

These are the minutes of the regular meeting of the Texas Transportation Commission held on July 31, 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:**

LtGen. Joe Weber, 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 3:16 p.m. on July 23, 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 June 25, 2014 workshop meeting and the June 26, 2014 regular meeting of the Texas Transportation Commission**

Commissioner Underwood made a motion, which was seconded, and the commission approved the minutes of the June 25, 2014 workshop meeting and the June 26, 2014 regular meeting by a vote of 5 - 0.

**ITEM 3. Presentation from Keep Texas Beautiful on their accomplishments in supporting the department's litter prevention programs and presentation of the Keep America Beautiful/US State Department of Transportation Partnership Award to the Texas Department of Transportation. (Presentation)**

This item was introduced by Director of Travel Information Margo Richards. Past President of Keep Texas Beautiful Jamie Wolman spoke and current Keep Texas Beautiful President Johnny Womack presented the award.

**ITEM 4. Discussion****a. Emerging Transportation Technologies Research Initiatives (Presentation)**

This item was presented by Deputy Executive Director John Barton and Chief Strategy and Innovation Officer Darran Anderson. The commission also heard remarks from Dr. Michael Walton of The University of Texas Cockrell School of Engineering; Texas A&M University System Executive Vice Chancellor Billy Hamilton; and Texas A&M University System Vice Chancellor for Federal and State Relations Tommy Williams.

**b. Peak-Time, Work-Trip Reduction Initiative (Presentation)**

This item was presented by Deputy Executive Director John Barton. The commission also heard remarks from Movability Austin Executive Director Glenn Gadbois.

**c. Development of the 2015 Unified Transportation Program (UTP) and Potential Distribution of Proposition 1 Funds (Presentation)**

This item was presented by Director of Planning Marc Williams.

**ITEM 5. 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 Dave Fulton.

113999  
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 Friday, June 20, 2014 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 \$3,917,539.

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

**ITEM 6. Public Transportation**

**a. Various Counties - Award federal and state funds to designated lead agencies and fiscal agents to support continuation of coordinated regional public transportation planning for FY 2015 (MO)**

Commissioner Moseley made a motion, which was seconded, and the commission approved the following six minute orders by a vote of 4 - 0. Commissioner Austin was away from the dais. This item was presented by Director of Public Transportation Eric Gleason.

114000  
PTN

The Texas Transportation Commission (commission) was designated by the governor as the administering agency for the Federal Transit Administration (FTA) grant program, Statewide and Nonmetropolitan Planning (49 U.S.C. §5304) in a letter dated October 4, 2005, and is required to ensure that these grant funds are distributed and utilized in accordance with guidance from FTA.

Under §5304, FTA provides the department with funds to be used for planning and coordination projects.

The commission desires to award §5304 funds and state matching funds to support the continued development of coordinated regional planning in public transportation.

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

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

IT IS THEREFORE ORDERED by the commission that the executive director or the director’s designee is authorized to distribute funds as described in Exhibit A for regionally coordinated transportation planning, submit the necessary state application to the FTA, and enter into the necessary contracts in accordance with the priorities established in this minute order.

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

**b. Various Counties - Award federal Rural Transportation Assistance Program funds to the Capital Area Rural Transportation System (MO)**

114001  
PTN

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

Title 43, Texas Administrative Code, Section §31.37 establishes a process by which funds are distributed and describes the program purpose to foster the development of state and local capacity to meet the training and technical assistance needs of rural public transportation systems.

The department received a request from Capital Area Rural Transportation System (CARTS) for training funds to purchase equipment and materials to support the agency's driver training efforts.

The commission finds that the project is eligible for funding and awards a total of \$19,000 in federal program funds for the purpose described above.

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

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

IT IS THEREFORE ORDERED by the commission that the executive director or the director's designee is directed to proceed with the award as described, submit the necessary state application to the FTA and enter into the necessary contracts.

**c. Various Counties - Rescind Minute Order 113932 dated May 29, 2014, awarding transportation development credits to various agencies (MO)**

114002  
PTN

In Minute Order 113932, dated May 29, 2014, the Texas Transportation Commission (commission) awarded Transportation Development Credits to transit agencies for capital projects.

Subsequent to the awards, discrepancies in the minute order Exhibit were discovered. To clarify public record, the commission desires to rescind and withdraw Minute Order 113932.

IT IS THEREFORE ORDERED by the commission that Minute Order 113932 is rescinded and withdrawn, and the executive director or the director's designee is directed to proceed with rescinding the awards as described above.

**d. Various Counties - Award transportation development credits to transit agencies for public transportation projects (MO)**

114003  
PTN

The Texas Transportation Commission (commission) desires to award 1,601,580 Transportation Development Credits (TDC) to transit agencies listed in Exhibit A to be used as the local match for federally funded capital projects.

