT IS THEREFORE ORDERED by the commission that the resolution creating the corporation, approving its certificate of formation and bylaws, and appointing the initial directors, attached as Exhibit A, is adopted.

IT IS FURTHER ORDERED by the commission that the executive director, on behalf of the commission, is authorized and directed to perform all such acts and execute such documents necessary to carry out the intent of this minute order.

Note: Exhibits A and Attachments 1 through 3 are on file with minute order clerk.

**b. Hays County - Authorize the department and Hays County to amend the pass-through toll agreement PT2005-013-001 to delete a portion of the scope on FM 110 and replace with the reconstruction and widening of the Yarrington Road bridge at I-35 (MO)**

Commissioner Austin made a motion, which was seconded and the commission approved the following minute order by a vote of 4 – 0. This item was presented by Strategic Projects Division Interim Director Ed Pensock.

113047  
SPD

On May 25, 2006, by Minute Order 110537, the Texas Transportation Commission (commission) authorized and directed the executive director of the Texas Department of Transportation (department) to negotiate and execute a pass-through toll agreement (agreement) with Hays County in accordance with 43 TAC Chapter 5, Subchapter E. An agreement was executed on December 20, 2006, to construct improvements to FM 110 (San Marcos Loop) from McCarty Road/ I-35 to SH 123, RM 12 from the San Marcos city limit to RM 32, and FM 1626 from Bliss Spillar Road to FM 2770. Total payments under this agreement are limited to \$133,170,000. The agreement was amended on May 21, 2008, and August 2, 2009, to revise the scope of work and reallocate the funding.

The agreement included the construction of the first phase of FM 110 (San Marcos Loop). This phase was planned as approximately 2 miles of five-lane urban and rural roadway beginning at the intersection of the northbound I-35 frontage road and McCarty Road and traveling north and east connecting to SH 123. The City of San Marcos determined the need to construct a section of the first phase of FM 110 from the I-35 frontage road to 1.2 miles east (McCarty Road) before the entire Hays County project was ready for construction.

Hays County is requesting that the agreement be further amended to remove the section of the first phase of FM 110 from the I-35 frontage road to 1.2 miles east (McCarty Road) and replace the deleted portion of FM 110 with another project that has comparable costs. The remaining section of the first phase of FM 110 will still be

completed. The new project is the I-35 at Yarrington Road bridge replacement and turnaround project. The estimated total project cost is \$15,175,000. The minimum and maximum annual reimbursements, once all projects are completed, remain unchanged at \$6,658,500 and \$13,317,000 respectively. Total reimbursement for all projects remains \$133,170,000.

The commission finds that the proposed amendment to remove a 1.2 mile section of FM 110 from the agreement and replace it with the I-35 at Yarrington Road bridge replacement and turnaround project serves the public interest, is in the best interest of the state, is compatible with existing and planned transportation facilities, and serves to further state, regional and local transportation plans and goals.

IT IS THEREFORE ORDERED by the commission that the executive director or his designee is directed to execute an amendment to the pass-through toll agreement with Hays County to incorporate the revised project scope as described above and such other terms the department determines are necessary.

c. **Brooks County** - Remove the toll project designation from the mainlanes of US 281 from 0.9 miles south of FM 3066 to the Brooks/Jim Wells county line (MO)

Commissioner Underwood made a motion, which was seconded and the commission approved the following minute order by a vote of 4 – 0. This item was presented by Director of Planning Marc Williams.

113048  
ADM

In BROOKS COUNTY, the future controlled access mainlanes of US 281, from 0.9 miles south of Farm to Market Road 3066, north to the Brooks/Jim Wells county line, were designated as a toll project on the state highway system by Minute Order 110938, dated May 24, 2007 (US 281 toll project).

An Environmental Assessment (EA) for the US 281 Expressway in Falfurrias, Brooks County, Texas, was completed in March 2007. The EA evaluated both a Build Alternative and a No-Build Alternative. The US 281 Expressway Build Alternative consisted of a controlled-access four-lane divided highway with two tolled mainlanes and two-lane, non-tolled, one-way frontage roads in each direction. The Build Alternative would extend from 0.9 miles south of FM 3066, north to the Brooks/Jim Wells county line.

FHWA issued a Finding of No Significant Impact (FONSI) on April 10, 2007, thereby enabling the Build Alternative to advance to the next stages of project development. In accordance with the Transportation Code, §228.051, the Texas Transportation Commission (commission) ordered on May 24, 2007, that the controlled access mainlanes on US 281 from 0.9 miles south of FM 3066, north to the Brooks/Jim Wells county line be designated as a toll project on the state highway system. Later in the process, design changes, including the extension of the US 281 Expressway Build Alternative into Jim Wells County, necessitated the preparation of a Supplemental EA. This resulted in FHWA concurrence on June 20, 2011, that the changes would have no significant impact and that the findings of the original EA were still valid.

Subsequently, a study was prepared in October 2011 which concluded that the costs to install and maintain the electronic toll collection system on the US 281 toll

project would be more than the annual toll revenue that was forecasted to be generated. Additionally, other funding has been identified to complete and maintain the project. Therefore, installation of the electronic toll collection system will not advance, and US 281 from 0.9 miles south of FM 3066, north to the Brooks/Jim Wells county line, will function as a non-tolled expressway on the state highway system. The project is scheduled to be open to traffic during the summer of 2012.

IT IS THEREFORE ORDERED by the commission that the toll project designation is removed from the mainlanes of US 281 from 0.9 miles south of FM 3066 to the Brooks/Jim Wells county line.

**d. Travis and Williamson Counties - Accept the Report of Actual Traffic and Revenue for the Central Texas Turnpike System (CTTS) (MO)**

Commissioner Underwood made a motion, which was seconded and the commission approved the following minute order by a vote of 4 – 0. This item was presented by Toll Operations Division Interim Director Doug Woodall.

113049  
TOD

Transportation Code, Chapter 228 and other applicable law authorizes the Texas Transportation Code, Chapter 228 and other applicable law authorizes the Texas Transportation Commission (commission) to issue toll revenue bonds, bond anticipation notes, and other obligations to finance turnpike projects on the state highway system, and to enter into trust agreements and indentures of trust governing matters relating to the issuance of such obligations.

The commission has previously issued \$2,199,993,781.80 in obligations to finance a portion of the costs of the Central Texas Turnpike System (system), a turnpike project composed initially of the SH 130, SH 45, and Loop 1 project elements (2002 Project), pursuant to an Indenture of Trust and four supplemental indentures. The Indenture of Trust dated July 15, 2002 (Indenture), prescribes the terms, provisions and covenants related to the issuance of turnpike revenue bonds and obligations to finance a portion of the costs of the 2002 Project.

Section 501(c) of the Indenture covenants that for the first five full years of operation of the 2002 Project, the commission will provide to the Trustee a report showing the traffic and revenue of the system for the previous quarter.

Pursuant to Minute Order 111081, dated September 27, 2007, the 2002 Project was declared Substantially Complete as defined within the Indenture.

A report of actual traffic and revenue for the required period, attached as Exhibit A, has been prepared in accordance with Section 501(c) of the Indenture of Trust.

IT IS THEREFORE ORDERED by the commission that the report of actual traffic and revenue attached as Exhibit A is accepted.

Note: Exhibit A is on file with minute order clerk.

**ITEM 10. Traffic Operations**

**Chambers County - Authorize temporary one-way operations on FM 565 (MO)**

Commissioner Underwood made a motion, which was seconded and the commission approved the following minute order by a vote of 4 – 0. This item was presented by Traffic Operations Division Director Carol Rawson.

113050  
TRF

In Chambers County, the Texas Department of Transportation (department) and numerous other entities have worked cooperatively and participated in developing a comprehensive traffic control plan for vehicular access to and egress from the 2012-2016 O'Reilly Auto Parts National Hot Rod Association (NHRA) events in which more than 100,000 attendees are anticipated.

A portion of this traffic control plan requires the temporary one-way operation of Farm to Market 565, between State Highway 99 and the western edge of Gate #5 of the Royal Purple Raceway, westbound toward the event, for up to six hours prior to the beginning and during the event; and eastbound away from the event for up to six hours during and after the event.

The department and the Texas Transportation Commission (commission) find it necessary to participate in the implementation of this traffic control plan to facilitate the orderly flow of traffic and ensure the safety of the attendees and traveling public. Transportation Code, Section §545.059, authorizes the commission to designate a highway or separate roadway under the jurisdiction of the commission for one-way traffic and mandates the erection of appropriate signs giving notice to the designation.

