

These are the minutes of the regular meeting of the Texas Transportation Commission held on January 30, 2014, in Austin, Texas. The meeting was called to order at 9:00 a.m. by Chairman Houghton with the following commissioners present:

**Texas Transportation Commission:**

Ted Houghton	Chairman
Fred Underwood	Commissioner
Jeff Austin III	Commissioner
Jeff Moseley	Commissioner
Victor Vandergriff	Commissioner

**Administrative Staff:**

James Bass, Interim Executive Director  
 Jeff Graham, General Counsel  
 Rose Guajardo Walker, Chief Clerk  
 Robin Carter, Assistant Chief Clerk

Registration sheets listing others in attendance are on file with the Texas Department of Transportation, Assistant Chief 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 4:28 p.m. on January 22, 2014, as required by Government Code, Chapter 551, referred to as "The Open Meetings Act."

**ITEM 1. Safety Briefing**

This item was presented by Deputy Executive Director John Barton.

**ITEM 2. Approval of Minutes of the December 19, 2013, regular meeting and the January 7, 2014, special meeting of the Texas Transportation Commission**

Commissioner Underwood made a motion, which was seconded, and the commission approved the minutes of the December 19, 2013 regular meeting and the January 7, 2014, special meeting by a vote of 5 - 0.

**ITEM 3. Discussion**

**a. Report on potential improvements to TxDOT's Ferry operations (Presentation)**

The commission viewed a presentation from Deputy Executive Director John Barton.

Note: The ferry operations presentation is on file with the assistant chief clerk.

b. Update on Municipal Highways Turnback Program (Presentation)

The commission received an update from Deputy Executive Director John Barton.

**ITEM 4. Appointments****a. Lone Star Rail District**Appoint a public member to the board of directors of the Lone Star Rail District (MO)

Commissioner Moseley made a motion, which was seconded, and the commission approved the following minute order by a vote of 5 - 0. The commission heard comments from Sid Covington, Chairman of the Board, Lone Star Rail District. This item was presented by Director of Rail Erik Steavens.

113815  
RRD

Transportation Code §173.051 authorizes the creation of a commuter rail district for the purpose of providing commuter rail service between two municipalities which meet certain criteria.

The commissioners' courts of Bexar and Travis Counties and the city councils of the cities of Austin and San Antonio adopted resolutions favoring the creation of a commuter rail district for the purpose of providing commuter rail service between Austin and San Antonio.

The Lone Star Rail District (District) is governed by a board of directors (board). The board is responsible for management, operation and control of the District. The District convened their first meeting in February 2003 and the appointed board members entered into a service term of two years. Commencing in December 2007, the board terms for the public members are now staggered in alternate two year periods.

Transportation Code §173.102 provides that the Texas Transportation Commission (commission) will appoint two public directors to the board of the District.

The commission, by Minute Order 109121, dated December 19, 2002, originally appointed J. Tullos Wells of San Antonio to the board of the District based on his experience and knowledge of commuter rail transportation. The commission reappointed him to a second two-year term by Minute Order 109929 dated January 27, 2005, a third two-year term by Minute Order 110814 dated January 25, 2007, a fourth two-year term by Minute Order 111214 dated January 31, 2008, a fifth two-year term by Minute Order 112101 dated January 28, 2010, and a sixth two-year term by Minute Order 112969 dated January 26, 2012.

The commission has determined that it is in the best interest of the citizens of central Texas for Mr. Wells to be reappointed for a seventh two-year term as a member of the board due to his exemplary service and the need for the District to continue uninterrupted in their current efforts to bring commuter rail to the region.

IT IS THEREFORE ORDERED by the commission that J. Tullos Wells be reappointed as a member of the board of directors of the Lone Star Rail District for a seventh term. The term will start February 1, 2014, and will expire January 31, 2016.

**b. Private Activity Bond Surface Transportation Corporation****Appoint director to the Texas Private Activity Bond Surface Transportation Corporation (MO)**

Commissioner Austin made a motion, which was seconded, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Associate General Counsel Rebecca Bronson.

113816  
OGC

By Minute Order 111551 adopted on October 30, 2008, the Texas Transportation Commission (commission) authorized the creation of the Texas Private Activity Bond Surface Transportation Corporation (corporation) under the authority of Transportation Code, Chapter 431, Subchapters A through C and as further authorized by Title 43, Texas Administrative Code,

Section 15.94. The corporation was created 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 private activity bonds for comprehensive development agreement proposers approved by the commission.

The powers of the corporation are exercised through its board of directors consisting of three persons appointed by the commission. Under the articles of incorporation of the corporation, as approved by the commission, the directors of the corporation must be employees of the Texas Department of Transportation (department), and the commission duly appointed three initial members in Minute Order 111551. In Minute Order 112797 dated August 25, 2011, the commission appointed directors to a six year term. There is now a vacancy on the corporation's board of directors due to one director, Scott Haywood, having resigned as an employee of the department, as of February, 2014.

IT IS THEREFORE ORDERED that Lauren Garduno, an employee of the department, is appointed to the board of directors of the corporation to serve Mr. Haywood's remaining term expiring on August 31, 2017.

**c. Grand Parkway Transportation Corporation****Appoint director to the Grand Parkway Transportation Corporation (MO)**

Commissioner Moseley made a motion, which was seconded, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Associate General Counsel Rebecca Bronson.

113817  
OGC

By Minute Order 113046 adopted on March 29, 2012, the Texas Transportation Commission (commission) authorized the creation of the Grand Parkway Transportation Corporation (corporation) under the authority of Transportation Code, Chapter 431, Subchapters A through C and as further authorized by Title 43, Texas Administrative Code, Section 15.95. The corporation was created to facilitate the developing, financing, refinancing, designing, constructing, reconstructing, expanding, operating, and maintaining of various segments of State Highway 99 (Grand Parkway)

and act on behalf of the commission to promote and develop various segments of the Grand Parkway.

The powers of the corporation are exercised through its board of directors consisting of three persons appointed by the commission. Under the articles of incorporation of the corporation, as approved by the commission, the directors of the corporation must be employees of the Texas Department of Transportation (department), and the commission duly appointed three initial members in Minute Order 113046 to serve an initial term expiring on August 31, 2015.

There is now a vacancy on the corporation's board of directors due to one director, Scott Haywood, no longer being an employee of the department, effective as of February, 2014.

IT IS THEREFORE ORDERED that Lauren Garduno, an employee of the department, is hereby appointed to the board of directors of the corporation to serve Mr. Haywood's remaining term expiring on August 31, 2015.

**ITEM 5. Commission for High-Speed Rail in the Dallas/Fort Worth Region**

**Authorize the creation of a Commission for High-Speed Rail in the DFW Region, and appoint the presiding officer of the commission (MO)**

Commissioner Austin made a motion, which was seconded, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Director of Rail Erik Steavens.

113818  
RRD

The Texas Transportation Code, §201.117 provides that the Texas Transportation Commission (commission) may create an advisory committee to assist the Texas Department of Transportation (department) on any matter under its jurisdiction.

The Federal Railroad Administration (FRA) has awarded the department a \$15 million grant for preliminary engineering and environmental review work for high-speed passenger rail service from Dallas/Fort Worth to Houston. The department is currently entering into two memoranda of understanding concerning the preparation of environmental impact statements (EISs) as follows: (1) for the EIS concerning Fort Worth to Dallas, FRA will be the federal lead agency and the department will be the joint lead; and (2) for the EIS concerning Dallas to Houston, FRA will be the federal lead agency and a private entity (Texas Central Railroad) will be the applicant.

The department is working cooperatively with FRA, private interests, and other stakeholders. The department has recommended the creation of a Commission for High-Speed Rail in the Dallas/Fort Worth Region to advise the commission and executive director on the development of intercity rail corridors, new transportation policies, and funding and procurement strategies as they relate to the implementation of proposed high-speed rail connecting the Dallas and Fort Worth areas. It would also provide advice on the ongoing preparation of the EISs described above. It would be an advisory committee subject to the requirements of Texas Government Code, Chapter 2110 (concerning State Agency Advisory Committees) and 43 TAC §1.85(b)-(d)

(concerning Department Advisory Committees), except for the selection of the presiding officer and members.

The department has also recommended the appointment of William "Bill" Meadows of Fort Worth as the presiding officer.

The commission determines that the creation of such an advisory committee is necessary to assist the department and intends, at a later date, to appoint the additional members of the advisory committee and to specify additional duties of the advisory committee.

IT IS THEREFORE ORDERED by the commission that the Commission for High-Speed Rail in the Dallas/Fort Worth Region is created for the purposes recommended by the department as specified in this minute order and that William Meadows is appointed as its presiding officer.

IT IS FURTHER ORDERED that the Commission for High-Speed Rail in the Dallas/Fort Worth Region shall submit its advice and recommendations to the executive director or a department employee designated by the executive director to receive those recommendations, and shall make reports as requested by the commission.

**ITEM 6. County Transportation Infrastructure Fund Grant Program**

Authorize an extension of the period of time for counties to submit applications requesting grants under the County Transportation Infrastructure Fund Grant Program for funding transportation infrastructure projects located in areas of the state affected by increased oil and gas production (MO)

Commissioner Vandergriff made a motion, which was seconded, and the commission approved the following minute order by a vote of 5 - 0. The commission heard comments from Ronnie Mitchell, Karnes County R & B, Jim Allison, General Counsel, County Judges and Commissioners Association of Texas, and Joel Rodriguez, Jr., La Salle County Judge. This item was presented by Deputy Executive Director John Barton.

113819  
LGP

The Texas Transportation Commission (commission) by Minute Order 113773, dated November 21, 2013 (minute order), commenced implementation of a grant program using the transportation infrastructure fund dedicated by the Texas Legislature in the 83rd Legislature, Regular Session, 2013 (fund) to provide funding to counties for transportation infrastructure projects located in areas of the state affected by increased oil and gas production.

The minute order established that applications for grants from the fund be submitted by counties to the Texas Department of Transportation (department) on or before February 14, 2014, but no sooner than February 7, 2014; and that the total amount of funds available for the period designated above to be awarded among the eligible counties that submit a valid application will be \$225 million. Pursuant to Title 43 Texas Administrative Code §15.187, the department published notice of the period of time and the deadline for submitting grant applications, and the amount of money available for grants from the fund for the designated period.

