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TEXAS DEPARTMENT OF TRANSPORTATION
COMMISSION MEETING

Ric Williamson Hearing Room
Dewitt Greer Building
125 East 11th Street
Austin, Texas

Thursday
May 28, 2015
9:00 a.m.

COMMISSION MEMBERS:

Tryon D. Lewis, Chair
Jeffrey Austin, III
Victor Vandergriff
J. Bruce Bugg, Jr.

STAFF:

Lt. General Joe Weber, Executive Director
Jeff Graham, General Counsel
Randy Clawson, Occupational Safety Specialist

1	<u>TABLE OF CONTENTS</u>	
2	Convene Meeting	Page 04
3	Safety Briefing	Page 06
4	Approval of Minutes	Page 14
5	Discussion Items	
6	3(a) Review of public transportation programs and services funded through the department	Page 17
7	3(b) Bicycle Initiatives	Page 31
8	Grand Parkway Association	Page 43
9	Approve re-appointment/appointment of members to the Grand Parkway Association Board of Directors	
10	Unified Transportation Program (UTP)	Page 46
11	Approve updates to the 2015 UTP	
12	Compliance Office	Page 54
13	Compliance Office Report	
14	Traffic Operations	Page 55
15	Highway Safety Plan - Approve funding for the 2016 Highway Safety Plan	
16	Toll Equity	
17	Hidalgo County - Hidalgo County Regional Mobility Authority - Consider preliminary approval of a request from the Hidalgo County Regional Mobility Authority for financial Assistance in the amount of \$127,935,862 to pay For costs of constructing Segments 1 and 2 of The SH 365 (Trade Corridor Connector) project	
18	8 (Part 1 of 2)	Page 27
19	8 (Part 1 of 2)	Page 73
20	Purchase Order Amendments	
21	9(a) Consider the approval of a material change to purchase order awarded under Chapter 2155 of the Texas Government Code for the purchase of services for a milling machine rental with operator to supplement state forces	Page 91
22		
23		
24		
25		

1	Purchase Order Amendments (continued)	
2	9(b) Consider the approval of a material change	Page 95
3	to a purchase order awarded under Chapter	
4	2155 of the Texas Government Code for the	
5	purchase of services for asphalt paver	
6	machine rental with operator to supplement	
7	state forces	
8	9(c) Consider the approval of a material change	Page 97
9	to a purchase order awarded under Chapter	
10	2155 of the Texas Government Code for the	
11	purchase of services for asphalt paver	
12	machine rental with operator to supplement	
13	state forces	
14	Contracts	
15	Award or reject contracts for maintenance,	
16	highway and building construction	
17	10(a) Highway Maintenance and Department	Page 98
18	Building Construction	
19	10(b) Highway and Transportation Enhancement	Page 100
20	Building Construction	
21	Eminent Domain Proceedings	
22	Various Counties	Page 125
23	Routine Minute Orders and Reports	Page 127
24	12(a) Donations to the Department	Page 127
25	12(b) Real Estate Donations	Page 127
26	12(c) Real Estate Dispositions	Page 127
27	12(d) Report	Page 127
28	12(e) Speed Zones	Page 127
29	Executive Session	Page 128
30	Open Comment Period	Page 128
31	Adjourn	Page 128

1
2
3
4
5
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7
8
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P R O C E E D I N G

MR. LEWIS: Okay. If everyone will please take your seats. We're about ready to get started. It is 9:02 a.m. I'm going to call to order the May 28th, 2015 meeting of the Texas Transportation Commission in Austin, Texas. I'll note for the record that public notice of this meeting containing all items on the agenda was filed with the Secretary of State at 4:01 p.m. on May 20th, 2015 which by law is seven days prior to the meeting and that accords with Government Code Section 551.044.

At this time, I would like to ask before we begin today's meeting we all place our cell phones and other communication devices in silent mode. And mine wasn't and it now is. So please put those on -- on silent. If you wish to address the Commission during today's meeting, I'll need you complete a speaker's card at the reservation -- registration table.

To comment or register your opinion on an agenda item, that is one of the posted items that we have, you will have -- you'll need to obtain a yellow card. And we have several that have been filled out already. On this card, it has some information, it's self-explanatory. But you do need to put which item your -- you wish to speak about. There are a number of agenda items that we need to know which item it is so we'll be sure that -- that we call on

1 you when we get to that item.

2 When you come forward on that item, you'll need to
3 state your name. And if you are here representing an
4 organization, so it's not just you for yourself but you're
5 actually here representing an organization, you'll need to
6 state the name of the organization which you are
7 representing.

8 Now if it's not an agenda item, but you do wish to
9 make a comment to the Commission, then we will take your
10 comments during what's called the open comment period. That
11 comes at the end of the meeting after we've completed our
12 agenda, we've done everything else, then we'll ask for any
13 comments, it can be on any subject, but if -- and if so,
14 before we recognize you, we'll need to have a blue card
15 filled out.

16 And then the procedure is just the same. You'll
17 come up, this is the desk here and there's a microphone
18 here. You just come up and you state your name, who you're
19 here representing if you're representing a group and then
20 you can make your comments. Now either way it's a three
21 minute period when you got three minutes to have your say
22 and you can -- you don't have to take it all, but you -- you
23 may. And we'll certainly give you all of our attention.
24 But -- but you'll do -- you'll do that if you've got a
25 comment to that.

1 Now one thing I'll also say because I'm always the
2 one who -- who forgets about it is that in that opening
3 comment period since it's not on the -- an agenda item, a
4 person may make comments but we can't reply, we can't talk
5 about it, we cannot discuss it. So it'll just be that
6 comment is made and then -- and then we close the meeting.

7 Now before we begin, I'm going to turn the
8 microphone over to Executive Director, General Joe Weber.

9 GENERAL WEBER: Thank you, Chair. At this time, I
10 would like to ask our Occupational Safety Specialist Randy
11 Clawson to come up and give us our safety brief.

12 MR. CLAWSON: Thank you, General Weber. If we
13 were to have a fire this morning, we would want to alert
14 people in the building. There are post stations in the
15 lobby. And you can do that and make sure that you call 911
16 or have someone call 911. Whoever does call 1 -- 911, make
17 sure you know the address where -- where we are which is 125
18 East Eleventh Street just across from the capital.

19 If you need to know emergency procedures for the
20 building, we have them posted in common areas on every
21 floor. Here it would be near the elevators in the main
22 lobby area. Exit routes that are noted on that plan, our
23 primary exit of course is out the front door facing Eleventh
24 Street. There's also facing Congress on the west side. And
25 of course most importantly you should know that the back of

1 this room behind those curtains over there on that side on
2 the east side you can exit this room and facing Brazos.
3 Once -- once you get out of the building, make your way
4 across to the capital lawn area kind of near the visitors'
5 area so we can count heads and noses to make sure we have
6 everybody accounted for.

7 In case of inclement weather and we know that is
8 certainly a possibility with the recent weekend that we had,
9 you want to make sure that you move away from exterior doors
10 and -- and windows and particularly glass and potential
11 flying glass and debris. You would want to move towards
12 stairwells, move towards the basement and you would -- once
13 you get to the basement area you would want to move toward
14 the core of the building. In case of a bomb threat, of
15 course you would listen for any direction from our security
16 system that would be over the PA.

17 Fire extinguishers are -- and first aid kits are
18 prominently located throughout the building. And also we
19 have an AED in case someone has a heart related problem
20 located today. An AED is located in the lobby near the
21 security booth.

22 I would like to mention our safety brief that we
23 are in the midst of Click It or Ticket campaign and as well
24 as the Don't Mess With Texas campaign. And also beginning
25 May 1st through August 31st every year is our 123 Safe Days

1 of Summer, the time -- peak time when production is up as
2 far as construction and maintenance on our roads in -- in
3 Texas. And we're encouraging motorists to -- to slow down
4 of course and be aware. And lastly, we want to make sure
5 that TxDOT employees drive with their lights on, that
6 they're visible and are aware and make sure that they wear
7 protective clothing, particularly long sleeve clothing here
8 in the summertime and -- and wear that sunblock. Of course,
9 we want to stay hydrated and we want to look out for
10 ourselves and for our coworkers.

11 Of course, our thoughts and prayers go out to the
12 folks in Wimberley and also those along the Blanco River.
13 And it's a stark reminder of what I just talked about, the
14 need to -- to think ahead, to be prepared and to take action
15 ahead of time. And again, our thoughts and prayers go out
16 to those -- those folks and those families and communities.