IT IS THEREFORE ORDERED by the commission that FM 565, between SH 99 and the western edge of Gate #5 of the Royal Purple Raceway, is designated for one-way traffic before and after the 2012-2016 O'Reilly Auto Parts NHRA events as outlined in the comprehensive traffic control plan.

IT IS FURTHER ORDERED that the executive director is directed to enter into any necessary agreements required to fulfill the conditions of this order, and that implementation be consistent with provisions of the Texas Manual on Uniform Traffic Control Devices.

**ITEM 11. Transportation Planning**

**Appoint two members to the Port Authority Advisory Committee (MO)**

Commissioner Underwood made a motion, which was seconded and the commission approved the following minute order by a vote of 4 – 0. This item was presented by Transportation Planning and Programming Division Director Jim Randall.

113051  
TPP

Transportation Code, Section 55.006, requires the Texas Transportation Commission (commission) to appoint a seven-member Port Authority Advisory Committee (committee) to advise the commission and the Texas Department of Transportation (department) on maritime port issues and to provide a forum for exchange of information between the commission, the department and committee

members representing the maritime port industry in Texas and others who have an interest in maritime ports.

The department's administrative rules governing advisory committees, Title 43, Texas Administrative Code, Section 1.84, provide that the committee members serve staggered three-year terms, unless removed sooner at the discretion of the commission.

The commission has determined that the individuals listed below fulfill the statutory requirements to serve as members of the committee for a three-year term expiring on February 28, 2015.

Phyllis Saathoff Port Freeport – Upper Coast

Larry Kelly Port of Port Arthur – Upper Coast

IT IS THEREFORE ORDERED by the commission that the individuals identified above are appointed as members of the Port Authority Advisory Committee for the term specified.

## **12. Finance**

### **a. State Highway Fund Revenue Bonds**

Approve the Sixth Supplemental Resolution authorizing the issuance of the remaining \$1.4 billion of State Highway Fund revenue bonds in one or more series and the issuance of State Highway Fund revenue refunding bonds in a principal amount that does not exceed \$1.7 billion; approve the official statement, bond purchase contracts, escrow agreement, and other documents relating to the issuance of such bonds and the refunding of certain outstanding State Highway Fund revenue bonds; designating certain department officials to take all action necessary to deliver the bonds; and approve application to the Texas Bond Review Board for authority to issue such bonds (MO)

Commissioner Underwood made a motion, which was seconded and the commission approved the following minute order by a vote of 4 – 0. This item was presented by Finance Division Director Brian Ragland.

113052  
FIN

Section 49-n, Article III, of the Texas Constitution (constitutional provision) provides that the Texas Legislature may authorize the Texas Transportation Commission (commission) to issue bonds and other public securities and enter into bond enhancement agreements that are payable from revenue deposited to the credit of the State Highway Fund (highway fund) to fund state highway improvement projects.

The constitutional provision provides for the appropriation of amounts from highway fund revenues that are sufficient to pay the principal of and interest on such bonds or other public securities and any cost related to the bonds and other public securities, including payments under bond enhancement agreements; and, the constitutional provision further provides that any dedication or appropriation of revenue to the credit of the highway fund may not be modified so as to impair any outstanding bonds or other public securities secured by a pledge of highway fund revenue unless provisions have been made for a full discharge of those securities.

Pursuant to the constitutional provision, the Texas Legislature enacted Section 222.003, Texas Transportation Code, as amended (enabling act), which authorizes the

commission to issue bonds and other public securities secured by a pledge of and payable from revenue deposited to the credit of the highway fund.

The enabling act provides that (i) the aggregate principal amount of such bonds and other public securities may not exceed \$6 billion, (ii) the commission may issue bonds or other public securities in an aggregate principal amount of not more than \$1.5 billion each year, (iii) \$1.2 billion of the aggregate principal amount of such bonds or other public securities must be issued to fund projects (safety projects) that reduce accidents or correct or improve hazardous locations on the state highway system, and (iv) bonds and other public securities and credit agreements may not have a principal amount or terms that are expected to cause annual expenditures with respect thereto to exceed 10 percent (10%) of the amount deposited to the credit of the highway fund in the immediately preceding year.

The enabling act further provides that the Comptroller of Public Accounts (comptroller) shall withdraw from the highway fund amounts determined by the commission to permit timely payment of the principal of and interest on the bonds and other public securities and any cost related to the bonds and other public securities, including payments under credit agreements.

Pursuant to the enabling act, the commission has adopted rules, codified at 43 TAC §§15.170-15.174, that prescribe criteria for selecting projects (including safety projects) eligible for funding under the enabling act.

Pursuant to Minute Order No. 110472, dated March 30, 2006, the commission approved a master resolution, as amended (master resolution), establishing a financing program for bonds, other public securities and credit agreements secured by and payable from revenue deposited to the credit of the State Highway Fund to establish a revenue financing program to provide a financing structure to facilitate the commission's exercise of the powers and authority conferred by the enabling act and pursuant to which the commission is authorized to issue obligations (senior obligations), including bonds, notes and other public securities, and execute credit agreements and qualified hedge agreements, secured by and payable from a pledge of and lien on revenues deposited to the credit of the highway fund, as provided by the master resolution, and further approved a first supplemental resolution to the master resolution which authorized the issuance of "Texas Transportation Commission State Highway Fund First Tier Revenue Bonds, Series 2006" (series 2006 bonds), which were issued in the aggregate principal amount of \$600 million.

Pursuant to Minute Order No. 110729, dated October 26, 2006, the commission approved a second supplemental resolution to the master resolution which authorized the issuance of "Texas Transportation Commission State Highway Fund First Tier Revenue Bonds, Series 2006-A" (series 2006-A bonds), which were issued in the aggregate principal amount of \$852,550,000, and a third supplemental resolution to the master resolution which authorized the issuance of "Texas Transportation Commission State Highway Fund First Tier Revenue Bonds, Series 2006-B (Variable Rate Bonds)" (series 2006-B bonds), which were issued in the aggregate principal amount of \$100 million.

Pursuant to Minute Order No. 111050, dated August 23, 2007, the commission approved a fourth supplemental resolution to the master resolution which authorized the

issuance of “Texas Transportation Commission State Highway Fund First Tier Revenue Bonds, Series 2007” (series 2007 bonds), which were issued in the aggregate principal amount of \$1,241,845,000, and “Texas Transportation Commission State Highway Fund First Tier Revenue Bonds, Series 2008” (series 2008 bonds), which were issued in the aggregate principal amount of \$162,995,000.

Pursuant to Minute Order No. 112154, dated February 25, 2010, the commission approved a fifth supplemental resolution to the master resolution which authorized the issuance of “Texas Transportation Commission State Highway Fund First Tier Revenue Bonds, Taxable Series 2010 (Build America Bonds - Direct Payment)” (series 2010 bonds and, together with the series 2006 bonds, the series 2006-A bonds, the series 2006-B bonds, the series 2007 bonds and the series 2008 bonds, collectively, outstanding senior obligations), which were issued in the aggregate principal amount of \$1,500,000,000.

The commission has determined that it is in the best interest of the state to approve a sixth supplemental resolution to the master resolution (supplemental resolution) to authorize the issuance of additional senior obligations (additional senior obligations), in one or more series, to fund state highway improvement projects, provided that the aggregate principal amount of such additional senior obligations (new money bonds) shall not exceed \$1,400,667,126.36, which is not more than \$1.5 billion of new money bonds issued in any fiscal year, and to authorize the issuance of additional senior obligations, in one or more series, to refund certain outstanding senior obligations, provided that the aggregate principal amount of such additional senior obligations (refunding bonds) shall not exceed \$1.7 billion in aggregate principal amount of senior obligations refunded thereby and the refunding shall result in net present value debt service savings of not less than 3%, as provided in the supplemental resolution, and to prescribe the terms, provisions and covenants related to the additional senior obligations, as set forth in the supplemental resolution.

Under the supplemental resolution, the commission has determined that such additional senior obligations shall be sold through negotiated sale pursuant to the procedures set forth in the supplemental resolution, including entering one or more bond purchase contracts dated as of the date of pricing under which the underwriters for such additional senior obligations agree to purchase from the commission, and to make a bona fide public offering of, such principal amount of additional senior obligations as is determined by the department representative (as defined in the supplemental resolution) in the respective award certificates for such additional senior obligations, and at such price and subject to such terms as are prescribed in the respective award certificates therefor, provided that the department representative is authorized under the supplemental resolution to utilize an alternative method of sale, which may be public or private, for any series of additional senior obligations when, in the judgment of the department representative, such alternative method of sale is determined to be advantageous, as prescribed in the award certificate in accordance with the supplemental resolution.