After its publication of the notice, the department received a request from several state elected officials to extend the period for submitting grant applications. The extension was requested to allow each county more time to satisfy the prerequisites provided by Transportation Code, Chapter 256, Subchapter C, including establishment of a county energy transportation reinvestment zone, creation of an advisory board, and completion of a road condition report.

The commission finds that an extension of the period for submission of grant applications will further the goals of the grant program by increasing the number of counties that can fulfill the eligibility requirements, and will not adversely impact the process for allocating the grant funds in a timely manner. In order to provide additional time for counties to complete the eligibility requirements, the commission determines that the application period as designated in the minute order should be extended.

IT IS THEREFORE ORDERED that:

- (1) the designated period for submission by counties of grant applications to the department be extended to a date on or before March 14, 2014, but no sooner than March 7, 2014;
- (2) an amended notice be published by the department in accordance with the provisions of §15.187; and
- (3) all provisions of Minute Order 113773 that do not conflict with this minute order are confirmed and remain unchanged.

IT IS FURTHER ORDERED that the executive director or his designee is directed to take the necessary steps to implement the actions as ordered in this minute order.

**ITEM 7. Aviation**

**Various Counties - Award federal and state grant funding for airport improvement projects at various locations (MO)**

Commissioner Underwood made a motion, which was seconded, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Director of Aviation David Fulton.

113820  
AVN

The Texas Department of Transportation (department) is authorized under the federal Airport and Airway Improvement Act and the state Aviation Facilities Development and Financial Assistance Act to award federal and state funding for capital improvement projects and to assist in the development and establishment of airports in the state of Texas.

The airports listed in Exhibit A are currently in need of improvements to preserve the airports or to meet standards. The department recommends the award of federal and state grant funds for the improvements.

On Thursday, December 12, 2013 a public hearing was held. No comments were received.

IT IS THEREFORE ORDERED by the Texas Transportation Commission that the executive director, or the director's designee, is authorized to enter into any

necessary agreements to fund, through the Aviation Facilities Grant Program, the projects described in Exhibit A at an estimated cost of \$16,830,000.

Note: Exhibit A is on file with the assistant chief clerk.

**ITEM 8. Promulgation of Administrative Rules Under Title 43, Texas Administrative Code, and the Administrative Procedure Act, Government Code, Chapter 2001:**

**a. Final Adoption**

**(1) Chapter 1 - Management; Chapter 3 - Public Information; and Chapter 10**

**Ethical Conduct of Entities doing Business with the Department (MO)**

**Amendments to §1.2, (Texas Department of Transportation); §§3.11-3.13 (Access to Official Records) and §3.26 (Complaint Resolution); and §10.6 (General Provisions)**

Commissioner Underwood made a motion, which was seconded, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Chief Procurement Office and Deputy Administrative Officer Lauren Garduno.

113821  
ADM

The Texas Transportation Commission (commission) finds it necessary to adopt amendments to §1.2, §§3.11-3.13, §3.26, and §10.6, all relating to references to the Texas Department of Transportation's regional model, 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 - G, 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 §1.2, §§3.11-3.13, §3.26, and §10.6 are adopted and are authorized for filing with the Office of 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 - G are on file with the assistant chief clerk.

**(2) Chapter 1 - Management (MO)**

**Amendments to §1.503 (Donations)**

Commissioner Moseley made a motion, which was seconded, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by General Counsel Jeff Graham.

113822  
ADM

The Texas Transportation Commission (commission) finds it necessary to adopt amendments to §1.503 relating to donations 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 §1.503 are adopted and are authorized for filing with the Office of 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 the assistant chief clerk.

**(3) Chapter 12 - Public Donation and Participation Program (MO)**

**Amendments to §§12.351-12.355 (Acknowledgment Program)**

Commissioner Vandergriff made a motion, which was seconded, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Maintenance Engineering Supervisor Andy Keith.

113823  
MNT

The Texas Transportation Commission (commission) finds it necessary to adopt amendments to §§12.351-12.355, relating to the acknowledgement 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 §§12.351-12.355 are adopted and are authorized for filing with the Office of 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 the assistant chief clerk.

**(4) Chapter 27 - Toll Projects (MO)**

**Amendments to §27.2, §27.4, and §27.10 (Comprehensive Development Agreements);  
Amendments to §27.11 and Repeal of §27.14 (Transfer of Department Toll Projects and  
Conversion of Non-Toll State Highways)**

Commissioner Austin made a motion, which was seconded, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Strategic Projects Division Director Ed Pensock.

113824  
SPD

The Texas Transportation Commission (commission) finds it necessary to adopt amendments to §27.2, §27.4, and §27.10, relating to comprehensive development agreements, and amendments to §27.11 and the repeal of §27.14, relating to the transfer of department toll projects and conversion of non-toll state highways, 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 - 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 amendments to §27.2, §27.4, §27.10, §27.11 and the repeal of §27.14, are adopted and are authorized for filing with the Office of 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 - E are on file with the assistant chief clerk.

**b. Proposed Adoption**

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

Commissioner Austin made a motion, which was seconded, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Deputy Executive Director John Barton.

113825  
CSO

The Texas Transportation Commission (commission) finds it necessary to proposes amendments to §15.51, definitions, and §15.55, construction cost participation, to be codified under Title 43, Texas Administrative Code, Part 1.

The preamble and the proposed 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 and §15.55 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 and B are on file with the assistant chief clerk.

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

Amendments to §21.142, §21.149, §21.152, §21.159, §§21.163-21.165, §21.167, §§21.172-21.176, §21.179, §21.180, §21.182, §§21.190-21.192, §21.251, §21.253, and §21.255 (Regulation of Signs Along Interstate and Primary Highways); and §21.402, §21.409, §§21.412-21.414, §21.416, §21.417, §§21.421-21.425, §21.428, §21.433, §21.434, §21.435, §21.449, and §21.457 (Control of Signs Along Rural Roads)

Commissioner Moseley made a motion, which was seconded, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Right of Way Division Director John Campbell.

113826  
ROW

The Texas Transportation Commission (commission) finds it necessary to propose amendments to §21.142, §21.149, §21.152, §21.159, §§21.163-21.165, §21.167, §21.172-21.176, §21.179, §21.180, §21.182, §§21.190-21.192, §21.251, §21.253, §21.255, §21.402, §21.409, §§21.412-21.414, §21.416, §21.417, §§21.421-21.425, §21.428, §21.433-21.435, §21.449, and §21.457, all relating to the regulation of signs along highways and roads, and to be codified under Title 43, Texas Administrative Code, Part 1.

The preamble and the proposed 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 §21.142, §21.149, §21.152, §21.159, §§21.163-21.165, §21.167, §21.172-21.176, §21.179, §21.180, §21.182, §§21.190-21.192, §21.251, §21.253, §21.255, §21.402, §21.409, §§21.412-21.414, §21.416, §21.417, §§21.421-21.425, §21.428, §21.433-21.435, §21.449, and §21.457 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 - C are on file with the assistant chief clerk.9

**ITEM 9. Office of Compliance and Ethics****Office of Compliance and Ethics Report**

This item was presented by the Chief Audit Executive Benito Ybarra.

**ITEM 10. Design-Build Contracts**

**Travis County** - Authorize the department to issue a request for proposals for the development, design, and construction of the SH 71 Toll Lanes Project in Travis County, providing for the addition of toll lanes from Presidential Boulevard to just east of SH 130, along with the realignment of FM 973 from just south of the Colorado River to a point approximately 0.5 miles south of the current SH 71/FM 973 intersection; and approve a stipulated amount as payment for the work product of unsuccessful proposers (MO)

Commissioner Austin made a motion, which was seconded, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Strategic Projects Division Director Ed Pensock.

113827  
SPD

Transportation Code, Chapter 223, Subchapter F, prescribes the process by which the Texas Department of Transportation (department) may enter into a design-build contract with a private entity that provides for the design, construction, expansion, extension, related capital maintenance, rehabilitation, alteration, or repair of a highway project. Transportation Code, § 223.242 authorizes the department to enter into, in each fiscal year, up to three design-build contracts for highway projects with estimated construction costs of \$50 million or more.

On October 31, 2013, by Minute Order 113740, the Texas Transportation Commission (commission) authorized the department to issue a request for qualifications (RFQ) for the development, design, and construction of the SH 71 Toll Lanes Project that provides for the addition of toll lanes from Presidential Boulevard to just east of SH 130, along with the realignment of FM 973 from just south of the Colorado River to a point just south of the current SH71/FM 973 intersection in Travis County (SH 71 Toll Lanes Project). The department issued the RFQ on November 15, 2013. Ten proposer teams responded to the RFQ. On January 15, 2014, following the department's evaluation of those submissions, five teams were determined to be best qualified to be on the short list of proposer teams that will be requested to submit detailed proposals to develop, design, and construct the project.

Transportation Code § 223.246 and 43 TAC § 9.153(d) provide that, if authorized by the commission, the department will issue a request for proposals (RFP) from all private entities qualified for the short list. The department intends to issue an RFP for the SH 71 Toll Lanes Project and to request detailed proposals from the five short-listed teams to develop, design, and construct the project.

Transportation Code § 223.249(a) and 43 TAC § 9.153(f) require the department to pay an unsuccessful private entity who submits a detailed proposal that is responsive to the requirements of the RFP a stipulated amount in exchange for the work product contained in the proposal. The stipulated amount must be stated in the RFP and may not exceed the value of any work product contained in the proposal that can, as determined by the department, be used by the department in the performance of its functions. Payment for this work product would allow the department to use the work product for the benefit of SH 71 Toll Lanes Project or other department projects without further payment to the unsuccessful proposer. Transportation Code § 223.249(b) and

43 TAC § 9.153(f) also require the department to pay a partial stipend in the event that a procurement is terminated before the execution of a design-build contract.

IT IS THEREFORE ORDERED that the department is authorized to issue an RFP to develop, design, and construct the SH 71 Toll Lanes Project providing for the addition of toll lanes from Presidential Boulevard to just east of SH 130, along with the realignment of FM 973 from just south of the Colorado River to a point just south of the current SH71/FM 973 intersection in Travis County.

IT IS FURTHER ORDERED that, after consideration of the criteria in 43 TAC § 9.153(f), the department is authorized to pay each proposer that submits a responsive, but unsuccessful, proposal for the SH 71 Toll Lanes Project an amount based upon the value of the work product provided in the proposal that can, as determined by the department, be used by the department in the performance of its functions, up to a maximum amount per proposer of 0.25% of the successful proposer's price for all work under the design-build agreement.