17 Thank you for your leadership, General Weber, and
18 Commissioners for your leadership, particularly in the area
19 of safety. I certainly do appreciate that and just pray
20 that you all have clarity of thought today, that you're very
21 safe and very productive. And thank you for the opportunity
22 being here today. Have a blessed day.

23 GENERAL WEBER: Thank you, Randy. And Chairman,
24 with our safety brief completed, I turn it back to you.

25 MR. LEWIS: Thank you very much, General. It is

1 our practice to begin each meeting with comments of our
2 commissioners. And we'll start with Commissioner Bugg.

3 MR. BUGG: Thank you, Chairman Lewis. I just
4 wanted to comment that with all the hard work that's been
5 going on at the state legislature that -- and -- and the
6 work by Governor Abbott and -- and his staff and Speaker
7 Straus and Lieutenant Governor Patrick that with the
8 additional funding that we hope will evolve, that we're
9 really entering what I would call a real golden age for
10 transportation for the future of Texas. And I just think
11 it's a very exciting time to have been -- wanting to be a
12 new commissioner for the Texas Transportation. And I'm very
13 appreciative and I know that everyone in this audience
14 including my fellow commissioners, Chairman Lewis, are just
15 as excited as -- as I am about our future of transportation.
16 Thank you.

17 MR. LEWIS: Commissioner Vandergriff?

18 MR. VANDERGRIFF: I don't have any comments at
19 this time. Just looking forward to listening to the rest of
20 the meeting and -- and what the participants out there tell
21 us.

22 MR. LEWIS: Thank you very much, Commissioner.
23 Commissioner Austin?

24 MR. AUSTIN: Good morning, everyone. I know
25 there's a lot of folks that have traveled in quite a ways.

1 And today's going to be I think kind of an exciting to look
2 at meeting to look at progress that's being made with
3 Hidalgo County, with the RMA. And also Chairman Billy Hibbs
4 of our Bicycle Advisory Committee is here to update then --
5 I know since I've been on the Commission we have not heard
6 of an update at all from what the -- the bicycle group is
7 doing. And we really look forward to hearing y'all's --
8 y'all's comments.

9 It was mentioned with all the floods in our safety
10 briefing there's been a lot of disasters from tornadoes,
11 floods across the state. And, you know, much like what we
12 talk about during the winter months how our team -- our guys
13 work around the clock, men and women throughout the state
14 clearing the roads. And, you know, here we are about to
15 come into hurricane season as well and we pray that some of
16 this -- these things will subside. It's -- I just want to
17 say thank -- thank you to those that are not watching and to
18 those that are in here pass on to the staff and the team out
19 there clearing the roads to make Texas safer and cleaner.

20 And as we talk about this with the floods, there's
21 a lot of debris that's going to be -- that's going to end up
22 in places we never thought. There's going to be debris we
23 never knew of that's going to come.

24 Last month we celebrated and kind of kicked off
25 our campaign for Don't Mess With Texas in front of the

1 capital. You all remember seeing this big ball of trash.
2 And our -- our campaign this year is -- well, it's small
3 trash, big mess. And what can happen if you look at that,
4 we spent last year TxDOT alone \$35,000,000 cleaning up trash
5 around the state. That does not count the number of
6 volunteer hours and things like that of many organizations
7 that have maybe adopted a highway or out helping -- helping
8 clean up.

9 We take pride in the state. And I know each of
10 you do. And I thank you to the Adopt a Highway program who
11 is -- that is 30 years old this year. Thank you to --
12 especially there's been about a hundred and fifty groups
13 throughout the state that had been participating in the
14 Adopt a Highway program for more than 20 years. And, you
15 know, for those that may be watching, thank you. I know
16 I've -- I've -- as I said before, I'm a former scoutmaster,
17 took a bunch of scouts out, cleaning it up. If you've ever
18 picked up trash, you'll look differently at those that have
19 -- that have thrown -- thrown trash out.

20 None the less, Don't Mess With Texas, next year
21 we'll celebrate its 30th anniversary. And with that --
22 well, I know I had a meeting this morning -- is D.J. still
23 in here? D.J., if you would stand up. D.J. has recently
24 joined us.

25 She's our new director of a travel division which

1 also oversees the campaign for Don't Mess With Texas and --
2 and part of the Adopt a Highway program. She comes to us,
3 she's a 20 year -- she was a public information officer for
4 the civilian side of working with the military, spent a lot
5 of time in Germany with the Army. Thank you for your
6 service and welcome aboard. And don't mess with D.J. now.
7 I'm just telling you. This is up to D.J. But with this,
8 you know, there's a talk about the floods, the -- the
9 campaign. We've had many notable artists that have
10 participated over the last 29 years look -- you know,
11 helping promote Don't Mess With Texas. This started as a
12 litter campaign to clean up Texas and keep it clean. And
13 I'm excited to have one of our most recent gentleman who did
14 a -- a campaign for us. And I -- well, I'll introduce him
15 here in just a second, but I would like to play one of the
16 clips that was done for us last year.

17 (Videotape plays for audience.)

18 MR. AUSTIN: Well, you probably know who it is by
19 now. It's a native Texan who grew up in Amarillo who lives
20 here in Austin right now and I know he spent some time out
21 on the ranch last year writing us -- writing those lyrics
22 with a good friend of Tony Timmons out -- out in West Texas.
23 But Kevin Fowler is here with us and he -- you may recognize
24 some of his songs, "One for the Road", "Beer, Bait & Ammo",
25 "High on the Hog", "Best Mistake I Ever Made", "Ain't

1 Drinkin' Anymore", "Loud" -- "Loose, Loud & Crazy", "Bring
2 It On" and most recently a jingle with Don't Mess With
3 Texas. Kevin, if you would come on up, I have something I
4 wanted to present to you and -- and say thank you for -- for
5 participating in this campaign.

6 (Applause.)

7 MR. AUSTIN: Every country singer needs something
8 to promote TxDOT and the -- and the brand, his very own
9 Don't Mess With Texas boots. I believe they are a 10D. So
10 I'll come around and give these. Kevin, thank you very
11 much.

12 MR. FOWLER: Thank you. Thank you, all. And I've
13 spent a lot of reading to associate with this program.

14 (Whereupon, photographs were taken.)

15 MF. FOWLER: I was just saying it was an honor to
16 be a part of the program and growing up around and you see
17 the program and you see it back in the day with Stevie Ray
18 Vaughan and Thunderbird and all of those guys and people I
19 grew up looking up to and respect. And to be a part of it,
20 and it's just a tremendous honor. And thank you, guys, for
21 doing -- doing great work for the community. Thank you all
22 for letting me -- letting me be involved. It was really
23 cool.

24 MR. AUSTIN: Thank you. Thank you, Kevin.

25 (Applause.)

1 MR. LEWIS: Thank you very much, Commissioner.
2 Our first order of business is the approval of the minutes
3 from the April 29th workshop meeting and the April 30th
4 regular meeting of the Texas Transportation Commission.
5 Members of the Commission, draft minutes have been provided
6 in your briefing materials. Let's see, Commissioner
7 Vandergriff, do you have a motion to approve the April 29th
8 workshop meeting and April 30th regular meeting minutes?

9 MR. VANDERGRIFF: So moved.

10 MR. LEWIS: And Commissioner Bugg, would you
11 second that motion?

12 MR. BUGG: Second.

13 MR. LEWIS: All right. Then we have a motion and
14 a second. All in favor, say "aye".

15 (Chorus of "Ayes")

16 MR. LEWIS: Any oppose?

17 (No audible response.)

18 MR. LEWIS: All right. Thank you very much. The
19 motion carries. And with that, General, I'll turn the
20 agenda over you to work through today's business.

21 GENERAL WEBER: Thank you, Chairman. And before
22 we get started on the business, I think John Barton will
23 come up, the deputy executive director to give us just an
24 update on some of the issues we've had with the weather and
25 the safety and some other things just to bring it to our

1 attention. John, thank you.

2 MR. BARTON: Thank you, General Weber, Chairman
3 Lewis, members of the Commission. I appreciate the
4 opportunity to briefly update you on the response the
5 Department's provided to the state of Texas over the last
6 month as the severe weather has impacted our state. We're
7 very fortunate for the rain that it's brought, but as you
8 know, there have been tornadoes and flooding all across the
9 state.