The commission understands that an official statement in preliminary and final form (collectively, official statement) will be distributed in connection with the public offering and sale of each series of additional senior obligations, which official statement

will include a description of the revenues deposited to the credit of the highway fund and other security and payment provisions related to the additional senior obligations.

Under the supplemental resolution, the department representative is authorized to price all or a portion of the additional senior obligations as variable rate bonds, which may require the use of liquidity provider(s), remarketing agent(s), tender agent(s) and other entities to perform similar functions in connection with any such variable rate bonds.

Pursuant to Minute Order No. 112801, dated August 25, 2011, the commission approved a revised derivative management policy which policy established a derivative committee to review and make recommendations regarding the commission's use of derivative financial products. The commission is authorized to enter into credit agreements related to the additional senior obligations with eligible counterparties as determined by the department representative in compliance with the derivative management policy when, in the judgment of the department representative and in accordance with the derivative management policy, Chapter 1371, Texas Government Code, and the supplemental resolution, the transaction is expected to benefit the commission and the State.

The commission has determined that it is in the best interest of the State to authorize the department representative to direct the comptroller to withdraw from the highway fund and forward such amounts as are necessary to permit timely payment of obligations issued or incurred pursuant to the master resolution and any supplemental resolution thereto, as provided by the enabling act, and to authorize the department representative to enter into any memoranda and agreements (collectively, management agreements) as are deemed necessary or appropriate by the department representative to evidence such direction and to provide for the management and administration of the highway fund and any other funds and accounts established and maintained in connection with or related to such obligations.

IT IS THEREFORE ORDERED by the commission that the chair and executive director are authorized and directed to execute and deliver additional senior obligations, as provided by the supplemental resolution, and the department representative is authorized and directed to execute and deliver the supplemental resolution and any bond purchase contracts and paying agent/registrars agreements (collectively, financing documents), and the financing documents are approved in substantially the form presented to the commission with such changes as the department representative executing each such document may approve, such approval to be conclusively evidenced by execution of such financing document; and, each department representative, acting individually, is authorized and directed to take any and all actions necessary or appropriate to effect the delivery of the additional senior obligations in accordance with the terms and conditions of the financing documents.

IT IS FURTHER ORDERED by the commission that the department representative is authorized and directed to execute and deliver any remarketing agreement, liquidity agreement, tender agent agreement and similar agreements necessary for any variable rate bonds or refunding bonds (collectively, supporting documents), and the supporting documents are approved in substantially the form previously approved by the commission in connection with its previously issued senior

obligations and other financing program debt with such changes as the department representative executing each such document may approve, such approval to be conclusively evidenced by execution of such document.

IT IS FURTHER ORDERED by the commission that the department representative is hereby authorized to enter into credit agreements, including master swap agreements similar to the master swap agreements entered into in connection with the commission's outstanding mobility fund financing program debt, and any appropriate confirmations for any interest rate lock agreements, as defined in the supplemental resolution, relating to the additional senior obligations with any eligible counterparty, as defined in the supplemental resolution, as determined by the department representative in compliance with the commission's derivative management policy, with such changes as the department representative executing such agreement(s) may approve, such approval to be conclusively evidenced by execution of such agreement(s) in accordance with the commission's derivative management policy and the supplemental resolution.

IT IS FURTHER ORDERED by the commission that the department representative is authorized to direct the comptroller to withdraw amounts from the highway fund and forward such amounts as are necessary to permit timely payment of obligations issued or incurred pursuant to the supplemental resolution; and, the department representative is authorized to execute and deliver such management agreements as are deemed necessary or appropriate to evidence such direction and to provide for the management and administration of the highway fund and any other funds and accounts established and maintained in connection with or related to such obligations.

IT IS FURTHER ORDERED by the commission that any escrow agreement necessary or desirable for any refunding bonds and any other agreements or ancillary documents necessary or desirable in connection with the issuance of the additional senior obligations and the performance of the terms and conditions of any interest rate lock agreements, the financing documents and the supporting documents are hereby approved; and, each department representative, acting individually, is authorized and directed to execute and deliver such documents.

IT IS FURTHER ORDERED by the commission that an official statement is approved for distribution in connection with the public offering and sale of each series of additional senior obligations in such form as a department representative may approve, such approval to be conclusively evidenced by the execution of the official statement. The department representative is authorized to deem final the preliminary form of the official statement for any senior obligations for purposes of Rule 15c2-12 of the Securities and Exchange Commission (rule) with such omissions as are permitted by the rule.

IT IS FURTHER ORDERED by the commission that each member of the commission and each department representative is authorized and directed to perform all such acts and execute such documents, including execution of certifications to the underwriters, any counterparties, the Attorney General, the Bond Review Board, the comptroller and other parties, as may be necessary or desirable to carry out the intent and purposes of this order and other orders of the commission relating to the financing

program, the financing documents, any supporting documents and any interest rate lock agreements.

Exhibit A is on file with minute order clerk.

**b. Texas Mobility Fund General Obligation Bonds**

Approve the Ninth Supplemental Resolution authorizing the issuance of one or more series of General Obligation Mobility Fund Refunding Bonds to refund a portion of outstanding tax-exempt Mobility Fund Bonds to achieve a net present value debt service savings of at least 3% of that of the Mobility Fund Bonds refunded; approve the official statement, bond purchase contract, escrow agreement and other documents relating to the refunding of certain outstanding Mobility Fund Bonds and authorize the chief financial officer and other designated department representatives to take all actions necessary to deliver one or more series of General Obligation Mobility Fund Refunding Bonds; approve application to the Texas Bond Review Board for exemption from approval or for approval to issue such refunding bonds (MO)

Commissioner Underwood made a motion, which was seconded and the commission approved the following minute order by a vote of 4 – 0. This item was presented by Finance Division Director Brian Ragland.

113053  
FIN

Pursuant to Minute Order 110081, dated May 4, 2005, the Texas Transportation Commission (commission) approved a Master Resolution Establishing the Texas Transportation Commission Mobility Fund Revenue Financing Program, as subsequently amended by the First Amendment (Master Resolution), to establish a revenue financing program (Mobility Fund Revenue Financing Program) pursuant to which the commission may issue obligations including bonds, notes and other public securities and execute credit agreements secured by and payable from a pledge of and lien on all or part of the moneys in the Texas Mobility Fund (Fund). Under such Master Resolution, the commission approved eight supplemental resolutions to the Master Resolution which authorized the issuance of eight series of Texas Transportation Commission State of Texas General Obligation Mobility Fund Bonds (i.e., Series 2005-A, Series 2005-B, Series 2006, Series 2006-A, Series 2006-B, Series 2007, Series 2008 and Taxable Series 2009A (Build America Bonds - Direct Payment) (collectively, the "Outstanding Parity Debt"). Any capitalized terms not otherwise defined herein have the meaning given in the Ninth Supplement, as hereinafter defined.

Section 49-k, Article III of the Texas Constitution (Constitutional Provision) and Transportation Code, Chapter 201, Subchapter M, and other applicable law, including Government Code, Chapters 1207 and 1371, authorize the commission to issue bonds and other obligations secured by all or part of the money in the Fund to refund and defease all or any portion of Outstanding Parity Debt and the Texas Department of Transportation (department) is reviewing all the tax-exempt Outstanding Parity Debt for refunding and cash defeasance opportunities to achieve debt service savings and create additional capacity for the issuance of new money obligations.

The commission has determined it to be in the best interest of the State and Fund to issue additional obligations, on parity with the previously issued Outstanding

Parity Debt, secured by revenues and money dedicated to the Fund and on deposit in the Fund under the Constitutional Provision and by a pledge of the full faith and credit of the State in order to refund all or part of the tax-exempt Outstanding Parity Debt for debt service savings.

The Master Resolution, together with the "Ninth Supplemental Resolution to the Master Resolution Establishing the Texas Transportation Commission Mobility Fund Revenue Financing Program" (Ninth Supplement), prescribes the terms, provisions and covenants related to the issuance of additional bonds in one or more series entitled "Texas Transportation Commission State of Texas General Obligation Mobility Fund Refunding Bonds" (Bonds) with such name and series designation as set forth in the Ninth Supplement, so long as the aggregate principal amount of one or more series of the Bonds does not exceed \$1.4 billion and the issuance of a series of the Bonds results in a net present value debt service savings of not less than 3% of the tax-exempt Outstanding Parity Debt refunded.

Government Code, §1231.041 provides that a state agency may not issue a state security, including a bond, unless the issuance is approved by the Texas Bond Review Board (Board) or exempted under law, including by Board rule, from review by the Board.

Under the Ninth Supplement, the Department Representative, as defined in the Ninth Supplement, is authorized to determine the method of sale for each series of Bonds as well as the price and other terms of each series of the Bonds as prescribed in each award certificate.