IT IS FURTHER ORDERED that in the event the procurement is terminated prior to the execution of the design-build agreement, and after consideration of the criteria in 43 TAC § 9.153(f), the department is authorized to pay each proposer a partial stipend based upon the value of the work product that can, as determined by the department, be used by the department in the performance of its functions, up to a maximum amount per proposer of \$125,000.00.

IT IS FURTHER ORDERED that payment for work product may only be paid to the extent that the work product submitted meets the minimum criteria and the proposer satisfies the conditions for payment identified by the department in the SH 71 Toll Lanes Project procurement documents.

**ITEM 11. Toll Equity Loan Agreement**

**Various Counties – SH 99 (Grand Parkway) Toll Project – Authorize any deputy executive director of the department to execute amendments to the toll equity loan agreement (TELA) for the Grand Parkway toll project between the department and the Grand Parkway Transportation Corporation (GPTC) (MO)**

Commissioner Moseley made a motion, which was seconded, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Innovative Finance and Debt Management Officer Benjamin Asher.

113828  
DMO

The Texas Department of Transportation (department) and the seven counties in the Houston area in which SH 99 (Grand Parkway) is located have been proceeding with the development of the Grand Parkway from SH 146 in Galveston County to SH 146 in Chambers County.

In Minute Order 113046, dated March 29, 2012, the Texas Transportation Commission (commission) adopted a resolution creating the Grand Parkway Transportation Corporation (GPTC) pursuant to Title 43, Texas Administrative Code, §15.95, approving its certificate of formation and bylaws and appointing the initial directors. The commission adopted 43 TAC §15.95 to establish procedures applicable to toll project corporations created under Transportation Code, Chapter 431 (chapter

431) in entering into contracts with or on behalf of the commission in connection with the funding and development of toll projects.

GPTC is authorized to assist and act on behalf of the commission in the development, financing, design, construction, reconstruction, expansion, operation and/or maintenance of the Grand Parkway toll project in fulfillment of 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.

In Minute Order 113279, dated September 27, 2012, the commission granted final approval of a toll equity loan from the department to GPTC in an aggregate amount in nominal dollars not to exceed \$9,600,000,000, and authorized the executive director of the department to enter into the toll equity loan agreement (TELA) with GPTC for the facilities costs associated with Segments D (from north of Kingsland Boulevard to north of Colonial Parkway in Harris County), E, F-1, F-2, and G of the Grand Parkway and the maintenance, operation, and major maintenance costs of Segment D in Harris County and Segments E, F-1, F-2 and G, and identified and permitted pre-development costs of other portions of the Grand Parkway.

The department and GPTC entered into the TELA, dated July 17, 2013, in connection with the sale and issuance of GPTC's \$2,920,074,856.15 Grand Parkway System Toll Revenue Bonds, Series 2013 (series 2013 bonds), of which \$2,720,074,856.15 in aggregate principal amount is supported by the TELA. The amounts that can be borrowed by GPTC each year may not exceed certain annual limits, including the maximum available annual amount set forth in a schedule to the TELA and the maximum permitted amount defined in the TELA. The borrowed funds may be used by GPTC for debt service payments on the TELA-supported bonds of the Grand Parkway System and for certain budgeted operations and maintenance expenses and budgeted capital expenditures if toll revenue, money in certain reserve funds and accounts, and other revenue derived from the project are insufficient to make those payments.

During the term of the TELA, the provisions of the agreement permit the TELA to be amended, subject to authorization by the commission, in order to adjust the maximum amount available annually for loans by the department to GPTC.

Pursuant to Minute Order 113803, dated December 19, 2013, the commission authorized the executive director to enter into an amendment modifying the maximum amount permitted to be borrowed under the TELA each year by GPTC. The executive director was authorized by that minute order to enter into the TELA amendment on behalf of the department. The interim executive director of the department also serves as president of GPTC and will be entering into the TELA amendment on behalf of GPTC. Therefore, other department representatives need to be authorized to enter into TELA amendments on behalf of the department.

NOW, THEREFORE, IT IS ORDERED that any deputy executive director of the department is authorized to enter into authorized amendments to the toll equity loan agreement with the Grand Parkway Transportation Corporation for the Grand Parkway

project as described above, with such changes as the signing deputy executive director may approve.

IT IS FURTHER ORDERED that any deputy executive director or his designee is authorized and directed to execute all ancillary agreements, instruments, and certificates necessary to effect the delivery of an authorized amendment to the toll equity loan agreement.

**ITEM 12. Finance**

**a. State Highway Fund Revenue Bonds**

Approve an amended and restated Sixth Supplemental Resolution authorizing the issuance of new money and refunding obligations of the State Highway Fund in one or more series; approve documents relating to the issuance of such obligations and the refunding of certain outstanding State Highway Fund revenue bonds, including official statements, bond purchase contracts, and escrow agreements; designate certain department officials to take all action necessary to deliver the obligations; and approve an application to the Texas Bond Review Board for authority to issue such obligations (MO)

Commissioner Austin made a motion, which was seconded, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Innovative Finance and Debt Management Officer Benjamin Asher.

113829  
DMO

Minute Order 113052 adopted by the Texas Transportation Commission (commission) on March 29, 2012, authorized, among other matters, the execution and delivery of additional senior obligations (additional senior obligations) pursuant to the 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, as supplemented by the sixth supplemental resolution (original supplemental resolution) to the master resolution. Minute Order 113442, adopted by the commission on January 31, 2013, amended and restated the original supplemental resolution (as amended and restated, supplemental resolution). Any terms not otherwise defined herein have the meanings given in Minute Order 113052 and the master resolution.

The supplemental resolution authorizes the issuance of additional senior obligations, in one or more series, to fund state highway improvement projects (new money bonds) and to refund certain outstanding senior obligations (refunding bonds) and prescribes certain terms, provisions, and covenants related to the additional senior obligations, provided that the aggregate principal amount of 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 the aggregate principal amount of refunding bonds shall not exceed \$1.7 billion, as reflected in the supplemental resolution.

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 from review by the board, and Texas Department of Transportation (department) staff is further reviewing whether any projects expected to

be financed through the issuance of taxable new money bonds may be eligible for tax-exempt financing with an allocation of state volume cap through the board's private activity bond program.

Section 1.150-2 of the Treasury Regulations (26 C.F.R. §1.150-2) authorizes the commission to use the proceeds of bonds or other obligations, under the conditions set out in that section, to reimburse expenditures for a governmental purpose that are originally paid from another source, and the department expects to pay capital expenditures in connection with state highway improvement projects prior to the issuance of additional senior obligations to finance such projects.

Under the supplemental resolution, the department representative, defined in the supplemental resolution to include the chief financial officer of the department, the innovative financing/debt management officer and the deputy director, innovative financing/debt management office, is authorized to determine the timing and method of sale for each series of additional senior obligations as well as the price and other terms of each series of additional senior obligations, as prescribed in each award certificate for the additional senior obligations, subject to section 302(b) of the supplemental resolution, which provides that the delegation to the department representative pursuant to the supplemental resolution shall cease to be effective on January 31, 2014, unless the commission shall act to extend such delegation.

The commission has determined that it is in the best interest of the state to extend the expiration date for the delegation conferred by the supplemental resolution, as set forth in section 302(b) of the supplemental resolution, through and until January 31, 2015.

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.

**IT IS THEREFORE ORDERED** by the commission that the delegation conferred by the supplemental resolution shall extend and continue in effect through and until January 31, 2015; and, subject to such changes to the form of supplemental resolution as the department representative shall deem necessary or appropriate to reflect such extension and continuation, the supplemental resolution in substantially the form presented with Minute Order 113442 is approved.

**IT IS FURTHER ORDERED** by the commission that the chairman and the executive director or the interim 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, each bond purchase contract, if applicable, paying agent/registrars agreement and escrow agreement (collectively, financing documents), in the form approved by the department representative or in substantially the form previously approved by the commission in connection with outstanding senior obligations, as applicable, with such changes as the department representative executing each such document may approve, including such changes as the department representative shall deem necessary or appropriate to reflect the extension and

continuation of the delegation contemplated by this order, such approval to be conclusively evidenced by execution of such financing document; and, the department representative 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, tender agent agreement, liquidity agreement or similar agreement necessary for any variable rate bonds (collectively, supporting documents), in the form approved by the department representative or in substantially the form previously approved by the commission in connection with outstanding senior obligations, as applicable, with such changes as the department representative executing each such document may approve, such approval to be conclusively evidenced by execution of such supporting document.

IT IS FURTHER ORDERED by the commission that the department representative is authorized to direct the Comptroller of Public Accounts (comptroller) to withdraw amounts from the highway fund and forward such amounts as are necessary to permit the timely payment of obligations issued or incurred pursuant to the supplemental resolution or the cash defeasance or redemption of a portion of the outstanding senior obligations; and, the department representative is authorized to execute and deliver such management agreements or instructions 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 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 financing documents and the supporting documents are hereby approved; and, the department representative is authorized and directed to execute and deliver such documents.

IT IS FURTHER ORDERED by the commission that the department representative is authorized and directed to file with the board an application for approval, exemption, or state volume cap, as applicable and necessary, in connection with the issuance of each series of additional senior obligations.

IT IS FURTHER ORDERED by the commission that the department representative is delegated the authority to declare official intent on behalf of the commission and the department to reimburse capital expenditures in connection with state highway improvement projects from the proceeds of additional senior obligations in accordance with Section 1.150-2 of the Treasury Regulations.

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 additional 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, each department representative and the general counsel are authorized and directed to perform all such acts and execute such documents, notices and other instruments, including execution of certifications to the underwriters or purchasers, any counterparties, the Attorney General, the comptroller, the board, 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 state highway fund revenue financing program, the financing documents, any supporting documents, and any credit agreements.

**b. Texas Mobility Fund Obligations**

Approve an amended and restated Ninth Supplemental Resolution authorizing the issuance of new money and refunding obligations of the Texas Mobility Fund in one or more series; approve documents relating to the issuance of such obligations and the refunding of certain outstanding Texas Mobility Fund revenue bonds, including official statements, purchase contracts, and escrow agreements; designate certain department officials to take all action necessary to deliver the bonds; and approve an application to the Texas Bond Review Board, if necessary, for authority to issue such obligations (MO)

Commissioner Vandergriff made a motion, which was seconded, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Innovative Finance and Debt Management Officer Benjamin Asher.