10 And as Randy mentioned, more important than
11 anything is that we pause and -- and remember those lives
12 that have been lost and those people that are still missing.
13 I believe the count's over 20 now across the state due to
14 the storms that started back at the beginning of the month
15 of May. And so we need to keep those individuals or
16 families and friends and their communities in our thoughts
17 and prayers. And I certainly appreciate everyone doing
18 that.

19 The Department has responded dramatically to this
20 event and there are some pictures that I think we'll scroll
21 through here. Just to recap it for you, as these storms
22 started impacting our state in the beginning of the month
23 with tornadoes in Van, Texas and other communities in
24 Johnson County and then the floods that have occurred over
25 the last several weeks all over the state of Texas.

1 Nineteen of our 25 TxDOT districts have been out working
2 these events. It is a statewide epic event.

3 And the order of magnitude is historic. These
4 floods are larger than any that we've recorded in the
5 history of the state. The damage to the infrastructure has
6 been fairly significant. And I wanted to share with you
7 that your TxDOT district staff and division staff all across
8 this state have responded in ways that should make us all
9 proud. And while they're out there working around the clock
10 removing debris, repairing damaged roadways, protecting the
11 public from these events, they know that behind them and
12 supporting them is our governor of the great state of Texas,
13 Governor Abbott; their commission led by Chairman Lewis and
14 each of you and their executive director General Weber and
15 it is much appreciated. It gives them courage and strength
16 to be able to do what they're doing.

17 Today we've gone from over 280 roadway closures
18 down to something around a hundred and seventy or so. And
19 as the water recedes, we'll repair those roads with the
20 support not only of our TxDOT staff and local emergency
21 responders, but also our construction and maintenance
22 partners through the associated general contractors and all
23 the companies that they represent as well as others.

24 It has taken the entire state of Texas to respond
25 to this event and the leadership at the highest levels have

1 been engaged. I also feel like it's appropriate that we
2 recognize Chief Nim Kidd of the Division of Emergency
3 Management out of our Department of Public Safety for his
4 great leadership and their team through the state operations
5 center.

6 But I just wanted to tell you how proud I am of
7 all the men and women that work for you and the citizens of
8 Texas every day at this Department. And in response to this
9 storm, they'll continue to do what they need to to make
10 these roads safe, to open up roads of recovery for these
11 communities and to support the men and women all across
12 Texas that had been impacted by this -- this epic event.

13 So General Weber, thank you for giving me a chance
14 to show a few pictures of their efforts and to give them a
15 shout out. I would ask all of you to join me in a round of
16 applause for those great men and women who are doing such an
17 excellent job.

18 (Applause.)

19 GENERAL WEBER: Thanks, John. Let us begin with
20 Item 3(a). We have a review of our public transportation
21 programs and services funded through the Department. And
22 our Director of Public Transportation Eric Gleason will
23 present this review. Eric.

24 MR. GLEASON: Thank you, General Weber, Chairman
25 Lewis, members of the Commission, good morning. For the

1 record, Eric Gleason with the TxDOT Department of
2 Transportation and I'm the director of public transportation
3 for the Department.

4 Our purpose today is to provide you with some
5 context and background on the grant programs that the
6 Department manages because we anticipate coming before you
7 at both your upcoming June and July meetings with a number
8 of different recommendations that will have you end up
9 awarding the vast majority of the funding we get each year
10 from these programs.

11 So my purpose today is to give you a glimpse and
12 some background to those programs so that as you proceed to
13 take your action in both June and July you have that
14 information.

15 We get each year about \$90,000,000, combination of
16 state and federal grant program funds that we are
17 responsible for as the Department for making decisions on
18 how to allocate those funds, what to do with them. And then
19 we also take on significant responsibility for making sure
20 those funds are used in ways that are appropriate and
21 consistent with the programs that they come from.

22 We as the Department are focused almost entirely
23 on those areas of the states that are under 200,000 in
24 population so we don't deal a lot with our grant programs in
25 the large metropolitan areas and this is largely because

1 those areas receive their funds either directly from the
2 federal government or they do not receive state funding at
3 all for their -- for their programs.

4 And as you can see on the slide, about two-thirds
5 of our funding comes from the federal government and about a
6 third of it comes from state funding. And I will point out
7 that that state funding amount has been relatively flat
8 since about the year 2000. And so you can imagine that over
9 this 15 year time frame with the same amount of funding
10 being available it has been quite a challenge for those
11 programs to continue to grow and offer the services that
12 they do provide.

13 Our program, we have funding and contract
14 relationships with over 150 different entities around the
15 state. And given -- at any given time we have about 300
16 active grant agreements in place. And those agreements
17 totaling between three and \$400,000,000. So it's a fairly
18 extensive program. We'll work with a lot of different folks
19 to accomplish our objectives.

20 The programs that we support, fund efforts in an
21 area of the state that is almost 97 percent of the land area
22 of the state and about 40 to 41 percent of the state's
23 population. So from a breadth and scope standpoint, our
24 efforts cover the entire state. And -- and you can see this
25 on the map. The -- the green areas that you see are the

1 areas of the state that are covered with rural transit
2 district services.

3 These areas, counties, county commissioner's
4 courts and each of these areas make decisions to join or
5 form their own rural transit district. And -- and these are
6 county based decisions. The -- the Department does not play
7 a -- a formal decision making role in those actions. We
8 support it with information and -- and guidance, but it is a
9 county commissioner's court decision.

10 And some of your agenda items for June will
11 actually recognize that sometimes counties make decisions to
12 change which rural transit district they belong to or the
13 current district decides they can no longer support those
14 activities. And so we will ask you to reallocate funding to
15 those new districts.

16 You know, Texas is home to the largest rural area
17 population of any state in the nation. Half again as much
18 as the second most populous state from the rural area
19 standpoint which is -- which is North Carolina. Over
20 6,000,000 Texans live in the rural areas of our state. And
21 just like the metropolitan areas, those rural areas continue
22 to grow. And so we need to continue to try and -- and
23 support that -- that growth with our funding programs.

24 As I mentioned, we have grant agreements with over
25 150 entities, but the truth of it is that 85 percent of our

1 funding actually goes to 68 rural and urban transit
2 districts across the state. These are independent political
3 subdivisions of the state. They have their own boards.
4 They make their own decisions. We work closely with them to
5 make sure that they utilize their funding effectively and
6 that they are compliant with our program requirements.

7 I won't go into all the different programs that we
8 do administer. You can see the list. It is a combination
9 of federal and state as I mentioned. And within the federal
10 program, we have a combination of -- of those programs which
11 are allocated by formula and those programs for which we
12 conduct calls for projects and we award the funds on a
13 discretionary basis.

14 You know, we bring minute orders to you throughout
15 the year for decisions on each of these programs. And then
16 the only exception to that will be under the formula
17 allocation heading. You'll see the third bullet, urbanized
18 area 5307 programs. We are officially what the federal
19 programs refer to as a designated recipient for federal
20 funding for urban areas between 50 and 200,000 in
21 population. The Department literally signs off on an
22 allocation and then those individual entities such as Tyler
23 or Longview or Midland Odessa then enter into direct funding
24 relationships with the federal government for use of those
25 funds. That certification we provide each year does not

1 provide -- it does not require an action on your part to --
2 to certify.

3 State funds at the bottom of the page are
4 allocated primarily by formula to all rural and urban
5 transit districts across the state. And then a relatively
6 small portion of that total is actually targeted to help us
7 address with 2010 Census impacts through a combination of
8 formula and discretionary award activities.

9 Looking at the formula itself, this is a formula
10 which the Commission does adopt. It was last -- the most
11 significant activity around this formula was back in 2006.
12 It has remained relatively stable since then. It uses a
13 combination of -- of population, land area and performance
14 to allocate funds among the various transit districts.

15 The and -- and the -- the rust colored or the --
16 the maroon colored squares on the chart are also -- this is
17 the portion of the formula that we use as well to form -- to
18 allocate the federal rural program awards. The blue boxes
19 outline the steps also for the urban areas under the state
20 program.

21 Moving to our discretionary program, we divided
22 discretionary program efforts into activities into two
23 annual efforts. The first of these is the 5310 program
24 which is a federal program and it's the -- called the
25 enhanced mobility of seniors and individuals with

1 disabilities. We conduct a public involvement process
2 covering each of TxDOT's 25 districts and we solicit project
3 applications in the small urban and rural areas of the
4 state.