The commission understands that the underwriters intend to distribute a preliminary official statement (POS) and final official statement (Official Statement) in substantially the form previously approved by the commission in connection with the March 1, 2012, remarketing of a portion of the Outstanding Parity Debt with such changes as approved by the Department Representative, on behalf of the commission, in connection with the public offering and sale of the Bonds, which POS and Official Statement will include a description of the general obligation pledge of the state's full faith and credit in the event the revenue and money dedicated to and on deposit in the fund are insufficient for payments due on the Bonds and any related credit agreements.

Pursuant to Minute Order 112801 dated August 25, 2011, the commission approved a revised Derivative Management Policy which policy established a Derivative Committee to review and make recommendations regarding the commission's use of derivative financial products. The commission is authorized to enter into credit agreements related to the Bonds with some or all of the existing swap providers previously approved by the commission and any qualified swap providers as determined by the Department Representative, on behalf of the commission, in compliance with the Derivative Management Policy when, in the judgment of the Department Representative, on behalf of the commission, and in accordance with the commission's Derivative Management Policy, Government Code, Chapter 1371 and the Ninth Supplement, the transaction is expected to benefit the commission, the State and the Fund.

IT IS THEREFORE ORDERED by the commission that the chair and executive director are authorized and directed to execute and deliver each series of the Bonds and

such other documents and certificates to carry out the intent of this order and the department representative, on behalf of the commission, is authorized and directed to execute and deliver the Ninth Supplement, each Bond Purchase Contract, if applicable, Paying Agent/Registrar Agreement and Escrow Agreement and similar agreements necessary for any series of the Bonds and any cash defeasance (collectively, Program Documents), in the form approved by the department representative or in substantially the form previously approved by the commission in connection with the Outstanding Parity Debt, as applicable, with such changes as the department representative, on behalf of the commission, executing the same may approve, such approval to be conclusively evidenced by execution of the Program Documents.

IT IS FURTHER ORDERED by the commission that any necessary ancillary documents in connection with the issuance of a series of the Bonds and the Program Documents are hereby approved, and the department representative, on behalf of the commission, is authorized and directed to execute and deliver such documents.

IT IS FURTHER ORDERED by the commission that the department representative, on behalf of the commission, is hereby authorized to enter into any appropriate confirmation for any interest rate swap transaction relating to Outstanding Parity Debt and Bonds with any or all of the Existing Swap Providers with such changes (including any amendments to the agreements with Existing Swap Providers) as the department representative, on behalf of the commission, executing the same may approve, such approval to be conclusively evidenced by execution of the amendments with Existing Swap Providers in accordance with the Derivative Management Policy and the Ninth Supplement.

IT IS FURTHER ORDERED by the commission that the POS and the Official Statement are approved for distribution with such changes as the department representative, on behalf of the commission, executing the same may approve, such approval to be conclusively evidenced by execution of the POS and the Official Statement, and the Department Representative, on behalf of the commission, is authorized to deem the POS and Official Statement final for purposes of Rule 15c2-12 of the Securities and Exchange Commission (rule) with such omissions as permitted by the rule.

IF IS FURTHER ORDERED by the commission that the department representative, on behalf of the commission, is authorized and directed to file with the board an application for approval or exemption, as applicable, and necessary in connection with the issuance of each series of Bonds.

IT IS FURTHER ORDERED by the commission that the department representative, on behalf of the commission, is authorized to use all or any portion of lawfully available moneys in the Fund to cash defease and redeem a portion of Outstanding Parity Debt to create additional capacity for the issuance of additional new money obligations.

IT IS FURTHER ORDERED by the commission that a pledge of the full faith and credit of the State be utilized in connection with each series of the Bonds and the payment obligations of the commission under the Swap Agreements.

IT IS FURTHER ORDERED by the commission that each member of the commission, each department representative, the executive director and general counsel

are authorized and directed to perform all such acts and execute such documents and notices, including execution of certifications to the underwriters or purchasers, the attorney general, the comptroller of public accounts, the board and other parties, as may be necessary to carry out the intent of this order and other orders of the commission relating to the Mobility Fund Revenue Financing Program and the Program Documents.

Exhibit A is on file with minute order clerk.

**ITEM 13. Contracts**

**Award or reject contracts for maintenance, highway and building construction**

**a. Highway Maintenance and Department Building Construction (see attached itemized list) (MO)**

Commissioner Underwood made a motion, which was seconded and the commission approved the following minute order by a vote of 4 – 0. This item was presented by Construction Division Director John Obr.

113054  
CST

Pursuant to Transportation Code, Chapter 223, Subchapter A, and Title 43, Texas Administrative Code, Chapter 9, Subchapter B, the Texas Department of Transportation (department) solicited and received sealed competitive bid proposals for maintenance of the State Highway System, which were publicly opened and read on March 6 and 7, 2012.

Pursuant to cited code provisions highway maintenance contract bids on a project may be accepted or rejected, but if accepted must be awarded to the lowest bidder.

An award is conditional in the event it is subject to Federal Highway Administration concurrence, third party funding or concurrence, and other conditions listed in the contract or an exhibit to this order.

The department recommends that the Texas Transportation Commission (commission) respectively award to the lowest bidder or reject, as indicated, those highway maintenance and department building construction contracts, with an engineer's estimated cost of \$300,000 or more, identified on attached Exhibit A to this order.

IT IS THEREFORE ORDERED by the commission that the contracts described in Exhibit A be and are hereby respectively awarded to the lowest bidder or rejected as indicated therein.

If a contractual requirement of award is not satisfied within the prescribed time limit, including any extension of time allowed by the executive director or the director's designee, by reason of the action or inaction of the successful low bidder on any contract, including, but not limited to, disadvantaged business/historically underutilized business participation, the contract is automatically in default and the executive director is authorized and directed to retain and deposit the related contract proposal guaranty to the credit of the State Highway Fund and to readvertise that project for competitive bids at the earliest practical subsequent date.

If a condition of award is not satisfied, including, but not limited to, reason of nonconcurrence of the Federal Highway Administration, the failure of a third party to

fund or concur, or failure to meet other conditions in the contract or an exhibit to this order, the respective award is voided and the department will return the bid guaranty.

Note: Exhibit A on file with minute order clerk.

**b. Highway and Transportation Enhancement Building Construction**  
(see attached itemized list) (MO)

Commissioner Underwood made a motion, which was seconded and the commission approved the following minute order by a vote of 4 – 0. This item was presented by Construction Division Director John Obr.

113055  
CST

Pursuant to Transportation Code, Chapter 223, Subchapter A, and Title 43, Texas Administrative Code, Chapter 9, Subchapter B, the Texas Department of Transportation (department) solicited and received sealed competitive bid proposals for improvement of the State Highway System, which were publicly opened and read on March 6 and 7, 2012, as well as Amarillo District, Ochiltree County, Job Number 3231, Project Number STP 2011(262)TE, deferred from the February 23, 2012, Commission meeting.

Pursuant to cited code provisions highway improvement contract bids on a project may be accepted or rejected, but if accepted must be awarded to the lowest bidder.

An award is conditional in the event it is subject to Federal Highway Administration concurrence, third party funding or concurrence, and other conditions listed in the contract or an exhibit to this order.

The department recommends that the commission respectively award to the lowest bidder or reject, as indicated, those highway and transportation enhancement building construction contracts identified on attached Exhibit A to this order.

IT IS THEREFORE ORDERED by the commission that the contracts described in Exhibit A, with the exception of Project Number STP 2011(261)TE (Armstrong County), be and are hereby respectively awarded to the lowest bidder or rejected as indicated therein. The award or rejection of Project Number STP 2011(261)TE is hereby deferred to a later date.

If a contractual requirement of award is not satisfied within the prescribed time limit, including any extension of time allowed by the executive director or the director's designee, by reason of the action or inaction of the successful low bidder on any contract, including, but not limited to, disadvantaged business/historically underutilized business participation, the contract is automatically in default and the executive director is authorized and directed to retain and deposit the related contract proposal guaranty to the credit of the State Highway Fund and to readvertise that project for competitive bids at the earliest practical subsequent date.

If a condition of award is not satisfied, including, but not limited to, reason of nonconcurrence of the Federal Highway Administration, the failure of a third party to fund or concur, or failure to meet other conditions in the contract or an exhibit to this order, the respective award is voided and the department will return the bid guaranty.

Note: Exhibit A on file with minute order clerk.