113830  
DMO

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 and Second 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 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 1) pay all or part

of the costs of constructing, reconstructing, acquiring, and expanding State highways; 2) provide participation by the State in the payment of part of the costs of constructing and providing publicly owned toll roads and other public transportation projects; 3) create debt service accounts; 4) pay interest on obligations for a period of not longer than two years; 5) refund or cancel outstanding obligations; and 6) pay the commission's costs of issuance (collectively, projects) and staff of the Texas Department of Transportation (department) is reviewing all the 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.

Transportation Code, Chapter 201, Subchapter M, provides that the commission may guarantee on behalf of the State the payment of any obligations and credit agreements secured by the fund by pledging the full faith and credit of the State to the payment of the obligations and credit agreements in the event the revenue and money dedicated to the fund and on deposit in the fund under the constitutional provision, are insufficient for that purpose.

Transportation Code, §201.947 provides that the commission may not issue obligations before the department has developed a strategic plan that outlines how the proceeds of obligations will be used and the benefit the State will derive from use of money in the fund and pursuant to Minute Order 109800, dated September 30, 2004, the Texas Mobility Fund Strategic Plan as developed by the department was adopted and has not been amended.

The commission has determined it to be in the best interest of the State and the 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 for additional projects including to refund all or part of the 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 of State of Texas General Obligation Mobility Fund Obligations (obligations) with such title and series designation as set forth in the ninth supplement and any series of obligations may be issued for refunding purposes if the refunding results in any of the following: (i) provides a net present value debt service savings of not less than 3% of the outstanding parity debt refunded, (ii) provides long-term fixed rates for refunded variable rate bonds, (iii) other variable rate financing for refunded variable rate bonds, or (iv) any combination thereof.

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 and department staff is further reviewing whether any new money projects include private business use or other issues that may require the issuance of taxable bonds or obtaining State volume cap through application to the board's private activity bond program.

Under the ninth supplement, the Department Representative, as defined in the ninth supplement, includes the Chief Financial Officer of the department, the Innovative Financing/Debt Management Officer and the Deputy Director, Innovative Financing/Debt Management Office, is authorized to determine the method of sale for each series of obligations as well as the price and other terms of each series of the obligations as prescribed in each award certificate.

Under the ninth supplement, the Department Representative is authorized to price all or a portion of one or more series of the bonds with various interest rate and other structures including variable rate bonds, put bonds, index bonds and others, which may require the use of liquidity provider(s), tender agents, remarking agents and other entities performing various functions in connection with any such interest rate structures.

The commission understands that a preliminary official statement (pos) and final official statement (official statement) in substantially the form of the pos will be distributed in connection with the public offering of one or more series of the obligations, 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 obligations and any related credit agreements.

IT IS THEREFORE ORDERED by the commission that the Chairman and the Executive Director or Interim Executive Director, as applicable, are authorized and directed to execute and deliver each series of the obligations 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 purchase contract, if applicable, paying agent/registrars agreement and escrow agreement and similar agreements necessary for any series of the obligations 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 the Department Representative, on behalf of the commission, 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 (collectively, variable rate documents), and the variable rate documents and similar agreements in connection with any variable rate bonds are approved in substantially the form previously approved by the commission in connection with the outstanding parity debt, as defined in the ninth supplement, with such changes as the Department Representative executing the same may approve, such approval to be conclusively evidenced by execution of the variable rate documents.

IT IS FURTHER ORDERED by the commission that any necessary ancillary documents in connection with the issuance of a series of the obligations, the program documents and the variable rate 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 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, exemption or State volume cap, including volume cap carryforward, as applicable, and necessary in connection with the issuance of each series of Obligations.

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 obligations and the payment obligations of the commission under any credit agreements.

IT IS FURTHER ORDERED by the commission that each member of the commission, each Department Representative, the Executive Director or Interim Executive Director, as applicable, 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, the program documents and the variable rate documents.

**c. Texas Highway Improvement General Obligation Bonds**

Approve a resolution authorizing the issuance of the unissued remainder of the \$5 billion in highway improvement general obligation (HIGO) bonds authorized by the constitutional provision and enabled under Transportation Code, §222.004; approve the preliminary official statement and other documents relating to the issuance of the bonds; authorize designated department officials to take all actions necessary to deliver one or more series of bonds; and approve an application to the Bond Review Board, if necessary, for authority to issue additional bonds (MO)

Commissioner Austin made a motion, which was seconded, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Innovative Finance and Debt Management Officer Benjamin Asher.

113831  
DMO

Section 49-p, Article III of the Texas Constitution (Constitutional Provision) and Transportation Code, Section 222.004 (Section 222.004), and other applicable law, including Government Code, Chapter 1371, authorize the Texas Transportation Commission (commission) to issue general obligation bonds, notes and other public securities (bonds) and to enter into credit agreements. The commission may issue general obligation bonds for one or more of the following purposes: 1) to pay, or reimburse the State Highway Fund for payment of, all or part of the costs of highway improvement projects including loans for highway improvement projects; 2) to pay (a) the costs of administering projects authorized under Section 222.004, (b) the costs or expense of the issuance of the bonds or (c) all or part of a payment owed or to be owed under a credit agreement and 3) refunding outstanding bonds.

Pursuant to Minute Order 112100 adopted by the commission on January 28, 2010, the commission approved a "Master Resolution Establishing the Texas Transportation Commission Highway Improvement General Obligation Financing Program" (master resolution) to establish a general obligation financing program in an initial aggregate principal amount not to exceed \$5 billion pursuant to which the commission may issue bonds and execute credit agreements secured by and payable from the general revenues of the State pursuant to the Constitutional Provision and Section 222.004.

Pursuant to the "First Supplemental Resolution to the Master Resolution Establishing the Texas Transportation Commission Highway Improvement General Obligation Financing Program" also approved by Minute Order 112100, the commission issued \$815,420,000 aggregate principal amount of "Texas Transportation Commission State of Texas Highway Improvement General Obligation Bonds, Taxable Series 2010A (Build America Bonds – Direct Payment)" and \$162,390,000 aggregate principal amount of "Texas Transportation Commission State of Texas Highway Improvement General Obligation Bonds, Series 2010B."

Pursuant to the "Second Supplemental Resolution to the Master Resolution Establishing the Texas Transportation Commission Highway Improvement General Obligation Financing Program" also approved by Minute Order 112974, the commission issued \$818,635,000 aggregate principal amount of "Texas Transportation Commission State of Texas Highway Improvement General Obligation Bonds, Series 2012A" and \$99,570,000 aggregate principal amount of "Texas Transportation Commission State of Texas Highway Improvement General Obligation Bonds, Series 2012B."

In furtherance of financing highway improvement projects the commission has determined it to be in the best interest of the State to issue additional general obligation bonds for highway improvement projects.

The master resolution, together with the "Third Supplemental Resolution to the Master Resolution Establishing the Texas Transportation Commission Highway Improvement General Obligation Financing Program" (third supplement), prescribes the terms, provision and covenants related to the issuance of additional general obligations bonds in one or more series entitled "Texas Transportation Commission State of Texas Highway Improvement General Obligation Bonds" with such series designation as set forth in the third supplement.

Under the third supplement, the Department Representative, as defined in the third supplement, is authorized to determine the method of sale for the bonds, and shall further determine such price, interest rate or rates and such terms of the bonds, as prescribed in the award certificate in accordance with the third supplement.

The commission understands that a preliminary official statement (pos) and final official statement (official statement) in substantially the form of the pos will be distributed in connection with the public offering and sale of one or more series of the bonds, which pos does, and which official statement will, include a description of the general obligation pledge of the State's full faith and credit.

Under the third supplement, the Department Representative is authorized to price all or a portion of the bonds with various interest rate and other structures including variable rate bonds, put bonds, index bonds and others, which may require the use of liquidity provider(s), tender agents, remarking agents, and other entities performing various functions in connection with any such interest rate structures.

Government Code, Section 1231.041 provides that a State agency may not issue a State security, including a bond, unless the Texas Bond Review Board (board) approves the issuance. Government Code, Section 1231.042 provides that, in order to obtain the approval of the board to issue a State security, a State agency must apply to the board in the manner prescribed by the board.

Department staff is in the process of determining which highway improvement projects may include private business use or other issues that may require the issuance of taxable bonds or obtaining State volume cap through application to the board's private activity bond program.

**IT IS THEREFORE ORDERED** by the commission that the Chairman of the commission and the executive director or the interim executive director, as applicable, of the department are authorized and directed to execute and deliver the bonds and such other documents and certificates necessary 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 third supplement, any bond purchase contract, award certificate and paying agent agreement (collectively, program documents), and the program documents are approved in substantially the form presented to the commission with such changes as the Department Representative 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 the Department Representative, on behalf of the commission, 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 (collectively, variable rate documents), and the variable rate documents and similar agreements in connection with any variable rate bonds are approved in substantially the form previously approved by the commission in connection with the Outstanding Mobility Fund Debt, as defined in the third supplement, with such changes as the Department Representative executing the same may approve, such approval to be conclusively evidenced by execution of the variable rate documents.

**IT IS FURTHER ORDERED** by the commission that any necessary ancillary documents in connection with the issuance of the bonds, the program documents and

the variable rate documents, if any, are hereby approved, and the Department Representative, on behalf of the commission, is authorized and directed to execute and deliver such documents, including the application and submission to the board, as necessary.

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 pos and official statement are deemed final for purposes of Rule 15c2-12 of the Securities and Exchange Commission (rule) with such omissions as permitted by the rule.

IT IS FURTHER ORDERED that the Department Representative, on behalf of the commission, is authorized to make application to the board from time to time as necessary to receive further approval, exemption or State volume cap, including volume cap carryforward, as applicable and necessary in connection with the issuance of each series of the bonds.

IT IS FURTHER ORDERED by the commission that the highway improvement projects to be financed with the proceeds of the bonds issued pursuant to the master resolution and the third supplement are necessary highway improvements and related structures.

IT IS FURTHER ORDERED by the commission that each member of the commission, each Department Representative, the executive director or interim executive director, as applicable, and general counsel of the department are authorized and directed to perform all such acts and execute such documents, certificates, notices and applications, including execution of certifications to the underwriters, 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 general obligation financing program established by the master resolution, the third supplement, the program documents and the variable rate documents, if any.