5 We have stakeholder committees in each area that
6 recommend project awards which are subsequently confirmed by
7 the division and then presented to you for your approval.
8 And I will say that we have worked with our office of public
9 involvement on our public engagement process. And -- and
10 recently we were recognized by the national center for
11 senior transportation services. On our -- on that process
12 as a best practice for others to follow nationally.

13 The second area of activity that we do each year
14 is our annual coordinated calls for projects and this is
15 where we combined mostly federal funding, all of the
16 discretionary federal funding programs into one call for
17 projects. This streamlines the actions at the local level
18 putting their applications together. And it allows us to
19 blend and mix different funding streams to accomplish
20 projects that we received requests for.

21 And then you can see from the slide here that we
22 use a combination of general evaluation criteria as well as
23 programs -- specific criteria to help us make our decisions.
24 And these criteria emphasize that measurable outcomes for
25 these projects, we're looking for local coordination and

1 partnerships, the relationship to our Department goals and
2 the capacity of any individual project applicant to
3 implement the project they are requesting funding for.

4 A quick look at some of the numbers that these
5 programs generate, between the rural and the small urban
6 areas of the state, almost 34 million trips a year. A
7 relatively significantly sized fleet of over 3,000 vehicles.
8 And this is a mix of different kind of vehicles the -- the
9 most predominate member of the fleet are vehicles that look
10 a lot like the airport parking shuttles that you see.

11 And -- and just the phenomenal safety record, .22
12 safety incidents per revenue vehicle mile operated -- per
13 million revenue vehicle mile operated. And that -- you
14 know, that translates to about 15 incidents a year. And an
15 incident can be anywhere from property damage in excess of
16 \$25,000 all the way on up to a fatality. So I think it's a
17 fairly phenomenal safety record that the industry has in
18 this regard.

19 So I'm looking forward to presenting
20 recommendations to you in both June and July on these
21 programs and I'm happy to answer any questions you might
22 have.

23 MR. LEWIS: Commissioners, were there any comments
24 or questions for Director Gleason at this time?

25 MR. AUSTIN: I have one question, Eric. I want to

1 go back to the slide, Number 4. And it's kind of outlining
2 the, you know, the formula allocation discretionary. And I
3 think a lot of these things are mostly for capital
4 expenditures.

5 MR. GLEASON: It's a combination of operating and
6 capital. Yes, sir.

7 MR. AUSTIN: So I -- I fully support capital
8 expenditures. But on the operational, when we do -- when we
9 give these out, what type of reporting or accountability
10 back to your office do -- do the district transit systems
11 have to respond to? Are there any metrics that we look for?

12 MR. GLEASON: Well, there are metrics which was
13 built into the formula to encourage efficient and cost
14 effective investments in their part. So they compete each
15 year with themselves and -- and others based on the
16 allocation formula that we have. We solicit data from them
17 to report to the National Transit Database which is used for
18 some programs at the federal level to help determine
19 allocations.

20 And so we don't build in individual performance
21 targets for individual systems. The system kind of
22 regulates itself around those performance measures. We make
23 a point during two business meetings we had each year with
24 our sub-recipients to highlight what we would consider to be
25 best practices to encourage them to -- to move in the right

1 direction.

2 MR. AUSTIN: Well, the last comment I want to make
3 on -- on the last slide, the number of passenger trips, 33.5
4 million. You know, while most of our focus continues to be
5 on roadways, there are other modes of transportation and we
6 are a transportation department. And I want to say thank
7 you for your effort in leading this. I know it's not always
8 easy, but helping move people in a different way than --
9 other than getting on a car, we need other modes of
10 transportation to move Texans and that speaks for itself.
11 So thank you for --

12 MR. GLEASON: Appreciate that.

13 MR. AUSTIN: -- all your work in this.

14 MR. GLEASON: Thank you.

15 MR. LEWIS: Thank you. Any other questions for
16 Director Gleason? If not, thank you very much --

17 MR. GLEASON: Thank you.

18 MR. LEWIS: -- for -- for your report.

19 MR. GLEASON: Okay.

20 MR. LEWIS: We appreciate it. And I'll -- what
21 I'm going to do is -- thank you, sir.

22 MR. GLEASON: Well, I'm -- I would be willing to
23 introduce the next item on the agenda, sir, if you would
24 like.

25 MR. LEWIS: Well, we're going to go out of order,

1 though. I'll -- I'll -- we'll call --

2 MR. GLEASON: You are going to go out of order.

3 MR. LEWIS: -- you back to that --

4 MR. GLEASON: Okay.

5 MR. LEWIS: -- purpose.

6 MR. GLEASON: Thank you.

7 MR. LEWIS: We have a legislator here. And so I'm
8 -- what I'm going to do is pull up a -- an item out of order
9 for the limited purpose of receiving legislative comment.
10 It's Item Number 8. And we have really very, very hard
11 working legislators in the capital and to accommodate their
12 schedules and none -- none more hardworking than -- than our
13 next speaker. So to accommodate the schedule and -- and
14 allow the legislator to adjust his schedule as needed, I'm
15 going to pick up Item 8 for the limited purpose of
16 requesting that Chairman Mando Martinez come forward and
17 give his comments with regard to 8 and then we'll go on with
18 the agenda.

19 MR. MARTINEZ: Chairman.

20 MR. LEWIS: If -- if you'll give us your good --

21 MR. MARTINEZ: Good morning, Chairman.

22 MR. LEWIS: -- good cause. Yes, sir.

23 MR. MARTINEZ: Director and of course our members
24 of the Commission. What an honor to be here before you. I
25 think we've done some great things this session, this

1 legislative session. Armando Martinez, state
2 representative, vice chair of the Transportation Committee.

3 I think -- you know, it's been -- it's been quite
4 a great ride and always good serving with -- with Chairman
5 Lewis there in the House and working with them down our --
6 our same hallway and working with each and every one of you.
7 I -- I want to say that you all have done a tremendous job
8 in coming and -- and working with us here in the
9 legislature.

10 Today, we have a very, very important item on the
11 agenda. And I really request for you all's consideration on
12 that. We have some hardworking members of our Hidalgo
13 County RMA. I know in the past there's been some issues
14 that we have resolved and we have worked with. And they
15 have done a tremendous job in -- in identifying the needs of
16 the value. We are so behind in -- in infrastructure in the
17 Rio Grande Valley with Mexico and -- and their trucks and
18 their roads already being built. And we have an estimation
19 of an additional 1500 trucks that are going to cross into
20 the United States through our borders here in the Rio Grande
21 Valley without the infrastructure needs that -- that we have
22 down there in the valley. We -- we will be behind the eight
23 ball so to speak.

24 This is something that is extremely needed for us,
25 something that our RMA has worked very hard. And I just

1 want to point out that I thank you all for working with us
2 and identifying our needs as well.

3 I want to thank John Barton and I think Mr. Barton
4 has done an extremely great job in -- in sitting down with
5 us going over the issues. We've been in talks several times
6 to see what we can do, how we can address our executive
7 director, Russell Zapalac. I think all of us have worked
8 really hard. And also our district engineer Toribio Garza
9 has done a tremendous job with us. And -- and without all
10 of us coming together and trying to -- to come up with a
11 solution, it -- it wouldn't have happened without each and
12 every one of you all. So I want to thank you for that. And
13 with that, I'll entertain any questions that you may have
14 and --

15 MR. LEWIS: Okay, Mr. Austin.

16 MR. AUSTIN: Chairman. Welcome. Thank you. For
17 your --

18 MR. MARTINEZ: Thank you.

19 MR. AUSTIN: -- for your hard work over there and,
20 you know, that -- you're like our parents looking -- we're
21 asking for an allowance in the billions. So thank you for
22 your help and working on funding.

23 I want to compliment what you have done and some
24 of your colleagues in the valley, because you talk about the
25 need of infrastructure. You all have stepped up and really

1 gone to bat and -- and implemented at the will of the
2 citizens, your elected officials, your -- other colleagues,
3 vehicle registration fee.