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

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

Title 43, Texas Administrative Code (TAC), §5.109 establishes a process by which TDC may be awarded at the discretion of the commission. The commission recognizes that state and federal law permits the substitution of TDC as the required non-federal match for projects.

In making this award, the commission has considered the potential of the projects to expand the availability of funding for public transportation projects and finds that the projects meet the established program goals set forth in 43 TAC §5.102 to support public transit.

IT IS THEREFORE ORDERED by the commission that the executive director or the director's designee is directed to proceed with the awards as described in Exhibit

A, and enter into the necessary contracts in accordance with the priorities established in this minute order.

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

e. Various Counties - Award federal Job Access Reverse Commute Funds and transportation development credits to Central Texas Rural Transit District (MO)

114004  
PTN

The Texas Transportation Commission (commission) takes special note of its designation by the governor as the administering agency for the Federal Transit Administration (FTA) grant programs, in a letter dated October 4, 2005; and further acknowledges that federal program regulations require the Texas Department of Transportation (department) to ensure that grant funds are distributed fairly and equitably within the state.

Central Texas Rural Transit District has requested financial assistance to procure vehicles and implement a workforce training public transportation solution.

Title 43, Texas Administrative Code §31.17 establishes a process by which projects may be evaluated and funds distributed.

The commission recognizes that state and federal law permits the substitution of TDC as the required non-federal match for projects. Title 43, Texas Administrative Code (TAC), §5.109 establishes a process by which TDC may be awarded at the discretion of the commission.

In making this award, the commission has considered the potential of the project to expand the availability of funding for public transportation projects and finds that the project meets the established program goals set forth in 43 TAC §5.102 to maximize the use of available federal funds, particularly in situations in which federal funds otherwise would be unused because of the inability to provide the non-federal share; and to support public transit.

The commission finds that this project is eligible for funding and desires to award a total of \$379,494 in federal funds and 43,655 in TDC.

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

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

IT IS THEREFORE ORDERED by the commission that the executive director or the director’s designee is directed to proceed with the award as identified above, notify the entity in writing, and enter into the necessary contracts.

f. Various Counties - Award federal and state funds, and transportation development credits to Rural Economic Assistance League (MO)

114005  
PTN

The Texas Transportation Commission (commission) desires to award funds and transportation development credits previously awarded to Jim Wells County as identified in Exhibit A, to Rural Economic Assistance League, Inc. (REAL).

The board of directors of REAL passed a resolution on October 13, 2013, to assume responsibility of accepting funds for regional planning activities in planning region 20. On June 9, 2014, Jim Wells County Commissioner’s Court voted to

discontinue responsibilities for regional planning effective August 1, 2014. REAL will continue working with the Transportation Coordination Network of the Coastal Bend (TCN) to carry out the planning activities for the region.

In Minute Orders 113107, 113580, and 113638 dated May 31, 2012, May 30, 2013 and July 25, 2013, respectively, the commission approved various awards to Jim Wells County.

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

Transportation Code, Chapter 456 authorizes the commission to administer public transportation programs.

IT IS THEREFORE ORDERED by the commission that the executive director, or the director's designee, is hereby authorized to proceed with the awards not to exceed the balance amounts as shown in Exhibit A to REAL, notify the recipient in writing and enter into any necessary contracts and agreements.

Exhibit A is on file with the assistant chief clerk.

**ITEM 7. Promulgation of Administrative Rules Under Title 43, Texas Administrative Code, and the Administrative Procedure Act, Government Code, Chapter 2001:**

**a. Proposed Adoption**

**(1) Chapter 26 – Regional Mobility Authorities (MO)**

**Amendments to §26.2, Definitions (General Provisions), and new §26.36, Projects of Another Governmental Entity (Approval of a Transportation Project).**

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 Planning Marc Williams.

114006  
TPP

The Texas Transportation Commission (commission) finds it necessary to propose amendments to §26.2, Definitions, and new §26.36, Projects of Another Governmental Entity, relating to the planning, design, construction, maintenance, repair, or operation of a transportation project by a regional mobility authority, to be codified under Title 43, Texas Administrative Code, Part 1.

The preamble, and the proposed amendments and new section, 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 §26.2 and new §26.36 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.

**ITEM 8. Legislative Appropriations Request****Receive the Texas Department of Transportation's Proposed Fiscal Year 2016-2017 Legislative Appropriations Request (LAR) (Presentation)**

This item was presented by Director of Finance Brian Ragland. The commission also heard remarks from Engineer Don Dixon.

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

This item was presented by Director of the Office of Compliance, Ethics, and Investigations Suzanne Latimer.

**ITEM 10. Toll Equity****Smith County - North East Texas Regional Mobility Authority - Consider final approval of a request from North East Texas Regional Mobility Authority (NET RMA) to convert a toll equity loan in the outstanding principal amount of approximately \$55,000,000 to a grant for project costs primarily relating to Segment 3B of Loop 49, locally known as Toll 49 (LP 49) and evidenced by a Financial Assistance Agreement dated as of March 1, 2011 (MO)**

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

114007  
DMO

The Texas Department of Transportation (department) and the North East Texas Regional Mobility Authority (NET RMA) have been developing the Toll 49 facility in Smith County, part of a proposed outer loop around the City of Tyler, Texas.