**ITEM 14. Eminent Domain Proceedings**

**Various Counties** – Authorize the filing of condemnation proceedings to acquire real property by eminent domain for non-controlled and controlled access highways (see attached list) (MO)

Commissioner Austin made a motion that the Texas Transportation Commission authorize the Texas Department of Transportation to use the power of eminent domain to acquire the properties described in the minute order set forth in the agenda for the current month for construction, reconstruction, maintenance, widening, straightening, or extending the highway facilities listed in the minute order as a part of the state highway system, and that the first record vote applies to all units of property to be condemned. The motion was seconded and the following minute order was approved by Commissioner Holmes, Commissioner Underwood, Commissioner Meadows, and Commissioner Austin (a vote of 4 – 0). This item was presented by Right of Way Division Director John Campbell.

113056  
ROW

To facilitate the safety and movement of traffic and to preserve the financial investment of the public in its highways, the Texas Transportation Commission (commission) finds that public necessity requires the laying out, opening, constructing, reconstructing, maintaining, widening, straightening, extending, and operating of the highway facilities listed below as a part of the State Highway System (highway system).

As provided for by Transportation Code, Chapter 203, Subchapter D, including Sections 203.051, 203.052, and 203.054, the commission finds and determines that each of the parcels of land listed below, and more particularly described in the attached Exhibits (parcels), are necessary or convenient as a part of the highway system to be constructed, reconstructed, maintained, widened, straightened, or extended (constructed or improved) and it is necessary to acquire fee simple title in the parcels or such lesser property interests as set forth in the attached Exhibits.

The commission finds and determines that the highway facilities to be constructed or improved on the parcels identified and listed below under "CONTROLLED ACCESS" are designated as a Controlled-Access Highway in accordance with Transportation Code, Section 203.031; and where there is adjoining real property remaining after acquisition of a parcel, the roads are to be constructed or improved as a part of the highway facility with the right of ingress and egress to or from the remaining real property adjoining the highway facility to be permitted or denied, as designated and set forth on each of the attached Exhibits A - R. Where there is adjoining real property remaining after acquisition of a parcel with respect to the highway facilities to be constructed or improved on the parcels identified as listed below under "NON-CONTROLLED ACCESS," roads are to be constructed or improved as a part of the highway facility with the right of ingress and egress to or from the remaining real property adjoining the highway facility to be permitted or denied, as designated and set forth on each of the attached Exhibits 1 - 11, in accordance with Transportation Code, Sections 203.002 and 203.003.

The commission finds and determines that condemnation of the parcels is required.

IT IS THEREFORE ORDERED that the initiation of condemnation proceedings for the parcels is adopted and authorized by a single order for the parcels, and this first vote by the commission applies to all of the parcels.

IT IS FURTHER ORDERED that the executive director is hereby authorized to proceed to condemnation on the parcels and directed to transmit or cause to be transmitted this request of the commission to the Office of the Attorney General to file or cause to be filed against all owners, lienholders, and any owners of any other interests in the parcels, proceedings in condemnation to acquire in the name of and on behalf of the state, fee simple title to each parcel or such lesser estates or property interests as are more fully described in each of the attached Exhibits, save and excepting oil, gas, and sulfur, as provided by law, as follows:

NON-CONTROLLED ACCESS

COUNTY	HIGHWAY	EXHIBIT	ROW CSJ NO.	PARCEL
Collin	FM 455	8	0816-04-046	29
El Paso	SS 276	6	0608-01-002	8
El Paso	SS 276	11	0608-01-002	7
Jefferson	FM 365	4	0932-01-099	11
Lubbock	FM 1730	9	1344-02-020	18
Montgomery	FM 2978	10	3050-02-022	1
Nueces	SH 358	7	0617-01-172	8
Nueces	SH 358	1	0617-01-172	14
Upshur	SH 155	5	0520-02-047	30
Upshur	SH 155	3	0520-02-048	10
Upshur	SH 155	2	0520-02-048	9

CONTROLLED ACCESS

COUNTY	HIGHWAY	EXHIBIT	ROW CSJ NO.	PARCEL
Angelina	US 59	C	0176-02-112	22
Bell	IH 35	L	0015-04-083	83
Bell	IH 35	M	0015-04-083	109
Bell	IH 35	K	0015-04-083	31
Bell	IH 35	E	0015-14-123	92
Bell	IH 35	D	0015-14-123	98
Dallas	SH 121	R	0364-02-020	16
Denton	IH 35E	P	0196-02-115	171B
Harris	IH 45	N	0500-03-546	310
Harris	IH 610	A	0271-14-225	321
Harris	IH 610	O	0271-14-225	311
Harris	IH 610	B	0271-14-225	301
Maverick	FM 1021	Q	1229-01-053	2
McLennan	IH 35	G	0014-08-083	62
McLennan	IH 35	F	0014-08-083	4,4E
McLennan	IH 35	I	0015-01-220	52B
McLennan	IH 35	J	0015-01-220	59
McLennan	IH 35	H	0015-01-220	52A

**ITEM 15. Routine Minute Orders**

Commissioner Underwood made a motion, which was seconded and the commission approved the following minute orders by a vote of 4 – 0. This item was presented by Executive Director Phil Wilson.

**a. Donations to the Department**

**(1) Bridge Division – Acknowledge a donation from the Post-Tensioning Institute (PTI) for a department employee’s travel expenses to attend the PTI M-55 Grouting Committee meeting in Baltimore, Maryland from February 21 – 22, 2012 (MO)**

113057  
GSD

This minute order acknowledges a donation from the Post-Tensioning Institute (PTI) for a Texas Department of Transportation (department) employee’s travel expenses to attend the PTI M-55 Grouting Committee Meeting in Baltimore, Maryland, from February 21-22, 2012. The amount is estimated to be \$1,072.

The department has determined that acceptance of the donation is in the best interest and welfare of the traveling public and will provide a significant public benefit.

Transportation Code, §201.206, authorizes the department to accept a donation in any form, including realty, personalty, money, materials, and services, for the purpose of carrying out its functions and duties. Government Code, Chapter 575, requires the governing board of a state agency to acknowledge the acceptance of a donation valued at \$500 or more by majority vote at an open meeting, not later than the 60th day after the date the donation is accepted. It also prohibits a state agency from accepting a donation from a person who is a party to a contested case before the agency until the 30th day after the date the decision in the case becomes final.

The Texas Transportation Commission (commission) has adopted 43 TAC §§1.500-1.506, which relate to the department’s acceptance of donations. Section 1.503 prohibits acceptance of a gift or donation when the donor is subject to department regulation or oversight or when the donor is interested in or likely to become interested in any contract, purchase, payment, or claim with or against the department, except as provided by that section. It also provides that the commission may approve the acceptance of a donation, notwithstanding the foregoing proscriptions in the rules, if it determines that acceptance would provide a significant public benefit and would not influence or reasonably appear to influence the department in the performance of its duties.

The commission finds that the donation furthers the department’s responsibilities and that the donor is not a party to a contested case before the department and has not been a party to a contested case before the department during the last 30 days.

The commission also finds that the donor is not subject to department regulation or oversight, and that this donation will not influence or reasonably appear to influence the department in the performance of its duties.

The commission also finds that the donor is not interested in or likely to become interested in any contract, purchase, payment, or claim with or against the department.

IT IS THEREFORE ORDERED by the commission that the donation from PTI estimated at \$1,072 is acknowledged. The executive director or the executive director's designee is authorized to execute all necessary documents under 43 TAC §1.504 to effect the acknowledgement of the donation.

(2) **Bridge Division** – Acknowledge a donation from the Precast/Prestressed Concrete Institute (PCI) for a department employee's travel expenses to attend the 2012 Committee Days in Chicago, Illinois on March 29 – 30, 2012 (MO)

113058  
GSD

This minute order acknowledges a donation from the Precast/Prestressed Concrete Institute (PCI) for a Texas Department of Transportation (department) employee's travel expenses to attend the 2012 Committee Days in Chicago, Illinois, from March 29-30, 2012. The amount is estimated to be \$916.

The department has determined that acceptance of the donation is in the best interest and welfare of the traveling public and provides a significant public benefit.

Transportation Code, §201.206, authorizes the department to accept a donation in any form, including realty, personalty, money, materials, and services, for the purpose of carrying out its functions and duties. Government Code, Chapter 575, requires the governing board of a state agency to acknowledge the acceptance of a donation valued at \$500 or more by majority vote at an open meeting, not later than the 60th day after the date the donation is accepted. It also prohibits a state agency from accepting a donation from a person who is a party to a contested case before the agency until the 30th day after the date the decision in the case becomes final.