4 MR. MARTINEZ: Right.

5 MR. AUSTIN: And what you all have done is help --
6 help -- you're helping yourselves by generating additional
7 revenue that's coming right back in -- in to needed
8 infrastructure. I know when we had our commission meeting
9 down there you've toured the bridges. I think you sponsored
10 -- put in the oversized overweight --

11 MR. MARTINEZ: Yes, sir.

12 MR. AUSTIN: -- quarter around the -- the -- one
13 of the international bridges --

14 MR. MARTINEZ: Yes, sir.

15 MR. AUSTIN: -- and using a fee to pay for that.

16 MR. MARTINEZ: Correct.

17 MR. AUSTIN: Really innovative and thank you all
18 for what you're doing in leadership. I think other parts of
19 the state could learn from what you all have done to really
20 say transportation is important to us. We're going to help
21 pay our way out of it, but we can't do it alone. I support
22 -- you've been a big support of the RMAs and thank you.

23 MR. MARTINEZ: Thank you, Commissioner. I
24 appreciate that.

25 MR. LEWIS: Thank you, Commissioner. No other

1 comments? Chairman, we know that your schedule is very
2 busy. You may stay, go, whatever you know, but we
3 appreciate you coming over.

4 MR. MARTINEZ: Thank you, Chairman.

5 MR. LEWIS: Thank you very much.

6 MR. MARTINEZ: I appreciate it.

7 MR. LEWIS: And with that, General, I'll turn it
8 back over to you.

9 GENERAL WEBER: We'll continue with Item 3(b) and
10 Eric will come back up and give our presentation concerning
11 bicycle initiatives. Thank you.

12 MR. GLEASON: All right. Once again for the
13 record, my name is Eric Gleason, TxDOT Director of Public
14 Transportation. Consistent with our mission to provide
15 mobility options for people who use alternatives to driving
16 alone, the Public Transportation Division is responsible for
17 the Department's bicycle and pedestrian program.

18 And one critical partner we have in our -- our
19 efforts in this area is the Bicycle Advisory Committee. And
20 our purpose with this discussion item today is threefold.
21 We're going to highlight some of the recent activities of
22 the committee. I'm going to allow for presentation of a
23 pilot program idea that's been heard by the committee but
24 not officially endorsed. And we're also going to provide
25 you with an overview of some things that are coming up in

1 the -- in the committee's ongoing efforts.

2 The Bicycle Advisory Committee is an 11 member
3 committee that is appointed by this Commission. The members
4 on it represent a diversity of geographic and professional
5 interests, share a strong commitment to ensuring safe and
6 accessible bicycling and pedestrian investments around the
7 state.

8 The chair of the committee, Mr. Billy Hibbs is
9 here today. And he will present the first two items on our
10 list. Mr. Hibbs is from the Tyler area. And I will say
11 that under his leadership the committee has come together
12 and is making good progress on a number of important efforts
13 to enhance these programs in Texas. And so I will cover the
14 last item on our list and turn it over to Billy at this
15 point.

16 MR. HIBBS: All right. Thank you, Eric, Chairman
17 Lewis, Governor Weber -- General Weber and members of the
18 Commission. Thank you very much for allowing me to be here
19 today. This is a -- a great honor. My -- my name is Billy
20 Hibbs. I'm from Tyler, Texas. And I'm chair of the
21 committee. And it is a -- really a -- an important moment
22 for us to get a chance to address with you some of the
23 things that we've been working on over the past year.

24 My day job is the CEO of an insurance risk
25 management holding company, so safety is obviously very

1 important in my day job. And one of the things that -- that
2 we want to -- to try and accomplish is -- is a combination
3 of -- of good safety practices in the state of Texas for --
4 for cycling, as well as economic development.

5 And the -- I want to compliment the commission on
6 expanding the Bicycle Advisory Committee because heretofore
7 there has been very little representation from the rural
8 areas. And as Eric pointed out, there is now 11 members and
9 it represents a much more diverse part of the state of
10 Texas.

11 In fact, I can tell you that in Tyler over the
12 past year we've had a number of deaths and a number of
13 serious injuries, three front page articles in our
14 newspapers about the problems we've had because there is --
15 are basically no accommodation for bicycles at all. And it
16 is a -- as I refer to it, we are in full retrofit mode
17 trying to come up with accommodations to attract industry
18 and -- and people from other parts of the -- of the country
19 to move to Texas and have jobs here. And many of them want
20 to ride their bikes to work. They want to cycle for
21 recreation and they want to use it for commuting purposes.
22 And Texas is a little behind -- behind the -- the curb
23 there.

24 So one of the -- one of the things that we wanted
25 to show you is some of the work that we've been doing. And

1 I'll bring your attention to the first item which has to do
2 with -- with safety. The safety guide for bicyclists is a
3 very, very comprehensive booklet that we put together that
4 includes everything from bicycle maintenance to the ways to
5 have the rules of the road and how you -- how you go about
6 being a responsive cyclist. I personally believe that --
7 the cyclists have a great responsibility to ensure that they
8 don't impede traffic and that they understand the rules.
9 And that -- that particular manual is -- is being completed
10 and I think will be a great resource.

11 We also have these -- these bicycle hangers that
12 we have published now that are available for bicycle stores
13 to hang on the -- on the handlebars. One of the items on
14 here that was particular important to me was that bicyclists
15 understand ride no more than two abreast when traveling in a
16 shared roadway lane. There's some cyclists that still don't
17 understand that and we want to make sure that they get the
18 message as well as the proper ways to signal and be
19 responsible on our -- on our roadways.

20 The -- the next item I want to cover is a -- a
21 pilot project that -- that Eric mentioned. If you'll look
22 at the scribe, you can see that basically what we're talking
23 about is -- is low hanging fruit. We're talking about going
24 to streets and roads that are already overly wide and either
25 cheating in the medians a little bit but gaining some --

1 some bicycle lanes in a cost effective manner where we don't
2 have to worry about seizing right of way and -- and creating
3 a lot of problems with -- with property owners.

4 We have coined the term BikeStripe for this and
5 it's basically a hub-and-spoke lane striping program. And
6 it allows communities to have a -- a program and a plan so
7 that if they want to stripe their community, they can do it.
8 And it -- it takes advantage of as I said existing roadways.
9 In our particular beta test we engaged the University of
10 Texas at Tyler. And I'll tell you a little more about that
11 in a moment. There is software available to -- to help you
12 understand where the best parts of these lanes should be
13 striped. And I want to give my personal thanks to Bobby
14 Gonzalez from the El Paso region who is a civil engineer who
15 serves on our bicycle committee. And Mr. Gonzalez developed
16 software for this and made it available for free to assist
17 these communities. And so after identifying which lanes you
18 want to be striped, then we can request funds for striping
19 or the city can add it during their restriping.

20 One of the things that's -- that's very important
21 to me is that we are able to use the TxDOT website to put
22 these grids on the website. So that if someone is traveling
23 to another location in the state of Texas, for example,
24 Abilene, they'll be able to go on the TxDOT website, click
25 on BikeStripe and the city of -- of Abilene will come up and

1 it will show all of the roads that are available that are
2 striped for cyclists. And that will greatly enhance the
3 ability for people to go from community to community with
4 their bicycle.

5 This is a -- a grid. It's what I call a hub-and-
6 spoke grid. The city of Tyler is basically at the center
7 there of that grid. And I approached the University of
8 Texas at Tyler and asked them if they would donate the
9 engineering to do this study. I'll tell you that the
10 biggest problem that most, smaller communities like Tyler
11 have is the ability to get these very expensive engineering
12 studies done. The estimated cost for this is 800,000 to a
13 million dollars. The University of Texas said we want to
14 step up and -- and help with this because it's important.
15 And so Dr. Souliman, who is an assistant professor there at
16 UT Tyler, and two of his undergraduate research students got
17 together and developed a very, very comprehensive grid.

18 I have Ed Broussard with me here today. He is the
19 Tyler city manager. We made the presentation to the city of
20 Tyler. And I would like for Ed to make a couple of
21 comments.

22 MR. LEWIS: Yes. Thank you. And Mr. Broussard,
23 we do have a request to appear card from you. So if you'll
24 state your name, who you're representing and you may give
25 your comments.

1 MR. BROUSSARD: Yes, Chairman. Thank you. My
2 name is Edward Broussard. I am city manager for the city of
3 Tyler. I am here on behalf of the city of Tyler to speak of
4 our appreciation and our support for this study and this
5 possible pilot project. It is one to where if you look at
6 many cities and it's one -- what they are trying to
7 accomplish with the conversion of their streets and looking
8 at what additional right-of-way can be added and how that
9 can be used to encourage more bicycle traffic on our
10 streets.