The Toll 49 project is currently composed of five segments (1, 2, 3A, 3B, and 5) that extend from SH 110 to I-20 (project). The project is an approximately 26-mile tolled highway system that traverses the south and west sides of Tyler.

Pursuant to Minute Orders 112498, dated November 18, 2010, and 112608, dated February 24, 2011, the department and NET RMA entered into a financial assistance agreement dated as of March 1, 2011, under which the department made a toll equity loan to the NET RMA in an initial principal amount of \$50,032,600. Under the agreement, the principal accreted value of the loan is currently approximately \$55,000,000 (toll equity loan). Simultaneously, the department made a State Infrastructure Bank loan to the NET RMA in an initial principal amount of \$39.2 million. The proceeds of the two loans were used by the NET RMA for the development and construction of Segment 3B of Toll 49, from SH 31 north to I-20 and for certain pre-development costs related to the project. The 10-mile toll facility for which financial assistance is being provided includes two lanes of an ultimate four-lane toll road, with connections to the existing Toll 49 facility at SH 31, and ramp connections to I-20.

The NET RMA has requested that the commission modify the toll equity loan to remove the repayment obligations and that the funds advanced thereunder be considered a grant, in order to enhance the ability of the NET RMA to advance additional segments of the Toll 49 project.

The commission finds that it is in the public interest to approve the request by the NET RMA to modify the toll equity loan to remove the repayment obligations and that such approval would convert the accreted principal value of the approximately \$55,000,000 toll equity loan to a grant, as allowed under Texas Transportation Code §222.103 and 43 Texas Administrative Code §27.52.

In accordance with 43 Texas Administrative Code §27.54(c), the commission has determined that the final approval of the request by the NET RMA will prudently provide for the protection of public funds, and the project will provide for all reasonable and feasible measures to avoid, minimize, or mitigate adverse environmental impacts.

IT IS THEREFORE ORDERED that NET RMA's request to remove the repayment obligations relating to the toll equity loan to NET RMA is granted final approval. The executive director or his designee is directed and authorized to implement the actions authorized in this Minute Order.

**ITEM 11. State Infrastructure Bank**

**Delta County - West Delta Water Supply Corporation - Consider granting final approval of an application from the West Delta Water Supply Corporation (WSC) to borrow up to \$1,237,000 from the State Infrastructure Bank (SIB) to pay for the relocation of water lines necessary for the Texas Department of Transportation's widening of SH 24 from FM 904 to FM 64 (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 Ben Asher.

114008  
DMO

The Texas Department of Transportation (department) is widening SH 24 from FM 904 to FM 64 in Delta County.

The West Delta Water Supply Corporation (Corporation) applied for a \$1,237,000 State Infrastructure Bank (SIB) loan to pay for the relocation of utility lines necessary for the widening of SH 24 (Project).

The Texas Transportation Commission's (commission) rules regarding the SIB at 43 Texas Administrative Code (TAC) §6.32 allow for final approval by the commission of any SIB loan in the principal amount of \$10 million or less, without first going through the preliminary approval process described in the rules.

The executive director or his designee implemented actions authorized and required by the rules for final approval, and also hereby determines that the requirement to submit any information or data that was not submitted by the Corporation is waived as permitted by the rules either because the information or data is not relevant or the department already possesses the information or data. The executive director affirms that the necessary social, economic, and environmental impact studies have been completed and approved by the department. The executive director recommends that the commission grant final approval of the SIB application for financial assistance.

In accordance with 43 TAC §6.32(c)(2), the commission finds that: (1) the Project is consistent with the Statewide Long-Range Transportation Plan and the metropolitan transportation plan developed by the applicable metropolitan planning organization; (2) the project is not in a Clean Air Act non-attainment area; (3) the project will improve the efficiency of the state's transportation systems; (4) the project will expand the availability of funding for transportation projects or reduce direct state costs; and (5) the application shows that the project and the applicant are likely to have sufficient revenues to assure repayment of the financial assistance.

In accordance with 43 TAC §6.32(e), the commission has determined that providing financial assistance for the Project will protect the public safety and prudently provide for the protection of public funds, while furthering the purposes of the SIB, and that the Project will provide for all reasonable and feasible measures to avoid, minimize, or mitigate for adverse environmental impacts.

IT IS THEREFORE ORDERED that the application for SIB financial assistance submitted by the Corporation to borrow up to \$1,237,000 from the State Infrastructure Bank is granted final approval. The executive director or his designee is directed and authorized to enter into the financial assistance agreement as negotiated with the Corporation. The loan will be repaid over a period of no more than 11 years at 2.81 percent interest per annum.