**d. Central Texas Turnpike System Revenue Bonds**

Approve the Seventh Supplemental Indenture authorizing the issuance of one or more series of Central Texas Turnpike System (CTTS) Revenue Refunding Bonds to refund all or any portion of the outstanding bonds; approve the official statement, bond purchase contract, escrow agreement and other documents relating to any issuance of refunding bonds; authorize the chief financial officer and other designated department representatives to take all actions necessary to effectuate any refunding and deliver one or more series of CTTS Revenue Refunding Bonds; and approve an application to the Texas Bond Review Board, if necessary, for approval or approval to issue such refunding bonds (MO)

Commissioner Austin made a motion, which was seconded, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Innovative Finance and Debt Management Officer Benjamin Asher.

113832  
DMO

Transportation Code Section 228.051 provides that the Texas Transportation Commission (commission) by order may designate one or more lanes of a segment of the state highway system as a toll project or system.

By Minute Order 108873, dated April 25, 2002, SH 130 was designated as a toll project and a controlled access state highway from I-35 north of Georgetown to the intersection of US 183 and

SH 130 at SH 45 Southeast (SH 130) as part of the Central Texas Turnpike System (system).

By Minute Order 108896, dated May 30, 2002, SH 45 N was designated as a toll project and a controlled access state highway from west of US 183 to SH 130/SH 45 North interchange (SH 45 N) as part of the system.

By Minute Order 108896, dated May 30, 2002, Loop 1 was designated as a toll project and a controlled access state highway from the existing Loop 1 and FM 734 (Parmer Lane) to the Loop 1/SH 45 North interchange (Loop 1) as part of the system.

By Minute Order 109729 dated July 29, 2004 SH 45 Southeast was designated as a toll project and a controlled access state highway from I-35 at FM 1327 South of Austin to the SH 310/US 182 interchange (SH 45 SE) and by Minute Order 113243 dated August 30, 2012 SH 45 SE was designated as part of the system.

The commission has outstanding \$2,144,960,088 in aggregate principal amount of obligations (including \$434,630,088 original aggregate principal amount First Tier Revenue Bonds, Series 2002-A (2002-A Bonds); \$900,000,000 original aggregate principal amount TIFIA Loan Agreement and 2002 TIFIA Bond; \$585,330,000 First Tier Revenue Refunding Bonds Series 2012-A and \$225,000,000 First Tier Revenue Refunding Put Bonds, Series 2012-B) (collectively, the system obligations) to finance or refinance a portion of the costs of the system, composed of the SH 130, SH 45 N, Loop 1 and SH 45 SE project elements, described above, pursuant to an Indenture of Trust (indenture) and six supplemental indentures. Any terms not otherwise defined in this order have the meaning given in the indenture.

The commission is authorized pursuant to Chapters 1207 and 1371, Texas Government Code, as amended, and Chapter 228, Texas Transportation Code, as amended, to refund, refinance, and restructure outstanding toll revenue obligations such as the system obligations and the department is reviewing all outstanding system obligations for refunding opportunities to achieve debt service savings.

The commission has determined it to be in the best interest of the State and the system to issue additional obligations pursuant to the indenture to refund all or any portion of the outstanding system obligations for debt service savings and the indenture authorizes the issuance of additional obligations to refund all or any portion of the outstanding system obligations upon compliance with certain conditions as set forth in the indenture.

The indenture, together with the "Seventh Supplemental Indenture of Trust" (seventh supplement), prescribes the terms, provisions, and covenants related to the proposed issuance of refunding obligations in one or more series with such name, series designation, and other terms and provisions as provided in the seventh supplement and each related award certificate so long as the issuance of such refunding obligations

results in a net present value debt service savings of at least 3% of the obligations refunded.

Government Code Section 1231.041 provides that a State agency may not issue a State security 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 seventh supplement, a chief financial officer, as defined in the seventh supplement, includes the chief financial officer of the department, the innovative financing/debt management officer and the deputy director, innovative financing/debt management office, who is authorized to determine the method of sale for each series of refunding obligations as well as the price, lien status, and other terms of each series of the refunding obligations as prescribed in each award certificate.

The commission understands that a preliminary official statement (pos) and final official statement (official statement) in substantially the form of the pos will be distributed in connection with the public offering and sale of one or more series of the refunding obligations.

Under the seventh supplement, a chief financial officer is authorized to price all or a portion of one or more series of the refunding obligations with various interest rate and other structures including variable rate bonds, put bonds, index bonds, and others, which may require the use of liquidity provider(s), tender agents, remarketing agents, and other entities performing various functions in connection with any such interest rate structures.

**IT IS THEREFORE ORDERED** by the commission that the chairman and executive director or interim executive director, as applicable, are authorized and directed to execute and deliver each series of the refunding obligations and such other documents and certificates to carry out the intent of this order and a chief financial officer, on behalf of the commission, is authorized and directed to execute and deliver the seventh supplement, each bond purchase agreement, as applicable, escrow agreement, if necessary, paying agent agreement, award certificate and similar agreements necessary for any series of the refunding obligations (collectively, program documents), in the form approved by a chief financial officer or in substantially the form previously approved by the commission in connection with the outstanding system obligations, as applicable, with such changes as a chief financial officer, 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 a chief financial officer, on behalf of the commission, is authorized and directed to execute and deliver any remarketing agreement, liquidity agreement, tender agent agreement, and other agreements necessary for any variable rate refunding obligations (collectively, variable rate documents), and the variable rate documents and similar agreements in connection with any variable rate refunding obligations are authorized in such form approved by a chief financial officer executing the same may approve, such approval to be conclusively evidenced by execution of the variable rate documents.

**IT IS FURTHER ORDERED** by the commission that any necessary ancillary documents in connection with the issuance of the refunding obligations, the program documents, the variable rate documents, if any, are hereby approved, and a chief

financial officer, on behalf of the commission, 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 refunding obligations in such form as a chief financial officer, on behalf of the commission, executing the same may approve, such approval to be conclusively evidenced by execution of such official statement. The chief financial officer, on behalf of the commission, is authorized to deem any 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 a chief financial officer, 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 refunding obligations.

IT IS FURTHER ORDERED by the commission that each member of the commission, each chief financial officer, the executive director or interim executive director, as applicable, and general counsel are authorized and directed to perform all such acts and execute such documents and notices, including execution of certifications to any 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 system, the program documents, and the variable rate documents.

**ITEM 13. Texas Mobility Fund**

**El Paso County – Camino Real Regional Mobility Authority - Consider granting approval of a request from Camino Real Regional Mobility Authority (CRRMA) for a grant for capital costs relating to the delivery of the Loop 375 Border Highway West Extension project from Racetrack Drive near Doniphan Road and New Mexico 273 (west of downtown) to US 54 (east of downtown) in the city of El Paso (project) with funding from the proceeds of Texas Mobility Fund general obligation bonds issued under Transportation Code, Chapter 201, Subchapter M; authorize the executive director or his designee to enter into a memorandum of understanding (MOU) providing the terms and conditions on which the CRRMA will use the proceeds of the grant in furtherance of the delivery of the project and setting forth the contributions, roles and responsibilities of the CRRMA and the department in the development, design, construction, funding, operation and maintenance of the project; and authorize the executive director or his designee to enter into other agreements and execute documents as necessary to carry out the purposes of this minute order (MO)**

Commissioner Austin made a motion, which was seconded, and the commission approved the following minute order by a vote of 4 - 0. Commissioner Moseley abstained from this vote. This item was presented by Innovative Finance and Debt Management Officer Benjamin Asher.

113833  
DMO

Article III, Section 49-k of the Texas constitution (constitutional provision) created the Texas Mobility Fund (fund) in the state treasury and provides that the fund shall be administered by the Texas Transportation Commission (commission) as a revolving fund to provide a method of financing the construction, reconstruction, acquisition, and expansion of state highways and to provide participation by the state in the payment of a portion of the costs of constructing and providing publicly-owned toll roads and other public transportation projects, in accordance with the procedures, standards and limitations established by law.

The Texas Legislature implemented the authority granted by this constitutional provision in Transportation Code, Chapter 201, Subchapter M (enabling act). Transportation Code §201.943 provides that the commission, by order, may issue obligations, including Texas Mobility Fund general obligation bonds (bonds), secured by and payable from a pledge of and lien on all or part of the money in the fund.

In Minute Order 109800, dated September 30, 2004, the commission adopted the Texas Mobility Fund Strategic Plan (plan) in accordance with Transportation Code §201.947 describing how the proceeds of obligations will be used and the benefit the state will derive from use of money in the fund.

Camino Real Regional Mobility Authority (CRRMA) has submitted a request to the Texas Department of Transportation (department) for state participation in the form of a grant of \$600 million in Texas Mobility Fund bond proceeds (award) to pay a portion of the capital costs relating to the delivery of the Loop 375 Border Highway West Extension project from Racetrack Drive near Doniphan Road and New Mexico Highway 273 (west of downtown) to U.S. 54 (east of downtown) in the city of El Paso (project).

The grant of money in the fund for the project is consistent with the uses of the fund set forth in the plan.

In Minute Order 110573 adopted by the commission on June 30, 2006, the commission authorized the creation of the CRRMA. The CRRMA now operates pursuant to Chapter 370 of the Texas Transportation Code and 43 Texas Administrative Code §26.01 et seq., as well as its own policies and procedures.

Pursuant to Minute Orders 113594 and 113741, the Texas Department of Transportation (department) has issued a request for proposals to develop, design, construct, and maintain the project as a toll project.

The department and the CRRMA will be working cooperatively to deliver and operate the project, with each contributing a portion of the capital costs. The award will comprise a portion of the CRRMA's contribution, with the CRRMA assuming the risk of any project losses and liability commensurate with its contribution. A memorandum of understanding (MOU) is necessary and desirable to clarify the relationships between the department and the CRRMA in connection with development, construction, funding, operation, and maintenance of the project.

The department and the CRRMA have agreed on the arrangements for shared responsibility for development of contracts for the delivery of the project, for payment of capital costs, and for operation and maintenance of the project as a toll facility. The MOU will set forth the agreed allocation of project responsibilities and risks between the parties, consistent with their interests, contributions and capabilities and will assist

in ensuring compliance with the permitted uses of the fund and federal income tax laws applicable to the bonds. The MOU will further provide for detailed terms and conditions of toll collection and operations for the project, costs of and payment procedures for operation and maintenance expenses from project revenues, procedures for use of the award, and allocation and payment procedures relating to project capital costs to be more fully developed in ancillary agreements among the department, the CRRMA, and third-party service providers.