The Texas Transportation Commission (commission) has adopted 43 TAC §§1.500-1.506, which relate to the department's acceptance of donations. Section 1.503 prohibits acceptance of a gift or donation when the donor is subject to department regulation or oversight or when the donor is interested in or likely to become interested in any contract, purchase, payment, or claim with or against the department, except as provided by that section. It also provides that the commission may approve the acceptance of a donation, notwithstanding the foregoing proscriptions in the rules, if it determines that acceptance would provide a significant public benefit and would not influence or reasonably appear to influence the department in the performance of its duties.

The commission finds that the donation furthers the department's responsibilities and that the donor is not a party to a contested case before the department and has not been a party to a contested case before the department during the last 30 days.

The commission also finds that the donor is not subject to department regulation or oversight, and that this donation will not influence or reasonably appear to influence the department in the performance of its duties.

The commission also finds that the donor is not interested in or likely to become interested in any contract, purchase, payment, or claim with or against the department.

IT IS THEREFORE ORDERED by the commission that the donation from PCI estimated at \$916 is acknowledged. The executive director or the executive director's

designee is authorized to execute all necessary documents under 43 TAC §1.504 to effect the acceptance of the donation.

(3) **Austin District** – Consider a donation from Circuit of the Americas for funding for the design, fabrication and installation of permanent signs to direct traffic to the F1 racetrack near the intersection of SH 130 and FM 812 (MO)

113059  
GSD

This minute order considers a donation from Circuit of the Americas for the funding for the design, fabrication and installation of permanent signs to direct traffic to the F1 racetrack under construction near the intersection of State Highway 130 and Farm to Market Road 812. All design and construction work will be provided by the Texas Department of Transportation (department). Funding will include \$24,205 for the fabrications and \$6,051 for the State's direct and indirect costs. The amount is estimated to be \$30,256.

The department has determined that acceptance of the donation is in the best interest and welfare of the traveling public and will provide a significant public benefit.

Transportation Code, §201.206, authorizes the department to accept a donation in any form, including realty, personalty, money, materials, and services, for the purpose of carrying out its functions and duties. Government Code, Chapter 575, requires the governing board of a state agency to acknowledge the acceptance of a donation valued at \$500 or more by majority vote at an open meeting, not later than the 60th day after the date the donation is accepted. It also prohibits a state agency from accepting a donation from a person who is a party to a contested case before the agency until the 30th day after the date the decision in the case becomes final.

The Texas Transportation Commission (commission) has adopted 43 TAC §§1.500-1.506, which relate to the department's acceptance of donations. Section 1.503 prohibits acceptance of a gift or donation when the donor is subject to department regulation or oversight or when the donor is interested in or likely to become interested in any contract, purchase, payment, or claim with or against the department, except as provided by that section. It also provides that the commission may approve the acceptance of a donation, notwithstanding the foregoing proscriptions in the rules, if it determines that acceptance would provide a significant public benefit and would not influence or reasonably appear to influence the department in the performance of its duties.

The commission finds that the donation furthers the department's responsibilities and that the donor is not a party to a contested case before the department and has not been a party to a contested case before the department during the last 30 days.

The commission also finds that the donor is not subject to department regulation or oversight, and that this donation will not influence or reasonably appear to influence the department in the performance of its duties.

The commission also finds that the donor is not interested in or likely to become interested in any contract, purchase, payment, or claim with or against the department.

IT IS THEREFORE ORDERED by the commission that the donation from Circuit of the Americas estimated at \$30,256 is approved for acceptance. The executive

director or the executive director's designee is authorized to execute all necessary documents under 43 TAC §1.504 to effect the acknowledgement of the donation.

(4) Bryan District – Consider a donation from Larry Landry Developer for the engineering design, construction drawings and construction costs to modify the existing raised median to construct a protected left-turn lane from eastbound FM 158 to the new Pecan Ridge Phase 5 commercial development on the north side of FM 158 (MO)

113060  
GSD

This minute order considers a donation from Larry Landry Developer for the engineering design, construction drawings and construction costs to modify the existing raised median to construct a protected left-turn lane from eastbound Farm to Market Road 158 to the new Pecan Ridge Phase 5 commercial development on the north side of FM 158. All design and construction work will be provided by the donor, its consultant or its contractor. The estimated value of the donation is \$35,000.

Transportation Code, §201.206, authorizes the department to accept a donation in any form, including realty, personalty, money, materials, and services, for the purpose of carrying out its functions and duties. Government Code, Chapter 575, requires the governing board of a state agency to acknowledge the acceptance of a donation valued at \$500 or more by majority vote at an open meeting, not later than the 60th day after the date the donation is accepted. It also prohibits a state agency from accepting a donation from a person who is a party to a contested case before the agency until the 30th day after the date the decision in the case becomes final.

Transportation Code, §223.049 authorizes the department to contract with an owner of land adjacent to a highway that is part of the state highway system to construct an improvement on the highway right of way that is directly related to improving access to or from the owner's land.

The Texas Transportation Commission (commission) has adopted 43 TAC §§1.500-1.506, which relate to the department's acceptance of donations. Section 1.503 prohibits acceptance of a gift or donation when the donor is subject to department regulation or oversight or when the donor is interested in or likely to become interested in any contract, purchase, payment, or claim with or against the department, except as provided by that section. It also provides that the commission may approve the acceptance of a donation, notwithstanding the foregoing proscriptions in the rules, if it determines that acceptance would provide a significant public benefit and would not influence or reasonably appear to influence the department in the performance of its duties.

The commission finds that the donation furthers the department's responsibilities and that the donor is not a party to a contested case before the department and has not been a party to a contested case before the department during the last 30 days.

The commission finds that acceptance of the donation would provide a significant public benefit and would not influence or reasonably appear to influence the department in the performance of its duties.

IT IS THEREFORE ORDERED by the commission that the donation by Larry Landry Developer estimated at \$35,000 is approved for acceptance. The executive

director or the executive director's designee is authorized to execute all necessary documents under 43 TAC §1.504 to effect the acknowledgement of the donation.

(5) Odessa District - Consider a donation from MOTRAN for the cost of constructing a four lane undivided roadway on SH 349 north of Midland (MO)

113061  
GSD

This minute order considers a donation from Midland-Odessa Transportation Alliance (MOTRAN), for costs associated with the construction of a four-lane undivided roadway on State Highway 349 north of Midland, in Martin County. The amount is estimated to be \$10,000.

The department has determined that acceptance of the donation is in the best interest and welfare of the traveling public and will provide a significant public benefit.

Transportation Code, §201.206, authorizes the department to accept a donation in any form, including realty, personalty, money, materials, and services, for the purpose of carrying out its functions and duties. Government Code, Chapter 575, requires the governing board of a state agency to acknowledge the acceptance of a donation valued at \$500 or more by majority vote at an open meeting, not later than the 60th day after the date the donation is accepted. It also prohibits a state agency from accepting a donation from a person who is a party to a contested case before the agency until the 30th day after the date the decision in the case becomes final.

The Texas Transportation Commission (commission) has adopted 43 TAC §§1.500-1.506, which relate to the department's acceptance of donations. Section 1.503 prohibits acceptance of a gift or donation when the donor is subject to department regulation or oversight or when the donor is interested in or likely to become interested in any contract, purchase, payment, or claim with or against the department, except as provided by that section. It also provides that the commission may approve the acceptance of a donation, notwithstanding the foregoing proscriptions in the rules, if it determines that acceptance would provide a significant public benefit and would not influence or reasonably appear to influence the department in the performance of its duties.

The commission finds that the donation furthers the department's responsibilities and that the donor is not a party to a contested case before the department and has not been a party to a contested case before the department during the last 30 days.

The commission also finds that the donor is not subject to department regulation or oversight, and that this donation will not influence or reasonably appear to influence the department in the performance of its duties.

The commission also finds that the donor is not interested in or likely to become interested in any contract, purchase, payment, or claim with or against the department.

IT IS THEREFORE ORDERED by the commission that the donation from MOTRAN estimated at \$10,000 is approved for acceptance. The executive director or the executive director's designee is authorized to execute all necessary documents under 43 TAC §1.504 to effect the acknowledgement of the donation.

**b. Right of Way Dispositions and Donations**

**(1) Austin County - SH 36 south of Kenney - Consider the sale of surplus right of way to the abutting landowners**

113062  
ROW

In AUSTIN COUNTY, on STATE HIGHWAY 36, the State of Texas acquired certain land for highway purposes by instrument recorded in Volume 121, Page 331, Deed Records of Austin County, Texas.

The land (surplus land), shown on Exhibit A, is no longer needed for state highway purposes.

In accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (commission) may recommend the sale of surplus land to the abutting landowners.

Roberto J. Iglesias and wife, Barbara Iglesias, are the abutting landowners and have requested that the surplus land be sold to them for \$12,600.

The commission finds \$12,600 to be a fair and reasonable value of the state's rights, title and interest in the surplus land.