**ITEM 12. Texas Mobility Fund**

**El Paso County - Camino Real Regional Mobility Authority - Approve a request from Camino Real Regional Mobility Authority (CRRMA) for a reduction in the amount of the grant being funded from the proceeds of Texas Mobility Fund general obligation bonds issued under Transportation Code, Chapter 201, Subchapter M, to pay 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 U.S. 54 (east of downtown) in the city of El Paso (project); authorize the executive director or his designee to enter into 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 5 - 0. This item was presented by Innovative Finance and Debt Management Officer Ben Asher.

114009  
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.

Pursuant to Minute Orders 113594, 113741, 113911, and 113942, dated May 30, 2013, October 31, 2013, April 24, 2014, and May 29, 2014, respectively, the Texas Department of Transportation (department) issued requests for proposals to develop, design, construct, and maintain 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) as a toll project and has approved the substantially final form of the design-build development agreement and accompanying comprehensive maintenance agreement relating to the project.

In Minute Order 110573 dated June 30, 2006, the commission authorized the creation of the Camino Real Regional Mobility Authority (CRRMA). The CRRMA now operates pursuant to Chapter 370 of the Texas Transportation Code and 43 TEX. ADMIN. CODE §26.01 et seq., as well as its own policies and procedures.

In Minute Order 113833, dated January 30, 2014, the commission awarded to CRRMA an amount of 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 of the 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 capital costs of the project are now estimated to be significantly lower than originally estimated by the department. As a result, the department and the CRRMA desire to reduce the amount of the award to CRRMA from the fund to \$500 million. 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.

NOW, THEREFORE, the amount of the grant awarded from the fund to the Camino Real Regional Mobility Authority is reduced to \$500 million, to be used to pay capital costs of the Border Highway West Project, and directs the executive director or his designee to implement the actions necessary to effect the purposes of this minute order, including the execution of any agreements or certificates, 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.

### **ITEM 13. Toll Roads**

#### **a. Travis and Williamson Counties - Issue an order prohibiting the operation of certain motor vehicles on TxDOT toll projects (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 Toll Operations Doug Woodall.

114010  
TOD

Transportation Code, Chapter 372, Subchapter C, authorizes toll project entities, including the Texas Department of Transportation (department), to exercise various remedies against certain motorists with unpaid toll violations.

Transportation Code §372.106 provides that a “habitual violator” is a registered owner of a vehicle who a toll project entity determines:

- (1) was issued at least two written notices of nonpayment that contained:
  - (A) in the aggregate, 100 or more events of nonpayment within a period of one year, not including events of nonpayment for which: (i) the registered owner has provided to the toll project entity information establishing that the vehicle was subject to a lease at the time of nonpayment, as provided by applicable toll project entity law; or (ii) a defense of theft at the time of the nonpayment has been established as provided by applicable toll project entity law; and
  - (B) a warning that the failure to pay the amounts specified in the notices may result in the toll project entity’s exercise of habitual violator remedies; and
- (2) has not paid in full the total amount due for tolls and administrative fees under those notices.

The department previously determined that the individuals listed in Exhibit A are habitual violators. These determinations are now considered final in accordance with Subchapter C.

Transportation Code §372.109 provides that a final determination that a person is a habitual violator remains in effect until:

- (1) the total amount due for the person’s tolls and administrative fees is paid; or
- (2) the toll project entity, in its sole discretion, determines that the amount has been otherwise addressed.

Transportation Code §372.110 provides that a toll project entity, by order of its governing body, may prohibit the operation of a motor vehicle on a toll project of the entity if:

- (1) the registered owner of the vehicle has been finally determined to be a habitual violator; and
- (2) the toll project entity has provided notice of the prohibition order to the registered owner.

The department recommends that the Texas Transportation Commission (commission) prohibit the operation of the motor vehicles listed in Exhibit A on the Central Texas Turnpike System, which consists of the following elements: (1) SH 130, Segments 1-4, from I-35 north of Georgetown to the intersection of US 183 and SH 130 at SH 45 Southeast; (2) SH 45 North, from west of US 183 to the SH 130/SH 45 North interchange; (3) SH 45 Southeast, from I-35 at FM 1327 south of Austin to the SH

130/US 183 interchange; and (4) Loop 1, from existing Loop 1 and FM 734 (Parmer Lane) to the Loop 1/SH 45 North interchange.

IT IS THEREFORE ORDERED BY THE COMMISSION that the motor vehicles listed in Exhibit A are prohibited from operation on the Central Texas Turnpike System, the limits of which are described above, effective August 15, 2014.

IT IS FURTHER ORDERED that the department shall provide notice of this order to the individuals listed in Exhibit A, as required by Transportation Code §372.110.