NOW, THEREFORE, IT IS DETERMINED that the request for a grant from the fund submitted by the Camino Real Regional Mobility Authority meets the eligibility requirements of the constitutional provision, enabling act, and the plan, and the commission approves the request for funding from the proceeds of the bonds in the amount of \$600 million, in the form of a grant, to be used for the purposes described herein, and directs the executive director to implement the actions necessary to effect the purposes of this minute order and further directs the chief financial officer, as an authorized representative pursuant to the master resolution and the applicable supplemental resolution for the fund, to ensure compliance with the permitted uses of the fund and the federal income tax laws applicable to the bonds and to enter into a memorandum of understanding between the department and the Camino Real Regional Mobility Authority and any other agreements or certificates necessary to effect the purposes of this minute order.

**ITEM 14. Contracts**

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

**(a) Highway Maintenance and Department Building Construction (MO)**

Commissioner Austin made a motion, which was seconded, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Construction Director John Obr.

113834  
MNT

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 January 7 and 8, 2014, as shown on Exhibit A.

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.

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 is on file with the assistant chief clerk.

**(b) Highway and Transportation Enhancement Building Construction (MO)**

Commissioner Austin made a motion, which was seconded, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Construction Director John Obr.

113835  
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 January 7 and 8, 2014, as shown on Exhibit A.

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 Texas Transportation Commission (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, 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 is on file with the assistant chief clerk.

**ITEM 15. 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 Vandergriff 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 Chairman Houghton, Commissioner Austin, Commissioner Underwood, Commissioner Vandergriff, and Commissioner Moseley (a vote of 5 - 0). This item was presented by Right of Way Director John Campbell.

113836  
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 - PP. 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 - 21, 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**

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Denton	US 377	15	0081-04-036	20
El Paso	SL 375	19	2552-04-041	3 P2
El Paso	SS 1966	18	3628-01-002	3 P1
Grimes	SH 30	14	0212-04-034	8
Grimes	SH 30	13	0212-04-034	9

Harris	FM 1960	1	1685-01-096	1407
Harris	SH 99	17	3510-06-006	288
Harris	SH 99	20	3510-06-011	507
Harris	US 290	7	0050-08-096	714
Harris	US 290	8	0050-09-086	2046
Harris	US 290	4	0050-09-090	420
Montgomery	FM 1488	5	0523-10-037	18
Montgomery	FM 1488	3	0523-10-037	7
Montgomery	FM 1774	2	1400-04-027	228A
Montgomery	SH 99	16	3510-07-007	728
Nueces	US 77	6	0102-02-100	10
Rockwall	FM 740	9	1014-03-058	51
Rockwall	FM 740	12	1091-04-024	5C
Rockwall	FM 740	10	1091-04-024	5A
Rockwall	FM 740	11	1091-04-024	5B
Travis	FM 973	21	1200-03-049	40

**CONTROLLED ACCESS**

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Burleson	FM 60	U	0648-03-056	22
Burleson	FM 60	AA	0648-03-056	23
Denton	IH 35E	D	0196-01-097	50
Denton	IH 35E	K	0196-01-097	51
Harris	IH 45	S	0500-03-546	210
Harris	SH 99	GG	3510-06-005	108,108TE
Harris	SH 99	II	3510-06-005	121
Harris	SH 99	FF	3510-06-005	134
Harris	SH 99	LL	3510-06-005	155
Harris	SH 99	Z	3510-06-005	142,142TE
Harris	SH 99	KK	3510-06-005	152
Harris	SH 99	MM	3510-06-006	232
Harris	SH 99	BB	3510-06-006	213B
Harris	SH 99	X	3510-06-006	231
Harris	SH 99	HH	3510-06-006	358
Harris	SH 99	NN	3510-06-006	353
Harris	SH 99	DD	3510-06-006	330
Harris	SH 99	Y	3510-06-011	530
Harris	SH 99	M	3510-06-011	508
Harris	US 290	H	0050-09-086	2006
Harris	US 290	G	0050-09-086	2007
Harris	US 290	R	0050-09-086	2048
Harris	US 290	J	0050-09-087	528
Harris	US 290	I	0050-09-090	410
Montgomery	SH 99	EE	3510-07-007	628,628TE
Montgomery	SH 99	JJ	3510-07-007	632

Montgomery	SH 99	T	3510-07-007	723
Montgomery	SH 99	CC	3510-07-007	627,627TE
Montgomery	SH 99	PP	3510-07-007	630
Montgomery	SH 99	OO	3510-07-007	631
Tarrant	IH 35W	V	0014-16-266	951
Tarrant	IH 35W	A	0014-16-266	875
Tarrant	IH 35W	C	0014-16-266	954
Tarrant	IH 35W	W	0014-16-266	950
Tarrant	IH 35W	Q	0014-16-266	873
Tarrant	IH 35W	F	0014-16-266	819
Tarrant	IH 35W	P	0014-16-266	869
Tarrant	IH 35W	E	0014-16-266	817
Travis	FM 973	B	1200-03-049	20
Travis	FM 973	L	1200-03-049	63
Travis	FM 973	O	1200-03-049	61
Travis	FM 973	N	1200-03-049	62

Note: Exhibits A - PP and 1 - 21 are on file with the assistant chief clerk.

**ITEM 16. Routine Minute Orders**

Commissioner Underwood made a motion, which was seconded, and the commission approved the following minute orders by a vote of 5 - 0. This item was presented by Interim Executive Director James Bass.

**a. Donations to the Department**

**Various Districts - Consider the acceptance of donations made to the department to include: (a) donations in any form, including realty, personalty, money, materials, or services, which are made to the department for the purpose of carrying out its functions and duties; and (b) donations from landowners, with 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 (See attached itemized list) (MO)**

113837  
CSO

Transportation Code, §201.206, authorizes the Texas Department of Transportation (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 donations further the department's responsibilities and that none of the donors are a party to a contested case before the department nor have been a party to a contested case before the department during the last 30 days.

The commission also finds that none of the donors are subject to department regulation or oversight, and that these donations will not influence or reasonably appear to influence the department in the performance of its duties.

The commission also finds that none of the donors are interested in or likely to become interested in any contract, purchase, payment, or claim with or against the department.

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

IT IS THEREFORE ORDERED by the commission that the donations identified on the attached Exhibit A are 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 donations.

Note: Exhibit A is on file with the assistant chief clerk.

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

**(1) Denton County - I-35 between North Texas Boulevard and Bonnie Brae Street - Consider the acceptance of a donation of land for a highway improvement project (MO)**

113838  
ROW

In DENTON COUNTY, on INTERSTATE 35 between North Texas Blvd. and Bonnie Brae Street, 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.

The University of North Texas (owner) is the owner of the property described in Exhibits A and B, and wants to donate these properties, estimated at \$143,281 and \$112,128, to the department for construction of a highway improvement project.

The owner may be subject to department regulations or oversight, but is not currently party to a contested case before the department. The owner may also be 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: Exhibits A and B are on file with the assistant chief clerk.

(2) Haskell County - US 277, former railroad right of way in Weinert - Consider the sale of surplus land to the abutting landowners (2 MOs)

113839  
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 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.

Lola Sue Williams (1/2), Ricky Wayne Phemister (1/6), Randy Joe Phemister (1/6), and Melissa Renee Bulls (1/6) are the abutting landowners and have requested to purchase the surplus land for \$2,129.

The commission finds \$2,129 to be a fair and reasonable value of the state's right, title, and interest in the surplus land.

IT IS THEREFORE ORDERED by the commission 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 right, title, and interest in the surplus land to Lola Sue Williams (1/2), Ricky Wayne Phemister (1/6), Randy Joe Phemister (1/6), and Melissa Renee Bulls (1/6) for \$2,129; 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 the assistant chief clerk.

113840  
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 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.

Paula Bennett, being one and the same person as Pauletta Bennett, and Calvin Wilfong are the abutting landowners and have requested to purchase the surplus land for \$2,756.

The commission finds \$2,756 to be a fair and reasonable value of the state's right, title, and interest in the surplus land.

IT IS THEREFORE ORDERED by the commission 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 right, title, and interest in the surplus land to Paula Bennett, being one and the same person as Pauletta Bennett, and Calvin Wilfong for \$2,756; 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 the assistant chief clerk.

**c. Finance**

**(1) Obligation Limit Report (Report)**

Quarterly status report on the FY 2014 Obligation Limit, the actual obligations utilized through the current month, proposed remaining highway maintenance and construction contract letting for the fiscal year and an update on motor fuel tax receipts

Note: The report is on file with the assistant chief clerk.

**(2) Quarterly report on FY 2014 State Highway Fund 6 cash status (Report)**

Note: The report is on file with the assistant chief clerk.

**(3) Travis and Williamson Counties - Accept the audited financial statements of the Central Texas Turnpike System (CTTS), as required by the CTTS Indenture of Trust (MO)**

113841  
FIN

Transportation Code, Chapter 228 and other applicable law authorizes the Texas Transportation Commission (commission) to issue toll project revenue bonds, bond anticipation notes, and other obligations to finance toll 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 issued toll project revenue bonds and other obligations to finance a portion of the costs of the Central Texas Turnpike System (CTTS), a toll project composed initially of SH 130 (Segments 1 through 4), SH 45 North, and Loop 1 project elements (2002 Project). SH 45SE was transferred to CTTS in Fiscal 2013. The commission also authorized the execution of an indenture of trust and six supplemental indentures to secure revenue bonds and other obligations issued for the 2002 Project.

The Indenture of Trust dated July 15, 2002 (indenture) prescribes the terms, provisions, and covenants related to the issuance of toll project revenue bonds and obligations to finance a portion of the costs of the 2002 Project.

Under Section 712 of the indenture, the commission covenants to prepare, or cause to be prepared, no more than 120 days after the last day of each fiscal year, a financial report of the results of operations of the CTTS for such fiscal year. The financial report is required to be certified by a certified public accountant and to contain an audited balance sheet, an audited statement of operations, and an audited statement of cash flows for such fiscal year. Audited financial statements, contained in the attached Exhibit A, have been prepared for the fiscal year ended August 31, 2013.

IT IS THEREFORE ORDERED by the commission that the audited financial statements of the system, attached as Exhibit A, is accepted.

Note: Exhibit A is on file with the assistant chief clerk.