NOW, THEREFORE, the commission finds that the surplus land is no longer needed for a state highway purpose and recommends, subject to approval by the attorney general, that the governor of Texas execute a proper instrument conveying all of the state's rights, title and interest in the surplus land to Roberto J. Iglesias and wife, Barbara Iglesias, for \$12,600; SAVE AND EXCEPT, however, there is excepted and reserved herefrom all of the state's rights, titles and interests, if any, in and to all of the oil, gas, sulphur and other minerals, of every kind and character, in, on, under and that may be produced from the surplus land.

Note: Exhibit A on file with minute order clerk.

**(2) Bexar County - SL 1604 northeast of SH 16 in San Antonio - Consider the sale of two surplus drainage easements to the owner of the fee in the property (fee owner) (MO)**

113063  
ROW

In the city of San Antonio, BEXAR COUNTY, on STATE LOOP 1604, the State of Texas acquired an easement interest in certain land needed for highway purposes by instruments recorded in Volume 5047, Page 599, and Volume 5027, Page 1041, Deed Records of Bexar County, Texas.

The easements (surplus easements), described in Exhibit A, are no longer needed for highway purposes.

In accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (commission) may recommend the sale of surplus easements.

HEB Grocery Company, LP, a Texas limited partnership, is the underlying fee owner and has requested that the surplus easements be sold to the company for \$71,237.

The commission finds \$71,237 to be a fair and reasonable value for the state's rights and interest in the surplus easements.

NOW, THEREFORE, the commission finds that the surplus easements are no longer needed for a state highway purpose and recommends, subject to approval of the

attorney general, that the governor of Texas execute a proper instrument releasing the state's rights and interest in the surplus easements to HEB Grocery Company, LP, a Texas limited partnership, for \$71,237.

Note: Exhibit A is on file with minute order clerk.

(3) Brazoria County – FM 524 south of SH 35 - Consider the exchange of right of way, removal of a segment of highway from the system, and the designation of a new alignment (MO)

113064  
ROW

In BRAZORIA COUNTY, on FARM TO MARKET ROAD 524, the State of Texas acquired fee and easement interests in certain land for highway purposes by various instruments recorded in the Deed Records and Official Records of Brazoria County, Texas. The county acquired an easement interest in certain land for use by the state for highway purposes, and certain other land was used for highway purposes, there being no record title in the name of the state or county.

Pursuant to Texas Transportation Code, §§201.103 and 221.001, the executive director has recommended, as shown in Exhibit A, the designation of FM 524 along a new location from existing FM 524 northeast approximately 1.9 miles to SH 35, the concurrent designation with segments of SH 35 and SL 419, and the removal of the old FM 524 alignment from the state highway system.

Portions of the land (surplus land), described in Exhibits B and B-1 through 4, are no longer needed for highway purposes.

In accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (commission) may recommend the exchange of surplus land as whole or partial consideration of other land needed for a state highway purpose.

ConocoPhillips Company (ConocoPhillips) is the owner of land needed for highway purposes and has conveyed the land (new land), described in Exhibit C, to the state. Construction of the new alignment is complete, and the old alignment is no longer needed as part of the highway system.

It is the opinion of the commission that it is proper and correct that the state convey the surplus land to ConocoPhillips, in exchange and as consideration for the conveyance of the new land to the state.

IT IS THEREFORE ORDERED by the commission that:

- 1) the designation of FM 524 along the new location is accepted and designated as part of the system, from existing FM 524 northeast to SH 35, a distance of approximately 1.9 miles;
- 2) that segments of FM 524 are designated concurrent with SH 35 from the intersection with the new alignment westward to SL 419 and with SL 419 from SH 35 westward to existing FM 524; and
- 3) that the old alignment of FM 524 is removed from the state highway system and transferred to ConocoPhillips from SL 419 southwestward to the junction with the FM 524 new alignment, a distance of approximately 1.3 miles.

FURTHER, the commission finds that the surplus land is no longer needed for a state highway purpose and recommends that, subject to approval by the attorney general, in exchange and as consideration for the conveyance of the new land to the state, the governor of Texas execute proper instruments:

- 1) conveying all of the state's rights, title and interest in the surplus land described in Exhibit B-1 to ConocoPhillips Company; SAVE AND EXCEPT, however, there is excepted and reserved herefrom all of the state's rights, title and interest, if any, in and to all of the oil, gas, sulphur and other minerals, of every kind and character, in, on, under and that may be produced from the surplus land;
- 2) releasing the state's easement interest in the surplus land described in Exhibit B-2 to ConocoPhillips Company;
- 3) quitclaiming the county's easement interest in the surplus land described in Exhibit B-3 to Brazoria County, Texas; and
- 4) quitclaiming the no-title land described in Exhibit B-4 to ConocoPhillips Company at the request of the county.

Note: Exhibit A through C are on file with minute order clerk.

**(4) Fort Bend County- I-10 westbound frontage road at FM 1463, in Katy - Consider the acceptance of donation of land for a highway improvement project (MO)**

113065  
ROW

In FORT BEND COUNTY, on INTERSTATE 10 from the Waller-Fort Bend County line to the Fort Bend-Harris County line, the Texas Department of Transportation (department) is acquiring the right of way for a highway improvement project.

V.T.C.A., Transportation Code, §201.206, authorizes the department to accept donations of real property for the purpose of carrying out its functions and duties.

V.T.C.A., Government Code, Chapter 575, requires the Texas Transportation Commission (commission) to accept a gift or donation valued at \$500 or more by majority vote at an open meeting.

Landmark Industries, a Texas general partnership (owner), is the owner of the property described in Exhibit A and wants to donate this property, estimated at \$174,852, to the department for construction of a highway improvement project.

The owner is not subject to department regulations or oversight, or interested in or likely to become interested in a contract, purchase, payment, or claim with or against the department.

A donation agreement has been executed by the owner and tendered to the department for acceptance under Title 43, Texas Administrative Code, §1.504.

IT IS THEREFORE ORDERED by the commission that (1) the commission has determined that acceptance of this donation would provide a significant public benefit, and would not influence or reasonably appear to influence the department in the performance of its duties, and (2) the executive director is hereby authorized to accept the donation of real property, as described in Exhibit A, and the executive director or the director's designee is authorized and directed to sign and execute a donation agreement with the owner, in accordance with Title 43, TAC, §1.504.

Note: Exhibit A is on file with minute order clerk.

(5) Haskell County - US 277 north of Haskell - Consider the sale of surplus right of way to the abutting landowner (MO)

113066  
ROW

In HASKELL COUNTY, on US 277, the State of Texas acquired certain land for highway purposes by instrument recorded in Volume 519, Page 912, Official Public Records of Haskell County, Texas.

A portion of the land (surplus land), described in Exhibit A, is no longer needed for highway purposes.

In accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (commission) may recommend the sale of surplus land to the abutting landowner.

Bailey Toliver Family Partnership is the abutting landowner and has requested that the surplus land be sold to the partnership for \$2,448.

The commission finds \$2,448 to be a fair and reasonable value of the state's rights, title and interest in the surplus land.

NOW, THEREFORE, in accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the commission finds that the surplus land is no longer needed for a state highway purpose and that the value is less than \$10,000. The commission authorizes the executive director to execute a proper instrument conveying all of the state's rights, title and interest in the surplus land to Bailey Toliver Family Partnership for \$2,448; SAVE AND EXCEPT, however, there is excepted and reserved herefrom all of the state's rights, titles and interests, if any, in and to all of the oil, gas, sulphur and other minerals, of every kind and character, in, on, under and that may be produced from the surplus land.

Note: Exhibit A on file with minute order clerk.

(6) Williamson County - FM 3405 at RM 2338 northwest of Georgetown – Consider the sale of surplus right of way to the abutting landowners (MO)

113067  
ROW

In WILLIAMSON COUNTY, on FARM TO MARKET ROAD 3405, the State of Texas acquired certain land for highway purposes by instrument recorded in Volume 768, Page 6, Deed Records of Williamson County, Texas.

A portion of the land (surplus land), described in Exhibit A, is no longer needed for highway purposes.

In accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (commission) may recommend the sale of surplus land to abutting landowners.

Wolf Von Buchholtz, John D. Gourley and MMSG Limited Partnership are the abutting landowners and have requested that the surplus land be sold to them for \$118,000.

The commission finds \$118,000 to be a fair and reasonable value of the state's rights, title and interest in the surplus land.