IT IS FURTHER ORDERED that the prohibition shall remain in effect for the motor vehicles listed in Exhibit A until the respective habitual violator determinations are terminated, as provided by Transportation Code §372.109.

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

b. Various Counties - Designate the SH 360 Project, providing for the construction of toll lanes and other improvements from approximately 2 miles south of I-20 near East Sublett Road/Camp Wisdom Road to US 287 in Ellis, Tarrant, and Johnson Counties, as a toll project on the state highway system; authorize the department to issue a request for proposals for the development, design, construction, and maintenance of the SH 360 Project; and approve a stipulated amount as payment for the work product of unsuccessful proposers (MO)

Commissioner Moseley made a motion, which was seconded, and the commission approved the following minute order by a vote of 4 - 0. Commissioner Vandergriff abstained from this vote. This item was presented by Director of Strategic Projects Division Ed Pensock.

114011  
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 February 27, 2014, by Minute Order 113861, the Texas Transportation Commission (commission) authorized the department to issue a request for qualifications (RFQ) for the development, design, construction, and maintenance of the SH 360 Project in Ellis, Johnson, and Tarrant Counties. The SH 360 Project includes the design, construction, and, at the election of the department, maintenance of approximately 9.7 miles of improvements, generally from Green Oaks Boulevard to US 287. The improvements include two toll lanes in each direction from approximately two miles south of I-20 near East Sublett Road/Camp Wisdom Road to East Broad Street and one toll lane in each direction with periodic passing lanes from East Broad Street to US 287, in addition to frontage road and intersection improvements.

The department issued the RFQ on March 10, 2014. Nine proposer teams responded to the RFQ. Following the department's evaluation of the qualifications statements, 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, construct, and maintain 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 360 Project and to request detailed proposals from the five short-listed teams to develop, design, construct, and maintain the project.

Transportation Code § 223.249(a) and 43 TAC § 9.153(f) require the department to pay an unsuccessful private entity that 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 360 Project or other department projects without further payment to the unsuccessful proposer. Transportation Code § 223.249(b) and 43 TAC § 9.153(f) require the department to pay a partial stipend in the event that a procurement is terminated before the execution of a design-build contract.

Transportation Code, § 228.051 provides that the commission, by order, may designate one or more lanes of a segment of the state highway system as a toll project or system. The SH 360 Project was environmentally cleared through the department's receipt of a finding of no significant impact on January 16, 2014.

IT IS THEREFORE ORDERED that the department is authorized to issue an RFP to develop, design, construct, and maintain the SH 360 Project, from south of I-20 to US 287.

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 360 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 \$223,000.

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 360 Project procurement documents.

IT IS FURTHER ORDERED that the SH 360 Project in Ellis, Tarrant, and Johnson Counties from approximately 2 miles south of I-20 near East Sublett Road/Camp Wisdom Road to US 287 is designated a toll project on the state highway system.

**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 Director of Construction John Obr.

114012  
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 July 8 and 9, 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.

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 Director of Construction John Obr.

114013  
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 July 8 and 9, 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 Underwood, Commissioner Moseley, Commissioner Austin, and Commissioner Vandergriff (a vote of 5 - 0). This item was presented by Right of Way Division Supervising Attorney Randy Ward.

114014  
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 - V. 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 - 26, 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>
Cherokee	US 69	2	0199-03-039	22
Collin	US 380	8	0135-11-019	8
Collin	US 380	12	0135-11-019	6
Collin	US 380	9	0135-11-019	2
Denton	FM 156	24	0718-01-065	9
Denton	FM 156	22	0718-01-065	7
Denton	FM 156	20	0718-01-065	38
Denton	FM 156	4	0718-01-065	14
Denton	FM 156	5	0718-01-065	13
Harris	US 290	26	0050-08-090	817
Harris	US 290	16	0050-08-096	713
Harris	US 290	17	0050-08-096	715
Harris	US 290	7	0050-09-086	2044
Harris	US 290	6	0050-09-086	2011
Harris	US 290	23	0050-09-086	2051
Harris	US 290	19	0050-09-087	530
Harris	US 290	21	0050-09-090	433
Harris	US 290	13	0050-09-090	432
Harris	US 290	18	0050-09-090	443
Hidalgo	FM 493	1	0863-01-057	122
McLennan	FM 1637	15	0833-03-041	133
McLennan	FM 1637	3	0833-03-041	75
McLennan	FM 1637	11	0833-03-041	102
McLennan	FM 1637	14	0833-03-041	94
Montgomery	FM 1488	25	0523-10-037	12
Travis	FM 973	10	1200-03-049	25

**CONTROLLED ACCESS**

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Dallas	IH 35E	K	0196-03-247	20
Dallas	IH 35E	H	0196-03-247	21
Dallas	IH 35E	J	0196-03-248	77
Denton	IH 35E	I	0195-03-072	118
Denton	IH 35E	G	0195-03-072	97
Denton	IH 35E	O	0196-02-109	25
Denton	IH 35E	F	0196-02-109	40
Denton	IH 35E	L	0196-02-109	48
Harris	IH 10	R	0508-01-326	108