(4) Accept the audited financial statements of the Texas Mobility Fund (TMF) as required by the governing master resolution (MO)

113842  
FIN

Article III, Section 49-k of the Texas Constitution created the Texas Mobility Fund (Mobility Fund) within the treasury of the State of Texas (state) to be administered by the Texas Transportation Commission (commission) as a revolving fund to: (i) provide a method of financing the construction, reconstruction, acquisition, and expansion of state highways, including costs of any necessary design and costs of acquisition of rights of way, as determined by the commission in accordance with standards and procedures established by law; and (ii) provide participation by the state in the payment of a portion of the costs of constructing and providing publicly-owned toll roads and other public transportation projects in accordance with the procedures, standards, and limitations established by law.

Transportation Code, Chapter 201 and other applicable law authorizes the commission to issue obligations secured by and payable from a pledge of and lien on all or part of the moneys in the Mobility Fund in the name and on behalf of the state and the Texas Department of Transportation (department) in multiple series and issues from time to time for one or more of the following purposes: (i) to pay all or part of the costs of constructing, reconstructing, acquiring, and expanding state highways, including any necessary design and acquisition of rights of way, in the manner and locations determined by the commission that, according to conclusive findings of the commission, have an expected useful life, without material repair, of not less than 10 years; (ii) to provide participation by the state in the payment of part of the costs of constructing and providing publicly owned toll roads and other public transportation projects that are determined by the commission to be in the best interests of the state in its major goal of improving the mobility of the residents of the state; (iii) to create debt service reserve accounts; (iv) to pay interest on obligations for a period of not longer than two years; (v) to refund or cancel outstanding obligations; and (vi) to pay the commission's costs of issuance. The commission also authorized the execution of a Master Resolution, an amendment to the Master Resolution, and eight supplemental Resolutions (Resolutions) to authorize bonds for the Mobility Fund Revenue Financing

Program. The Resolutions pledge a variety of dedicated statutory fees and other revenues as security and sources of payment for the Mobility Fund bonds and additionally pledge the general revenue of the state. The Resolutions also prescribe the terms, provisions, and covenants related to the general obligation Mobility Fund bonds.

Under Section 5 (j) of the Resolution, the commission covenants to prepare, or cause to be prepared, no more than 120 days after the last day of each fiscal year, a financial report of the Mobility Fund. The financial report is required to be prepared in accordance with generally accepted accounting principles and certified by a certified public accountant. Audited financial statements, contained in the attached Exhibit A, have been prepared for the year ended August 31, 2013.

IT IS THEREFORE ORDERED by the commission that the audited financial statements of the Mobility Fund, attached as Exhibit A, are accepted.

Note: Exhibit A is on file with the assistant chief clerk.

(5) Accept the Quarterly Investment Report (MO)

113843  
DMO

Government Code, Chapter 2256 (Public Funds Investment Act) authorizes the Texas Transportation Commission (commission) to purchase, sell, and invest its funds and funds under its control in investments authorized under the Public Funds Investment Act, in accordance with investment policies approved by the commission.

Government Code, §2256.005 requires the commission to adopt a written investment policy regarding the investment of its funds and funds under its control, including a separate written investment strategy for each of the funds or group of funds under its control, and to designate one or more officers or employees of the Texas Department of Transportation (department) as investment officer to be responsible for the investment of funds consistent with the investment policy.

Pursuant to this legislation and documented in Minute Order 108970, dated July 25, 2002, the commission approved and adopted a written investment policy and investment strategy applicable to funds of the commission held under the Indenture of Trust dated July 15, 2002, securing the outstanding bonds, notes, and other obligations issued by the commission to finance a portion of the cost of the initial phase of the Central Texas Turnpike System, also known as the 2002 Project. The commission has designated the department's Chief Financial Officer as investment officer. In the absence of the Chief Financial Officer, the Innovative Financing/Debt Management Officer or the Deputy Director of Innovative Financing/Debt Management Office is authorized to act as investment officer.

Pursuant to Government Code §2256.005(e) and Section 20 of the investment policy, the investment policy and investment strategies of the commission have been reviewed and revised annually by minute order since 2003, most recently by Minute Order 113271, dated August 30, 2012.

Government Code, §2256.023 requires the designated investment officer to prepare and submit to the commission and the executive director, not less than quarterly, a written report of investment transactions for all funds covered by the Public Funds Investment Act for the preceding reporting period. The report must describe in

detail the investment position of the department on the date of the report, and must be prepared jointly and signed by each investment officer.

Section 9.0 of the investment policy requires the investment officer to prepare and submit to each member of the commission and the executive director of the department an investment report on no less than a quarterly basis. The report must be prepared in accordance with the requirements of that section, including containing sufficient information to provide for a comprehensive review of investment activity and current investment instruments and performance for the reporting period. A quarterly investment report for the department for the period ending November 30, 2013, attached as Exhibit A, has been prepared in accordance with Government Code, §2256.023 and Section 9.0 of the investment policy.

IT IS THEREFORE ORDERED by the commission that the quarterly investment report attached as Exhibit A is accepted.

Note: Exhibit A is on file with the assistant chief clerk.

#### **d. Transportation Planning**

##### **(1) Various Counties - Approve revisions to the Wichita Falls Metropolitan Planning Organization metropolitan planning area boundary (MO)**

113844  
TPP

Pursuant to Title 43, Texas Administrative Code, §16.51(c), the governor or the Texas Transportation Commission (commission), if the approval authority has been delegated to the commission, must approve the boundaries of a designated metropolitan planning area and any revision of those boundaries. The metropolitan planning organization must provide the governor and the Texas Department of Transportation with appropriate documentation and the rationale supporting any recommended boundary change.

In accordance with 23 U.S.C. §134 and 23 C.F.R. §450.312, a metropolitan planning area boundary shall, at a minimum, encompass the entire existing urbanized area and the contiguous area expected to become urbanized within a 20-year forecast period for the metropolitan transportation plan. The metropolitan planning area boundary may be further expanded to encompass the entire metropolitan statistical area or combined statistical area.

On October 4, 2005, Governor Rick Perry delegated authority to the commission to approve metropolitan planning area boundary changes.

On July 17, 2013, the Wichita Falls Metropolitan Planning Organization (Wichita Falls MPO) Policy Board approved a resolution recommending the expansion of the metropolitan planning area boundary to include a portion of Archer County.

The commission has reviewed and accepted the documentation and rationale supporting the metropolitan planning area boundary changes provided by the Wichita Falls MPO.

IT IS THEREFORE ORDERED by the commission that the proposed Wichita Falls MPO metropolitan planning area boundary changes, as shown in Exhibit A, are hereby approved.

Note: Exhibit A is on file with the assistant chief clerk.

(2) Various Counties - Concurrence with the Regional Transportation Council of the North Central Texas Council of Governments' funding of construction and other project development costs of projects to be advanced through the use of payments received from the North Texas Tollway Authority for the right to develop, finance, design, construct, operate and maintain the SH 121 toll project from Business SH 121 in Denton County to US 75 in Collin County (MO)

113845  
TPP

Transportation Code, §228.012 requires the Texas Department of Transportation (department) to create a separate account in the state highway fund to hold payments received by the department under a comprehensive development agreement (CDA) and the surplus revenue of a toll project or system.

The department is required to create subaccounts in the account for each project, system, or region, and to hold money in a subaccount in trust for the benefit of the region in which the project or system is located. Interest earned on money in a subaccount shall be deposited to the credit of that subaccount. The department may assign the responsibility for allocating money in a subaccount to the metropolitan planning organization (MPO) in which the region is located.

The department has created subaccounts in the state highway fund to hold the payments received from the North Texas Tollway Authority (NTTA) for the right to develop, finance, design, construct, operate, and maintain the SH 121 toll project from Business SH 121 in Denton County to US 75 in Collin County (SH 121 payments).

Pursuant to Transportation Code, §228.012, the SH 121 payments may be used to pay the costs of a transportation project, highway project, or air-quality project within a region in which any part of the SH 121 toll project is located. Money must be allocated to projects authorized by Transportation Code, §228.0055 or §228.006, as applicable. An air-quality project is a project or program of the department or another governmental entity that the Texas Transportation Commission (commission) determines will mitigate or prevent air pollution caused by the construction, maintenance, or use of public roads.

In Minute Order 110727, dated October 26, 2006, the commission approved, and authorized the department's executive director to enter into, a memorandum of understanding (MOU) with the Regional Transportation Council (RTC), the transportation policy council of the North Central Texas Council of Governments (NCTCOG), a federally designated MPO, concerning the administration, sharing, and use of surplus toll revenue and CDA concession payments in the region served by the NCTCOG. The SH 121 toll project is located in the region served by the NCTCOG.

Responsibility for allocating the SH 121 payments has been assigned to the RTC under the MOU. The MOU provides that the selection of projects to be financed using those funds shall be made by the RTC, subject to commission concurrence. The projects are to be selected through a process which considers the desires of the cities and counties in which the project is located. The RTC has developed a plan for regional sharing of surplus toll revenue and CDA concession payments, based on the location of the toll project from which these revenues are derived and the residential location of toll users in the region served by the NCTCOG.

In Minute Order 112015, dated October 29, 2009, the commission clarified that commission concurrence in projects selected by the RTC to be financed with surplus toll revenue and CDA concession payments is limited to ensuring the funds are allocated to projects authorized by Transportation Code, §228.0055 or §228.006. The minute order requires the department to disburse such funds in accordance with directions from the RTC to pay the costs of qualified projects.

The department has established a work program to account for and track projects and project costs in the NCTCOG Metropolitan Planning Area (MPA) boundary funded with the SH 121 payments. In previous minute orders, the commission concurred with certain projects identified by the RTC to be funded with those payments, and approved the placement of those projects in the work program. The RTC, through an extensive public involvement process, has identified additional project costs in the NCTCOG MPA boundary to be funded with the SH 121 payments, as shown in Exhibit A. The RTC has also identified changes to the list of previously-approved projects, which are shown in Exhibit B. A summary of funds associated with the SH 121 work program is set forth in Exhibit C, which is included for informational purposes only.

IT IS THEREFORE ORDERED by the commission that, pursuant to the MOU and Minute Order 112015, it concurs with the projects as shown in Exhibit A that have been selected by the RTC to be funded with the SH 121 payments, and approves the placement of the projects in the work program with CONSTRUCT authority, to be developed consistent with applicable state and federal laws, regulations, and procedures. Pursuant to the finding of the RTC, the commission determines that the projects shown in Exhibit A are transportation or highway projects, or air-quality projects that will mitigate or prevent air pollution caused by the construction, maintenance, or use of public roads, and are therefore eligible to be funded with the SH 121 payments. The commission also concurs with the changes to the list of previously-approved projects as shown in Exhibit B.