11 Often times we have a difficulty trying to figure
12 out well, how does this work, how does this all come
13 together, and then how do we start to pay for it. The study
14 that UT Tyler did that -- and Billy worked with them on
15 begins that path for us. It's one to which this is really
16 just kind of a new undiscovered territory for many cities
17 and with TxDOT. We're working with our local office just
18 yesterday even talking a bit about our presentation, what we
19 expected to bring before the board -- or the Commission
20 today.

21 And it was one where we even got into some
22 difficulties and issues about how do you determine the
23 protocol for how our connectivity with TxDOT highways
24 through our cities. How does this plan come together and
25 work through.

1 And that's what we're supportive of is the ability
2 to work with TxDOT, to work with our local office which has
3 such a great relationship with us and trying to figure out
4 how do our city streets, your highways that come through our
5 cities, how we're able to put this in place to be able to
6 get more people on the streets out of necessarily vehicles
7 and into bicycles to be able to get from here to there just
8 about their daily lives.

9 It also connects in with your major plans that you
10 have for how do you get as far as further distances and
11 bicycle paths through your different districts and areas.
12 And so it's one where I'm proud to be here before you. I
13 appreciate just the time that you all are giving us today
14 and consideration for this study.

15 MR. LEWIS: Thank you, sir. Chairman Hibbs, do
16 you have any additional comments?

17 MR. HIBBS: Yes, sir. I was just going to -- to
18 wrap up and show you that the extensive amount of research
19 that was done on this is available to free to other
20 communities. And our hope is that we can use this data and
21 this information to allow other communities across the state
22 of Texas to be able to put together comparable programs.

23 And the -- the website that I mentioned earlier in
24 terms of being able to have the -- the striped lanes for a
25 particular community, they're doing it now in New York City.

1 This is an example of New York City Department of
2 Transportation. Those are bicycle lanes. So if you go to
3 New York City, you can -- you can figure out where you --
4 where you want to ride your bike.

5 Eric, if you want to come up here with me, we'll
6 briefly cover this strategic direction report. I want to
7 compliment Eric and his group on having a very, very
8 comprehensive meeting in terms of looking at all the
9 different strategies and the workshop. And I think the --
10 the results speak for themselves. Thank you, sir.

11 MR. GLEASON: All right. So in -- in closing the
12 presentation, one of the areas of effort that the committee
13 is -- is embarking on is to try and come up with some --
14 what they're calling a strategic direction report to try and
15 bring together using the expertise around the table at the
16 advisory committee meeting to establish a linkage to the
17 Department goals for this program and to formulate some
18 strategic direction statements and policies that can help
19 guide our decisions with this program and more specifically
20 influence some upcoming decisions we have to make with
21 respect to the Transportation Alternatives program which we
22 administer which will allow us to construct facilities for
23 bicycle and pedestrian use around the state.

24 So this strategic direction report is an effort to
25 jumpstart our thinking on how best to move this program

1 forward within TxDOT. It's a policy and strategy level
2 document. You're not going to find project specific
3 information in it. And we have engaged the advisory
4 committee in -- in brainstorming around areas of emphasis.
5 It might include what some of the strategic direction
6 statements might look like.

7 And some of the areas that are emerging for
8 emphasis would include; safety, education, information on
9 facilities that currently exist around the state for
10 bicycling, and then types of infrastructure investments and
11 how those infrastructure investments and facilities can be
12 designed from the get go to be more bike friendly and so
13 that we can jumpstart, we don't have to go back and retrofit
14 as -- as Mr. Hibbs mentioned.

15 So we're scheduled to review a preliminary draft
16 with the committee at their committee in July. And I would
17 expect a final draft of this report to be available towards
18 the end of the summer.

19 So that concludes our report this morning. And
20 Billy and I would be glad to answer any questions you might
21 have.

22 MR. LEWIS: Commissioners, any comments or
23 questions for Director Gleason or Chairman Hibbs?

24 MR. AUSTIN: I have -- have just a couple. One,
25 thank you all very much. Eric, I know in working with the

1 committee, Billy, taking your time as with your fellow
2 committee members, this is a voluntary committee. And what
3 you all are doing is serving statewide as with many of our
4 advisory committees with I-69, freight, ports, airport
5 aviation, we listen to the committees to help craft policies
6 and give us ideas and direction.

7 A couple comments. One, I love the -- the safety
8 guide. These things will be available on the -- on the web
9 page under the bike side. And I know one of your -- you
10 all's charges is to begin looking at enhancements.

11 You talked about a couple of things with a long
12 range vision where you could go to a city. For those that I
13 know who are in Tyler, Billy shared a vision with me. I'd
14 like to be able to go to one location and if I wanted to
15 ride my bike across Texas, what are the safe routes. Where
16 are the roads with the appropriate shoulders that already
17 exist. How could we do that, ride north, south or east,
18 west.

19 This -- part of this is getting through the cities
20 and this has kind of what helped lead to the development of
21 this process. And this was done in El Paso using U --
22 University of Texas at El Paso engineering school. And get
23 -- people are learning, getting credit. These are engineers
24 of the future. So I want to say the participation and the
25 partnership -- and I know Billy's a scout. And if you ever

1 talk to him, he does things in a thrifty manner. So I
2 figured I had to do it in a -- in a thrifty manner to save
3 taxpayer dollars, that's great.

4 A couple quick questions. They identified in the
5 pilot program using Tyler as an example. And I guess you
6 all are going to document the process, the questions, the
7 concerns to help communities work through this. I know when
8 we met with the city manager, talked about why you
9 identified 45 miles. Not all of those may be appropriate.

10 MR. HIBBS: Right.

11 MR. AUSTIN: And -- and there's some challenges
12 within those and how you're going to work through those.

13 MR. HIBBS: Yeah, one of the -- one of the most
14 important things we want to try to do is develop the process
15 of going about this from the original idea all the way
16 through meeting with the various city officials coming
17 together with TxDOT personnel and -- and whoever is going to
18 donate the engineering for it at the local universities and
19 colleges to the completed process.

20 And -- and we're -- and we're working on a
21 flowchart that -- that I hope will be on the -- the TxDOT
22 website that will allow any community to log on and figure
23 out very quickly the strategy of going about getting it
24 done. And so first and foremost -- and other people -- and
25 I'm already receiving calls from other people across the

1 state wanting to have more information about this. So I see
2 TxDOT's role is really providing the information to these
3 other communities to help them get in the same position
4 where -- where they can do something similar.

5 MR. AUSTIN: Well, thank you for your leadership
6 in -- with this and City Manager Broussard, I know you've
7 had experience in College Station and Missouri City and
8 really given some good guidance to this and it takes all
9 partners working together. Thank you very much for you
10 all's cooperation. And I look forward to seeing the
11 process, because this is very important. And again, we are
12 multimodal.

13 MR. HIBBS: Thank you. If there's no further
14 questions, that concludes the -- the presentation.

15 MR. LEWIS: Thank you, Chairman. Are there any
16 other questions or comments?

17 (No audible response.)

18 MR. LEWIS: If not, thank you very much Chairman
19 Hibbs and Director Gleason and of course to the city manager
20 Mr. Broussard. We do not have any other requests to appear
21 on this topic, so I'll turn the matter back over to the
22 General.

23 GENERAL WEBER: Thanks, Chairman. Next is Item 4,
24 appointment of members to the Grand Parkway Association,
25 Transportation Planning and Program Division Director James

1 Koch will present.

2 MR. KOCH: Good morning, Mr. Chairman, Commission
3 members and General Weber. For the record, my name is James
4 Koch, Director of Transportation Planning and Programming
5 Division for TxDOT.

6 This minute order reappoints a member to the Grand
7 Parkway Association's board of directors in addition to
8 appointing two new members as well. Section 15.85 of the
9 Texas Administrative Code states in part that the Commission
10 will review an individual's application, financial statement
11 and letters of reference and may appoint members of the
12 corporation's board of directors. William F. "Billy" Burge
13 III of Houston was originally appointed by the Commission on
14 December 18th, 1997. Mr. Burge has been nominated for a
15 fourth term to the board. He has submitted the required
16 information to the Department.

17 Norman D. Brown of Dayton is being nominated to
18 the board for a term not to exceed six years. He has
19 submitted the required information to the Department. Tom
20 P. Wilcox of Missouri City is being nominated to the board
21 for a term not to exceed six years. He has submitted the
22 required information to the Department.