**CONTROLLED ACCESS (continued)**

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Harris	IH 10	N	0508-01-326	107
Harris	IH 10	P	0508-01-326	110
Harris	SH 99	B	3510-06-005	157E
Harris	SH 99	T	3510-06-005	144,144TE
Harris	US 290	A	0050-09-086	2034
Harris	US 290	E	0050-09-086	2030
Harris	US 290	V	0050-09-086	2017
Harris	US 290	D	0050-09-087	512
Harris	US 290	Q	0050-09-090	405
Montgomery	SH 99	C	3510-07-007	729
Montgomery	SH 99	S	3510-07-007	624
Montgomery	SH 99	U	3510-07-007	734
Tarrant	IH 35W	M	0014-16-266	816

Note: Exhibits A - V and 1 - 26 are on file with the assistant chief clerk.

**ITEM 16. Routine Minute Orders**

Commissioner Austin 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 Executive Director General Joe Weber.

**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)

114015  
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 90th 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 authorizes the executive director to approve acceptance of donations to the department and requires that donations valued at \$500 or more must be acknowledged by order of the commission not later than the 90th day after the date the donation is accepted by the department. It further 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 executive director may approve the acceptance of a donation, notwithstanding the foregoing proscriptions in the rules, if the executive director 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 executive director found that the donations identified on the attached Exhibit A were in compliance with the provisions of 43 TAC §§1.500-1.506, Government Code, Chapter 575, Transportation Code, §201.206, and Transportation Code, §223.049.

IT IS THEREFORE ORDERED by the commission that it acknowledges the acceptance of the donations identified on the attached Exhibit A

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

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

**(1) Anderson County - SL 256 at Old Elkhart Road in Palestine - Consider the sale of right of way to the city of Palestine (MO)**

114016  
ROW

In the city of Palestine, ANDERSON COUNTY, on STATE LOOP 256, the state of Texas acquired certain land for highway purposes by instruments recorded in Volume 653, Page 264, and Volume 654, Page 615, Deed Records of Anderson County, Texas.

A portion of the land (Tract 1), described in Exhibit A, is no longer needed for a state highway purpose.

In accordance with Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (commission) may recommend the sale of any interest in real property no longer needed for a state highway purpose to a governmental entity with the authority to condemn the property.

The city of Palestine has requested to purchase Tract 1 for \$68,000.

The commission finds \$68,000 to be a fair and reasonable value of the state’s right, title, and interest in Tract 1.

IT IS THEREFORE ORDERED by the commission that Tract 1 is no longer needed for a state highway purpose, and the commission recommends, subject to approval by the attorney general, that the governor of Texas execute a proper instrument conveying the state’s right, title, and interest in Tract 1 to the city of Palestine, Texas, for \$68,000; SAVE AND EXCEPT, however, there is excepted and reserved herefrom all of the state’s rights, titles, and interests, if any, in and to all of the

oil, gas, sulphur, and other minerals, of every kind and character, in, on, under, and that may be produced from Tract 1.

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

(2) Harris County - SH 99 at SH 249 in Houston - Consider an exchange of right of way (MO)

114017  
ROW

In the city of Houston, HARRIS COUNTY, on STATE HIGHWAY 99, the state of Texas acquired certain land for highway purposes by instrument recorded in Harris County Clerk's File No. L091863.

A portion of the land (Tract 1), described in Exhibit A, valued at \$403,197, is no longer needed for a state highway purpose.

In accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (commission) may recommend the exchange of an interest in real property acquired but not needed for a highway purpose as whole or partial consideration for another interest in real property needed for a state highway purpose.

A-K Texas Venture Capital, L.C., a Texas limited liability company N/K/A A-K Texas Venture Capital, L.P., a Texas limited partnership (owner), is the owner of land needed for a state highway purpose (Parcel 151), described in Exhibit B, valued at \$405,283. Owner has executed an instrument conveying Parcel 151 to the state. In accordance with the terms of an executed exchange agreement, the state will convey Tract 1 to owner and pay owner the \$2,086 difference in value in exchange for Parcel 151.

It is the opinion of the commission that it is proper and correct that the state convey Tract 1 and pay \$2,086 to owner in exchange and as consideration for the conveyance of Parcel 151 to the state.

IT IS THEREFORE ORDERED by the commission that Tract 1 is no longer needed for a state highway purpose. The commission recommends, subject to approval by the attorney general, that the governor of Texas execute a proper instrument conveying the state's right, title, and interest in Tract 1 to A-K Texas Venture Capital, L.C., a Texas limited liability company N/K/A A-K Texas Venture Capital, L.P., a Texas limited partnership, and that the state pay \$2,086 to owner in exchange and as consideration for the conveyance of Parcel 151 to the state; 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 Tract 1.