IT IS FURTHER ORDERED that, unless otherwise approved by the commission, all direct costs associated with the projects for which federal and state funds have not been allocated shall be charged to this work program, including the costs of right of way acquisition, preliminary engineering, and construction engineering. The costs of department staff incurred in the development, procurement, and construction of on-system projects to be funded from the SH 121 payments subaccounts will not themselves be funded from the SH 121 payments subaccounts. Funds from the SH 121 payments subaccounts that were used to reimburse the costs of department staff will be returned to the subaccounts without interest at least quarterly.

Note: Exhibits A - C are on file with the assistant chief clerk.

(3) Various Counties - Concurrence with the Regional Transportation Council of the North Central Texas Council of Governments' funding of construction and other project development costs of projects to be advanced through the use of payments received from the North Texas Tollway Authority for the right to develop, finance, design, construct, operate and maintain the SH 161 toll project from I-20 to SH 183 in Dallas County (MO)

113846  
TPP

Transportation Code, §228.012 requires the Texas Department of Transportation (department) to create a separate account in the state highway fund to hold payments received by the department under a comprehensive development agreement (CDA) and the surplus revenue of a toll project or system.

The department is required to create subaccounts in the account for each project, system, or region, and to hold money in a subaccount in trust for the benefit of the region in which the project or system is located. Interest earned on money in a subaccount shall be deposited to the credit of that subaccount. The department may assign the responsibility for allocating money in a subaccount to the metropolitan planning organization (MPO) in which the region is located.

The department has created subaccounts in the state highway fund to hold the payments received from the North Texas Tollway Authority (NTTA) for the right to develop, finance, design, construct, operate, and maintain the SH 161 toll project from I-20 to SH 183 in Dallas County (SH 161 payments).

Pursuant to Transportation Code, §228.012, the SH 161 payments may be used to pay the costs of a transportation project, highway project, or air-quality project within a region in which any part of the SH 161 toll project is located. Money must be allocated to projects authorized by Transportation Code, §228.0055 or §228.006, as applicable. An air-quality project is a project or program of the department or another governmental entity that the Texas Transportation Commission (commission) determines will mitigate or prevent air pollution caused by the construction, maintenance, or use of public roads.

In Minute Order 110727, dated October 26, 2006, the commission approved, and authorized the department's executive director to enter into a memorandum of understanding (MOU) with the Regional Transportation Council (RTC), the transportation policy council of the North Central Texas Council of Governments (NCTCOG), a federally designated MPO, concerning the administration, sharing, and use of surplus toll revenue and CDA concession payments in the region served by the NCTCOG. The SH 161 toll project is located in the region served by the NCTCOG.

Responsibility for allocating the SH 161 payments has been assigned to the RTC under the MOU. The MOU provides that the selection of projects to be financed using those funds shall be made by the RTC, subject to commission concurrence. The projects are to be selected through a process which considers the desires of the cities and counties in which the project is located. The RTC has developed a plan for regional sharing of surplus toll revenue and CDA concession payments, based on the location of the toll project from which these revenues are derived and the residential location of toll users in the region served by the NCTCOG.

In Minute Order 112015, dated October 29, 2009 the commission clarified that commission concurrence in projects selected by the RTC to be financed with surplus toll revenue and CDA concession payments is limited to ensuring the funds are allocated to projects authorized by Transportation Code, §228.0055 or §228.006. The minute order requires the department to disburse such funds in accordance with directions from the RTC to pay the costs of qualified projects.

The department has established a work program to account for and track projects and project costs in the NCTCOG Metropolitan Planning Area (MPA) boundary funded with the SH 161 payments. In previous minute orders, the commission concurred with certain projects identified by the RTC to be funded with those payments, and approved the placement of those projects in the work program. The RTC has identified changes to the list of previously-approved projects, which are shown in Exhibit A. A summary of the funds associated with the SH 161 work program is set forth in Exhibit B, which is included for informational purposes only.

IT IS THEREFORE ORDERED by the commission that, pursuant to the MOU and Minute Order 112015, it concurs with the changes to the list of previously-approved projects as shown in Exhibit A.

IT IS FURTHER ORDERED that, unless otherwise approved by the commission, all direct costs associated with the projects for which federal and state funds have not been allocated shall be charged to this work program, including the costs of right-of-way acquisition, preliminary engineering, and construction engineering. The costs of department staff incurred in the development, procurement, and construction of on-system projects to be funded from the SH 161 payments subaccounts will not themselves be funded from the SH 161 payments subaccounts. Funds from the SH 161 payments subaccounts that were used to reimburse the costs of department staff will be returned to the subaccounts without interest at least quarterly.

Note: Exhibit A and B is on file with the assistant chief clerk.

**(4) Various Counties - Approve the Fiscal Year 2013 Annual Report on the Economically Disadvantaged Counties Program (MO)**

113847  
TPP

Section 222.053(a), Transportation Code, defines an “economically disadvantaged county” as a county that has, in comparison to other counties in the state: (1) below average per capita taxable property value; (2) below average per capita income; and (3) above average unemployment.

Section 222.053(c) directs the Texas Transportation Commission (commission), when evaluating a proposal for a highway project in a political subdivision that consists of all or a portion of an economically disadvantaged county, to adjust the minimum local matching funds requirement after evaluating the political subdivision's effort and ability to meet the requirement.

Section 222.053(e) further directs the commission to report annually to the governor, the lieutenant governor, and the speaker of the house of representatives on the use of matching funds and local incentives and the ability of the commission to ensure that political subdivisions located in economically disadvantaged counties have equal ability to compete for highway funding with political subdivisions in counties that are not economically disadvantaged.

The Texas Department of Transportation has completed the Fiscal Year 2013 Annual Report on the Economically Disadvantaged Counties Program, which is attached as Exhibit A.

IT IS THEREFORE ORDERED that the Fiscal Year 2013 Annual Report on the Economically Disadvantaged Counties Program, as shown in Exhibit A, is approved by

the commission and shall be presented to the governor, the lieutenant governor, and the speaker of the house of representatives as required by Section 222.053(e), Transportation Code.

Note: Exhibit A is on file with the assistant chief clerk.

**e. Designation of Access Control**

**(1) Baylor County - US 277, east of Main Street - Consider the designation of one location on the frontage road at which access will be permitted to the abutting property (MO)**

113848  
DES

In BAYLOR COUNTY, on US 277, a designated controlled-access highway, the State of Texas acquired certain land for highway purposes by instrument recorded in Volume 343, Page 100, Deed Records of Baylor County, Texas, with denial of access to the abutting remainder property as described in the instrument.

David Snyder and Rhonda Snyder, the current owners of the abutting property, have requested that access to and from the westbound frontage road of US 277 be permitted along the southern property line at a new access point, described in Exhibit A.

Transportation Code, §201.103, empowers the Texas Transportation Commission (commission) to plan and make policies for the location, construction, and maintenance of a comprehensive system of state highways and public roads.

Transportation Code, §203.002 authorizes the commission to layout, construct, maintain, and operate a modern state highway system, with an emphasis on the construction of controlled-access highways.

Transportation Code, §203.031 authorizes the commission to designate locations on a controlled-access highway at which access to or from the highway is permitted and determine the type and extent of access permitted at each location.

NOW, THEREFORE, the commission finds that the new access point will not compromise the mobility, safety or operation of the existing state highway facility, and designates the new access point as a location where ingress and egress are permitted to and from the westbound frontage road of US 277.

IT IS FURTHER ORDERED by the commission that the executive director or his designee is hereby authorized to execute any necessary documents containing terms consistent with the provisions of this order.

Note: Exhibit A is on file with the assistant chief clerk.

**(2) Brazoria County - SH 288, approximately 1450 feet north of the Memorial Hermann Drive - Consider the designation of a location on the highway at which access will be permitted to the abutting property (MO)**

113849  
DES

In BRAZORIA COUNTY, on STATE HIGHWAY 288, a designated controlled-access highway, the State of Texas acquired certain land for highway purposes by instrument recorded in Volume 1039, Page 856, Brazoria County Deed Records, with denial of access to the abutting remainder properties as described in the instrument.

Memorial Hermann Hospital System, the current owner of the abutting property Tract 19AC, has requested access to and from the southbound frontage road of SH 288 be permitted along their east property line at a new access point described in Exhibit A.

Transportation Code, §201.103, empowers the Texas Transportation Commission (commission) to plan and make policies for the location, construction, and maintenance of a comprehensive system of state highways and public roads.

Transportation Code, §203.002, authorizes the commission to lay out, construct, maintain and operate a modern state highway system with an emphasis on the construction of controlled-access highways.

Transportation Code, §203.031, authorizes the commission to designate locations on a controlled-access highway at which access to or from the highway is permitted and determine the type and extent of access permitted at each location.

NOW, THEREFORE, the commission finds that the new access point will not compromise the mobility, safety or operation of the existing state highway facility, and designates the new access point as a location where ingress and egress are permitted to and from the southbound frontage road of SH 288.

IT IS FURTHER ORDERED by the commission that the executive director or his designee is hereby authorized to execute any necessary documents containing terms consistent with the provisions of this order.

Note: Exhibit A is on file with the assistant chief clerk.

**f. Speed Zones**

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

113850  
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 limits on various segments 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 limits 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 zones shown on the attached Exhibit C are canceled.

Note: Exhibits A - C are on file with the assistant chief clerk.

**ITEM 17. 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
- b. **Section 551.074** - Deliberate on the search for a new executive director

The commission recessed to executive session at 10:51 a.m. and returned from executive session at 12:18 p.m.

**OPEN COMMENT PERIOD** - At the conclusion of all other agenda items, the commission will allow an open comment period, not to exceed one hour, to receive public comment on any other matter that is under the jurisdiction of the department. No action will be taken. Each speaker will be allowed a maximum of three minutes. Speakers must be signed up prior to the beginning of the open comment period.

The commission received no further comments.

The regular meeting of the Texas Transportation Commission was adjourned at 12:19 p.m.

APPROVED:

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

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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 January 30, 2014, in Austin, Texas.



*Robin Carter*

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Robin Carter, Assistant Chief Clerk  
Texas Department of Transportation