23 While the minute order sets forth terms for the
24 appointees not to exceed six years, the minute order notes
25 that these terms are subject to a review and potential

1 subsequent determination by the Commission that the
2 association should be dissolved within 12 months.

3 Based upon the review and consideration of all
4 information filed with the Commission and based upon the
5 board's recommendation, it appears that the nominees are
6 fully eli -- eligible and qualified to serve as members of
7 the board. We recommend your approval of Mr. William F.
8 "Billy" Burge III, Mr. Norman D. Brown and Mr. Tom P. Wilcox
9 to the Grand Parkway Association's board of directors.

10 MR. LEWIS: Thank you, Director Koch. Are there
11 any questions or comments for Director Koch on this item at
12 this time?

13 (No audible response.)

14 MR. LEWIS: Then if not, is there a motion to --
15 Commissioner Bugg, do you move that we approve the
16 reappointment of the one member and the appointment of the
17 two other members of the Grand Parkway Association board of
18 directors in accordance with the staff recommendation?

19 MR. BUGG: I so move, Mr. Chairman.

20 MR. LEWIS: And Commissioner Vandergriff, can you
21 second that motion?

22 MR. VANDERGRIFF: Sure.

23 MR. LEWIS: We have a motion and a second. Any
24 other comments with regard to this?

25 (No audible response.)

1 MR. LEWIS: If not, then I'll call for the vote.
2 All in favor, say "aye".

3 (Chorus of "Ayes")

4 MR. LEWIS: Aye. And any oppose, say "nay".

5 (No audible response.)

6 MR. LEWIS: There are no opposed. So therefore
7 the motion carries. Thank you, Director Koch.

8 MR. KOCH: Thank you.

9 GENERAL WEBER: Next is Item 5, the Unified
10 Transportation Program. James, please continue with that.

11 MR. KOCH: Again, for the record, my name is James
12 Koch, director of the Transportation Planning and
13 Programming Division for TxDOT. This minute order approved
14 updates to the 2015 UTP. The UTP is the 10 year
15 transportation planning document that guides and is intended
16 to control project development efforts for the Department.
17 The Commission approved the 2015 UTP on August 28th, 2014
18 and revisions to the 2015 UTP on November 20th, 2014 and
19 February 26th, 2015.

20 A statewide public meeting was held via WebX on
21 Thursday, April 16th, 2015 to discuss the proposed updates
22 to the 2015 UTP. A briefing regarding the proposed updates
23 was also provided during the April Commission Meeting. The
24 formal public -- public hearing was to receive comments and
25 testimony was conducted Thursday, May 7th, 2015 at 10:00

1 a.m. Comments regarding a proposed amendments were accepted
2 until May 18th, 2015 at 4:00 p.m.

3 This minute order updates funding allocations
4 based on revised federal funding levels in 2015. In
5 addition, this minute order addresses revisions to project
6 specific program lists and includes other minor revisions or
7 technical corrections. This minute order also includes a
8 report on transportation development credit balances and all
9 administrative revisions previously incorporated into the
10 UTP.

11 Staff recommends approval of the proposed updates
12 to the UTP. I'll be happy to take any questions at this
13 time.

14 MR. LEWIS: Commissioners, are there any remarks
15 or questions of Director Koch at this time?

16 (No audible response.)

17 MR. LEWIS: If -- if not -- oh, we do have two --
18 I'm sorry. Thank you for reminding me. Thank you. We'll
19 -- we'll come back to you in just a moment to consider any
20 other matters.

21 We do have a couple of request to appear cards.
22 I'll first ask Jay -- is it Crossley? Mr. Crossley, please
23 come forward. Come up to the desk here. And then -- or to
24 the podium. And after stating your name and who you're here
25 representing, then you may give your remarks.

1 MR. CROSSLEY: Hello, Chairman and Commissioners.
2 Thank you for this time and for all you do to improve the
3 quality of life for all the people of Texas. My name is Jay
4 Blazek Crossley. I'm the executive director of Houston
5 Tomorrow and the co-chair of the Houston Coalition for
6 Complete Streets. We seek to make the streets of Houston
7 safer for all users regardless of age, ability or mode of
8 transport.

9 But unfortunately, it's not quite the case these
10 days. Every two days three people die on the streets of
11 Houston. And the -- the number one killer of children in
12 the Houston region is car crashes. And so we're hoping to
13 change that.

14 I'm here today to ask that you reconsider the
15 Unified Transportation Plan and better balance spending
16 among modes. We know that unnecessary road projects like
17 the Grand Parkway or the widening of I-10 causes traffic and
18 -- and increases vehicle miles traveled.

19 Interestingly, the people of Houston don't agree
20 with that as a predominant strategy. According to the
21 Kinder Houston Area Survey, when asked for the long term
22 strategy to deal with traffic, the smallest minority of
23 respondents, 26.7 percent think building better and new
24 roads is the way to go. A -- a -- 46 percent believe public
25 transit should be your focus. And 26.9 percent believe that

1 building better communities where you live closer to work
2 should be our focus. But that is not our focus.

3 The Houston region leads the nation -- the 10
4 largest metros in terms of road spending per capita. As
5 explained earlier, you generally provide no funding for
6 transit where the majority of Texans live. We can do a lot
7 more good for the people of Texas by balancing our spending.

8 And I bring you one example of a type of project
9 we could do; the vision for a Neighborhood Greenways network
10 across the Houston region. The -- the Greenways concept is
11 an improvement of the Bike Boulevard concept where you --
12 you identify a grid network of streets that already have low
13 traffic and you make those streets super safe. And you --
14 by doing little things like bulb-outs, roundabouts, street
15 trees and various ways to make cars only drive 20 miles an
16 hour on those streets.

17 And Neighborhood Greenways is one of the most
18 affordable forms of transportation infrastructure you can
19 do. At about \$250,000 a mile compared to about \$50,000,000
20 a mile of urban freeway lane. So for -- for a hundred
21 million dollars we can connect most of the homes in the
22 inner loop of the Houston region and the same size area to
23 the west of that for home to about 1.2 million people with
24 such a network.

25 And so today I'm asking that you reconsider the

1 funding schemes in the Unified Transportation Plan and
2 refund and send all of the bike/ped funding back to TAP and
3 -- and we need to start figuring out how to fund the
4 transportation system that Texans want. Thank you very
5 much.

6 MR. LEWIS: Thank -- thank you, Mr. Crossley.
7 Members, are there any questions of Mr. Crossley?

8 (No audible response.)

9 MR. LEWIS: Thank you very much for coming
10 forward, sir. We appreciate your remarks.

11 Robin Stallings. Mr. Stallings, if you will,
12 please come forward. State your name and who you're here
13 representing.

14 MR. STALLINGS: Thank you, Mr. Chairman,
15 Commissioners, General Weber. My name is Robin Stallings
16 and I'm the Executive Director of BikeTexas. We're
17 supported by about 30,000 Texans and that care a lot of
18 biking and walking and quality of life.

19 We request that you please vote no on this minute
20 order. Over 500 Texans have weighed in either with a letter
21 or an -- an email, a phone call or a couple dozen have been
22 here in person requesting that the transportation
23 alternative program be preserved and used for bike/ped.
24 Congress set it up that way. Although it's legally
25 flexibly, that doesn't make it the right thing to do.

1 Most states are not flexing that money. The great
2 plans like that was suggested for Tyler the bike plans could
3 be funding with TAP funding. It's possible also to harden
4 those systems so it's not just stripes. Like New York has
5 gone to a hard barrier system that make people feel a little
6 bit safer. Systems like that, protected bikeway networks,
7 combined with things like the Neighborhood Greenway plan
8 that Mr. Crossley talked about could be transformative and
9 save a lot of money. One of the best ways we can do
10 something about congestion is to give people a choice to not
11 get on that highway in the first place.

12 It's very cost effective. It's good for local
13 business. It's good for -- in fact, it drives up local
14 sales taxes when you have more local bicycle traffic like
15 that. Bicyclists actually spend more per month at a shop
16 than people in a car because they buy less per visit but
17 they visit more often. It comes out more per month. So
18 it's good for local business.

19 So the Unified Transportation Plan is a -- a
20 moment in time where you all can do something about that. I
21 request that you please send it back and have the staff add
22 to their good work that they've already done on it and bring
23 back the Transportation Alternative Program.