Note: Exhibits A and B are on file with the assistant chief clerk.

(3) Randall County - US 60 in Canyon - Consider the sale of the addition to the Canyon maintenance site to the city of Canyon (MO)

114018  
ROW

In the city of Canyon, RANDALL COUNTY, on US 60, the state of Texas acquired certain land for highway maintenance purposes by instrument recorded under County Clerk's File No. 01 13814, Official Public Records of Randall County, Texas.

The land (Tract 1), described in Exhibit A, is no longer needed for a state highway purpose.

In accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (commission) may recommend the sale of any interest in real property to a governmental entity with the authority to condemn the property.

The city of Canyon has requested to purchase Tract 1 for \$150,000.

The commission finds \$150,000 to be a fair and reasonable value of the state's right, title, and interest in Tract 1.

IT IS THEREFORE ORDERED by the commission that Tract 1 is no longer needed for a state highway purpose. The commission recommends, subject to approval by the attorney general, that the governor of Texas execute a proper instrument conveying all of the state's right, title, and interest in Tract 1 to the city of Canyon, Texas, for \$150,000; SAVE AND EXCEPT, however, there is excepted and reserved herefrom all of the state's right, title, and interest, if any, in and to all of the oil, gas, sulphur, and other minerals, of every kind and character, in, on, under, and that may be produced from the land.

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

**(4) Reagan County - US 67 at Louisiana Street in Big Lake - Consider the exchange of drainage easements (MO)**

114019  
ROW

In the city of Big Lake, REAGAN COUNTY, on US 67, the state of Texas acquired an easement interest in certain land for highway drainage purposes by instrument recorded in Volume 29, Page 521, Deed Records of Reagan County, Texas.

A portion of the easement (Tract 1), described in Exhibit A, is no longer needed for highway purposes.

In accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (commission) may recommend the exchange of an interest in real property acquired but not needed for a highway purpose as whole or partial consideration for another interest in land needed for a state highway purpose.

PTCAA Texas, L.P., (owner) has granted to the state an easement interest in certain land (Parcel 1E), described in Exhibit B, needed for a state highway purpose. The owner is also the owner of the fee in the property and has requested that Tract 1 be released in exchange and as partial consideration for Parcel 1E.

V.T.C.A., Transportation Code, Chapter 201, Subchapter D, authorizes the Texas Department of Transportation (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 commission to acknowledge the acceptance of a gift or donation valued at over \$500 by majority vote at an open meeting not later than the 90th day after the date the donation is accepted.

An Agreement Concerning the Donation of Property to the Texas Department of Transportation (donation agreement) has been executed by owner and tendered to the department for acceptance under the provisions of Title 43, Texas Administrative Code, Chapter 1, Subchapter M, since the value of Parcel 1E, which is \$59,718, exceeds the value of Tract 1, which is \$36,199, resulting in a difference in value of \$23,519.

Owner has executed and delivered an easement document under the terms of the donation agreement to grant Parcel 1E to the state and have requested that the state's right and interest in Tract 1 be released to the owner.

It is the opinion of the commission that it is proper and correct that the state release its interest in Tract 1 in exchange and as consideration for the partial donation and the conveyance of Parcel 1E to the state.

IT IS THEREFORE ORDERED by the commission that it acknowledges the acceptance of the donation of \$23,519 in accordance with Title 43, Texas Administrative Code, Chapter 1, Subchapter M.

FURTHER, in consideration of the foregoing premises and in accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the commission finds that Tract 1 is no longer needed for a state highway purpose and recommends, subject to approval by the attorney general, that the governor of Texas execute a proper instrument releasing the state's right and interest in Tract 1 to PTCAA Texas, L.P., in exchange and as consideration for Parcel 1E and partial donation to the state.

Note: Exhibits A and B are on file with the assistant chief clerk.

(5) Terry County - US 62, south of E. Magnolia Street in Brownfield - Consider the sale of right of way to the abutting landowner (MO)

114020  
ROW

In the city of Brownfield, TERRY COUNTY, on US 62, the state of Texas acquired certain land for highway purposes by instruments recorded in Volume 193, Pages 291 and 293, Deed Records of Terry County, Texas.

A portion of the land (Tract 1), described in Exhibit A, is no longer needed for a state highway purpose.

In accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (commission) may recommend the sale of any interest in real property no longer needed for a state highway purpose to abutting landowners.

Fehr's Family Estates, LLC, is the abutting landowner and has requested to purchase Tract 1 for \$3,907.

The commission finds \$3,907 to be a fair and reasonable value of the state's right, title, and interest in Tract 1.

IT IS THEREFORE ORDERED by the commission that Tract 1 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 Tract 1 to Fehr's Family Estates, LLC, for \$3,907; 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 Tract 1.