NOW, THEREFORE, the commission finds that the surplus land is no longer needed for a state highway purpose and recommends, subject to approval by the

attorney general, that the governor of Texas execute a proper instrument conveying all of the state's rights, title and interest in the surplus land to Wolf Von Buchholtz, John D. Gourley and MMSG Limited Partnership for \$118,000; SAVE AND EXCEPT, however, there is excepted and reserved herefrom all of the state's rights, titles and interests, if any, in and to all of the oil, gas, sulphur and other minerals, of every kind and character, in, on, under and that may be produced from the surplus land.

Note: Exhibit A is on file with minute order clerk.

**c. Highway Designations**

**(1) El Paso County - Change the designation of State Spur Highway 73 in the city of El Paso, as set out in Minute Order 113009, to State Spur Highway 1966 (MO)**

113068  
TPP

Minute Order 113009, dated February 23, 2012, designated a new location state highway spur from Schuster Avenue in the city of El Paso southwestward to US 85 (Paisano Drive) as STATE HIGHWAY SPUR 73 (SS 73). However, a subsequent record search revealed that the route number assigned to the new location was already in use. This minute order changes the designation of SS 73 in the city of El Paso to STATE HIGHWAY SPUR 1966 (SS 1966).

Pursuant to Texas Transportation Code, §§201.103 and 221.001, the executive director has recommended the designation of SS 73 in El Paso be changed to SS 1966 on the state highway system.

IT IS THEREFORE ORDERED by the commission that SS 73, from Schuster Avenue in El Paso southwestward approximately 0.3 mile to US 85, be redesignated as SS 1966.

IT IS FURTHER ORDERED that provisions in Minute Order 113009 related to the authorization of Proposition 12 bond funds for the development of the route remain in effect and are not altered by this order. This includes the authorization to utilize proceeds of Proposition 12 bonds to fund the SS 1966 connector and authorization of the executive director to enter into a project development agreement with the Camino Real Regional Mobility Authority (CRRMA) to design the project.

**(2) Hood and Johnson Counties – Designate US 377 along a new location around the city of Cresson and redesignate the old alignment as Business US 377-F (MO)**

113069  
TPP

In HOOD and JOHNSON COUNTIES, the Fort Worth District has requested the designation of US HIGHWAY 377 (US 377) along a new location from approximately 1.4 miles north of State Highway 171 southwestward around central Cresson to approximately 1.1 miles south of SH 171, a distance of approximately 2.8 miles; and the redesignation of the old location of US 377 through Cresson as BUSINESS US 377-F (BU 377-F), a distance of approximately 2.5 miles.

Pursuant to Texas Transportation Code, §§201.103 and 221.001, the executive director has recommended that US 377 be designated on the state highway system on a new location around the city of Cresson and that the old location be redesignated as BU 377-F.

The Texas Transportation Commission (commission) finds that the designation of US 377 along a new location and redesignation of the existing location of US 377 as BU 377-F will facilitate the flow of traffic, promote public safety, and maintain continuity of the state highway system and is necessary for the proper development and operation of the system.

IT IS THEREFORE ORDERED by the commission that US 377 be designated along a new location around central Cresson, a distance of approximately 2.8 miles, and that the old location of US 377 through Cresson be redesignated as BU 377-F.

IT IS FURTHER ORDERED that upon the start of construction of the new location roadway, the Texas Department of Transportation (department) shall forward this minute order, along with all other pertinent information, to the American Association of State Highway and Transportation Officials Special Committee on U.S. Route Numbering.

IT IS FURTHER ORDERED that if the new location roadway is developed by an entity other than the department, the maintenance, control, and jurisdiction of the new location roadway will remain with the developing entity until it is opened to traffic as approved by the department.

**(3) Erath County – Redesignate the US 67 Relief Route around the city of Dublin as SH 267 (MO)**

113070  
TPP

In ERATH COUNTY, the Fort Worth District has requested the redesignation of the proposed US HIGHWAY 67 (US 67) Relief Route around the city of Dublin as STATE HIGHWAY 267 (SH 267), from approximately 1.6 miles north of Farm to Market Road 219 in the city of Dublin southwestward to a point approximately 1.8 miles northeast of the Comanche county line.

Pursuant to Texas Transportation Code, §§201.103 and 221.001, the executive director has recommended that a segment of proposed US 67 around the city of Dublin be redesignated on the state highway system as SH 267.

The Texas Transportation Commission (commission) finds that the redesignation of proposed US 67 as SH 267 will facilitate the flow of traffic, promote public safety, and maintain continuity of the state highway system and is necessary for the proper development and operation of the system.

IT IS THEREFORE ORDERED by the commission that the proposed US 67 Relief Route around the city of Dublin be redesignated as SH 267, a distance of approximately 4.6 miles.

**d. Transfer of Land**

**Williamson County – Authorize the executive director to transfer real property under the jurisdiction of the department to the Texas Parks and Wildlife Department (TPWD) for use as a public park in Williamson County (MO)**

113071  
MNT

The 82<sup>nd</sup> Legislature, Regular Session, enacted House Bill 1235 (HB 1235), transferring certain state property under the jurisdiction and administration of the Texas Department of Transportation (department) to the Texas Parks and Wildlife Department (TPWD) in Williamson County, subject to the following provisions;

The subject property can no longer be used for transportation purposes, but may only be used for the legislatively dedicated purpose of a public park, a purpose that benefits the public interest of the state;

TPWD, in consideration for the transfer of 6.18 acres of land, said subject property being more particularly described in Exhibit A, is required to be used as a public park, and leased to the Williamson County Parks and Recreation Department.

Ownership of the property shall automatically revert back to the department if TPWD no longer uses the property as a public park.

IT IS THEREFORE ORDERED by the commission that the executive director is authorized to enter into the necessary agreements and documents with TPWD and the Commission of the General Land Office to effect the transfer of care and jurisdiction of the 6.18 acre tract of land and any and all improvements thereon, pursuant to the authority of HB1235.

Note: Exhibit A is on file with minute order clerk.

**e. Speed Zones**

**Various Counties – Establish or alter regulatory and construction speed zones on various sections of highways in the state (MO)**

113072  
TRF

Transportation Code, §545.352 establishes prima facie reasonable and prudent speed limits for various categories of public roads, streets and highways.

Transportation Code, §545.353 empowers the Texas Transportation Commission (commission) to alter those prima facie limits on any part of the state highway system as determined from the results of an engineering and traffic investigation conducted according to the procedures adopted by the commission.

The Texas Department of Transportation (department) has conducted the prescribed engineering and traffic investigations to determine reasonable and safe prima facie maximum speed limits for those segments of the state highway system shown in Exhibits A and B.

Exhibit A lists construction speed zones in effect when signs are displayed within construction projects. The completion and/or acceptance of each project shall cancel the provision of this minute order applying to said project and any remaining construction speed zone signs shall be removed.

Exhibit B lists speed zones for sections of highways where engineering and traffic investigations justify the need to alter the speeds.

It has also been determined that the speed limit on a segment of the state highway system, previously established by the commission by minute order and listed in Exhibit C, are no longer necessary or have been incorporated by the city which has the authority to set the speed limit on these sections of the highway.

IT IS THEREFORE ORDERED by the commission that the reasonable and safe prima facie maximum speed limits determined in accordance with the department's

"Procedures for Establishing Speed Zones" and shown on the attached Exhibits A and B are declared as tabulated in those exhibits. The executive director is directed to implement this order for control and enforcement purposes by the erection of appropriate signs showing the prima facie maximum speed limits.

IT IS FURTHER ORDERED that a provision of any prior order by the commission which is in conflict with a provision of this order is superseded to the extent of that conflict, and that the portion of the minute order establishing the speed zone shown on the attached Exhibit C is canceled.

Note: Exhibits A through C are on file with minute order clerk.

**ITEM 16. Executive Session Pursuant to Government Code, Chapter 551**

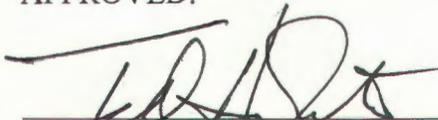
**a. Section 551.071 – Consultation with and advice from legal counsel regarding any item on this agenda.**

The commission did not meet in executive session.

There were no comments in the Open Comment Period.

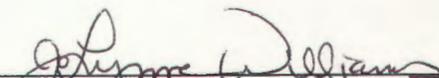
The regular meeting of the Texas Transportation Commission was adjourned at 10:25 a.m.

APPROVED:

  
\_\_\_\_\_  
Ted Houghton, Chairman  
Texas Transportation Commission

XXX

I hereby certify that the above and foregoing pages constitute the full, true and correct record of all proceedings and official records of the Texas Transportation Commission at its regular meeting on March 29, 2012, in Austin, Texas.

  
\_\_\_\_\_  
JoLayne Williams, Chief Minute Order Clerk  
Texas Department of Transportation