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

(6) Terry County - US 385 at David Bailey Road in Brownfield - Consider the sale of right of way to an abutting landowner (MO)

114021  
ROW

In the city of Brownfield, TERRY COUNTY, on US 385, the state of Texas acquired certain land for highway purposes by instruments recorded in Volume 60, Page 168, Deed Records of Terry County, Texas.

A portion of the land (Tract 1), described in Exhibit A, is no longer needed for a state highway purpose.

In accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (commission) may recommend the sale of any interest in real property no longer needed for a state highway purpose to abutting landowners.

Bertha Trevino is an abutting landowner and has requested to purchase Tract 1 for \$3,276.

The commission finds \$3,276 to be a fair and reasonable value of the state's right, title, and interest in Tract 1.

IT IS THEREFORE ORDERED by the commission that Tract 1 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 Tract 1 to Bertha Trevino for \$3,276; 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 Tract 1.

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

**c. Finance**

**(1) Obligation Limit 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 (Report)

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) Accept the Quarterly Investment Report (MO)**

114022  
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 May 31, 2014, 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. Reports**

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

114023  
TOD

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

The commission has previously issued bonds and obligations, with approximately \$2,149,548,463 outstanding, to finance or refinance a portion of the

costs of the Central Texas Turnpike System (system), pursuant to an Indenture of Trust and six supplemental indentures. The Indenture of Trust dated July 15, 2002 (Indenture), prescribes the terms, provisions and covenants related to the issuance of turnpike revenue bonds and obligations to finance a portion of the costs of the system.

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

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

A report of actual traffic and revenue, attached as Exhibit A, has been prepared consistent with the reports previously filed pursuant to Section 501(c) of the Indenture of Trust.

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

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

**(2) Environmental Hearings Report**

**Accept public hearing reports for the US 181 Harbor Bridge Project; US 281 Loop 1604 to Borgfeld Drive; and US 69 / Loop 49 Lindale Reliever Route (Reports)**

Note: The reports are on file with the assistant chief clerk.

**e. Highway Designation**

**Webb County - Designate State Loop 20 (SL 20) on the state highway system concurrent with US 59 from the entrance to the World Trade Bridge to the junction of SL 20 and US 59 in the city of Laredo (MO)**

114024  
TPP

In Webb County, the Laredo District has requested the designation of State Loop 20 (SL 20) on the state highway system concurrent with US 59 from the entrance of the World Trade Bridge to the junction of SL 20 and US 59 in the city of Laredo.

Minute Order 113852, dated February 27, 2014, redesignated the portion of SL 20 described above as US 59, which began the process of designating applicable segments of US 59 as part of the I-69 system. However, the minute order did not reference maintaining the existing designation and signage of LP 20 so that addresses would not need to be changed.

Pursuant to Texas Transportation Code, §§201.103 and 221.001, the executive director of the Texas Department of Transportation has recommended this action.

The Texas Transportation Commission (commission) finds that this action will facilitate the flow of traffic, promote public safety, and maintain continuity of the state highway system, and is necessary for the proper development and operation of the system.

IT IS THEREFORE ORDERED by the commission that a segment of SL 20 is designated on the state highway system concurrent with US 59 from the entrance of the

World Trade Bridge (approximately 0.6 mile west of FM 1478) to the junction of SL 20 and US 59 in the city of Laredo, a distance of approximately 10.9 miles, as shown in Exhibit A.

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

**f. Designation of Access Control**

**(1) Dallas County - I-20, between South Lancaster Road and Bonnie View Road - Consider the designation of two locations on the frontage road at which access will be permitted to the abutting property (MO)**

114025  
DES

In DALLAS COUNTY, on Interstate 20, a designated controlled-access highway, the State of Texas acquired certain land for highway purposes by instrument recorded in Volume 67059, Page 73, Deed Records of Dallas County, Texas, with denial of access to the abutting remainder property as described in the instrument.

W.D. Anderson, the current owner of the abutting property, has requested that access to and from the eastbound frontage road of I-20 be permitted along the northern property line at two new access points, described in Exhibits A and B.

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 points will not compromise the mobility, safety or operation of the existing state highway facility, and designates these new access points as locations where ingress and egress are permitted to and from the eastbound frontage road of I-20.

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: Exhibits A and B are on file with the assistant chief clerk.

**g. Speed Zones**

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

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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**

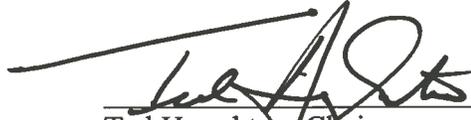
**b. Section 551.071 - Consultation with and advice from legal counsel regarding pending or contemplated litigation**

**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 heard comments from BikeTexas Policy Manager Jack Sanford concerning the proposed rules for the Transportation Alternatives Program.

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

APPROVED:

  
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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 July 31, 2014, in Austin, Texas.

  
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Robin Carter, Assistant Chief Clerk  
Texas Department of Transportation