24 If we're truly going to be multimodal, if we're
25 really going to be a transportation department here in

1 Texas, we can't transfer a hundred percent of the bike trail
2 funding that is flexible and still do something any more
3 than we can do that with roadways or transit or anything
4 else. If we zero out the money, we can't accomplish
5 everything we want to. And so this is an opportunity. It's
6 not a lot with 35, \$36,000,000 a year. It could make a
7 great difference to a few communities in Texas. Thank you
8 very much. If you have any questions, I'm available.

9 MR. LEWIS: Thank you, Mr. Stallings. Any -- any
10 questions for Mr. Stallings? Is there --

11 (No audible response.)

12 MR. LEWIS: Thank you very much for coming forward
13 --

14 MR. STALLINGS: Thank you, sir.

15 MR. LEWIS: -- for giving your very succinct
16 remarks. We appreciate it. Let me ask Director Koch, would
17 you come forward, to see if there's any -- any further
18 comments from you. Do you have anything further?

19 MR. KOCH: I would just like to re -- also let you
20 all know in July we're going to be coming forward with
21 discussion item about the 2016 UTP. So this item will
22 continue to be in the forefront of the Commission.

23 MR. LEWIS: Very good. Commissioners, any -- any
24 other -- yes, Mr. Austin.

25 MR. AUSTIN: Just one comment. I know in the

1 staff briefing we'll get a look at the UTP. I know I've
2 mentioned advisory committees, you know, with 35. I think
3 -- Commissioner, I think the 35 Advisory Committee maybe not
4 -- doesn't exist anymore. This may be an opportunity to
5 reach back out on these major corridors with working groups
6 in the future to look at one of the projects to let -- ask
7 for their input whether it's an interstate system, I'm using
8 -- you know, I-69 has really helped out Interstate 20. 35
9 has done this in the past. To really look at listening to
10 the locals to begin to develop this as we have a process, it
11 may not happen all at once, but it'll happen down the road
12 and then to know we'll have them identified with the right
13 sport.

14 MR. KOCH: Yes, sir. Will do.

15 MR. LEWIS: Any other questions or comments,
16 members?

17 (No audible response.)

18 MR. LEWIS: If not, let's see. Commissioner
19 Austin, do you move that we approve the updates to the 2015
20 Unified --

21 MR. AUSTIN: So moved.

22 MR. LEWIS: -- Transportation Program in
23 accordance with the staff recommendations?

24 MR. AUSTIN: So moved.

25 MR. LEWIS: And Commissioner Vandergriff, are you

1 able to second that motion?

2 MR. VANDERGRIFF: Yes.

3 MR. LEWIS: All right. Then we have a motion and
4 a second. If there's no other discussion, all in favor of
5 the motion, please say "aye".

6 (Chorus of "Ayes")

7 MR. LEWIS: Any opposed, say "nay".

8 (No audible response.)

9 MR. LEWIS: Okay. The motion carries. Thank you
10 very much, Mr. Koch.

11 MR. KOCH: Thank you, sir.

12 MR. LEWIS: And General, back to you.

13 GENERAL WEBER: Next is Item 6, Compliance Office
14 report. Our Director of Compliance Office Kristin Alexander
15 will present.

16 MS. ALEXANDER: Good morning. For the record, I
17 am Kristin Alexander, Director of the Compliance Office for
18 TxDOT. The purpose of this report is to provide a summary
19 of information related to investigations for the month of
20 April 2015 in accordance with Transportation Codes Section
21 201.452 and 201.454.

22 In the month of April nine allegations were
23 assigned for investigations. Nine investigations were
24 closed during the month. And two of those were
25 substantiated. We have no further actions are recommended

1 at this time.

2 MR. LEWIS: Thank you very much. There are no
3 questions or comments. Thank you very much, director.
4 General.

5 GENERAL WEBER: Next is Item 7, the Highway Safety
6 Plan. Our Traffic Operations Divisions Director Carol
7 Rawson will present. Carol.

8 MS. RAWSON: Okay. There we go. Good morning,
9 Commissioners. For the record, I am Carol Rawson and I am
10 TxDOT's Traffic Operations Division Director. The minute
11 order before you requests approval for the FY 2016 Highway
12 Safety Plan. As you all know, the Moving Ahead for Progress
13 in the 21st Century what we call MAP-21 was signed into law
14 in July -- on July 6th, 2012. We are currently under a
15 continuing resolution, but we're still following underneath
16 the requirements of MAP-21.

17 Within MAP-21, it requires that the -- that we
18 have highway safety programs that are designed to reduce
19 traffic crashes, deaths and injuries and property damages,
20 all -- all making our highways and our roadways safer in the
21 state of Texas. The Texas Department of Transportation has
22 in compliance with all the requirements that are within MAP-
23 21 has developed the plan that's before you now.

24 The HSP is what we call the Highway Safety Plan is
25 designed to reduce the number and severity and the traf --

1 of traffic crashes, injuries and fatalities through
2 education, training and enforcement. This is truly the
3 human factor's piece of it. It takes more than just
4 engineering. And this is the piece of it that TxDOT offers
5 to -- to help to -- to do that.

6 And being that safety is our number one priority
7 within TxDOT, it certainly falls within the goals of what
8 we're doing. And implementing HSP is definitely something
9 that's -- that will help us to achieve that.

10 The way that we go about doing that is is that as
11 we start to drive -- or as we start to move forward to get
12 the Highway Safety Plan, we have to do an analysis of our
13 crash data. That's how we tell where our problems are and
14 what are things, what things are going on. And as you can
15 see, we just closed out our 2014 numbers as it stands.

16 As you can see, 3,535 deaths were here in the
17 state of Texas in 2014. That was a 3.7 percent increase
18 from 2013. What that means is that one person was killed
19 every two hours and 29 minutes here in the state of Texas
20 and one person was injured every two minutes and 13 seconds.
21 And there was a crash every 66 seconds. So it's a lot -- a
22 lot of things going on out on our roadways and as a -- as a
23 whole.

24 Very sadly we didn't have a deathless day in Texas
25 nor have we had a deathless day on our roadways since

1 November of 2000. It's a long time with a lot of people
2 that are belong with that. With that, we know our state's
3 growing. I know the -- the hearing that you all had and the
4 demographer came. And you heard all of these things that we
5 know for sure that our -- our population has increased here
6 in Texas.

7 Just this last year in 2014 we had over 450,000
8 more individuals move into the state of Texas. We have an
9 increased number of registered vehicles. We have close to
10 25,000,000 registered vehicles in the state of Texas. We
11 also had an increase in licensed drivers to where we have
12 almost 15,000,000 licensed drivers in the state of Texas.

13 Along with all of that, our vehicle miles traveled
14 has increased from 1.75 percent. So we all know this is all
15 coming with this. And along with that, you know, the
16 crashes and our fatalities that are along our roadway are
17 certainly something that we need to be focusing on along
18 with it.

19 Something to take note of: 56 percent of our
20 traffic related fatalities in 2014 occurred in rural areas
21 of Texas. You know, people will think that it's in urban
22 areas, but it's truly our rural areas. We know that we have
23 over 55,000 miles of two-lane rural roadways. That's a lot
24 of miles of smaller roads. And we've all heard a lot about
25 this. Of that 55 there's over 21,000 miles of rural two

1 lane roadways that are less than 24 foot in width.

2 So you can see some of the contributing portions
3 of this. All of these are ideas and things that we're
4 taking into whenever we're looking at what things that we
5 can do to actually make an impact on our fatalities and
6 crashes in Texas.

7 One thing whenever we're looking at all of our --
8 our data as it's coming out, Texas has an alcohol problem.
9 It has an alcohol related fatalities where -- and -- and in
10 a sense I'm very happy, this is -- we are seeing a decline.
11 We still have 1,154 fatalities in the state of Texas in
12 2014, still an unacceptable number. But I'm -- I'm proud to
13 see that our number is going down in that our other numbers
14 are still going up. So that's a good thing along with it.

15 Texas is number five in the nation based upon an
16 alcohol related fatality rate. Number five with Montana,
17 South Carolina, North -- North Dakota and Puerto Rico are
18 ahead of us along with that. I would rather not be on the
19 top 10 list of any of this to go along with this.

20 We have quite a few projects that are within our
21 Highway Safety Plan that are focused on this because of the
22 large amount of problems that we're having. There's 153
23 projects that are -- what are being proposed, almost
24 \$46,000,000 that is going towards the alcohol program.

25 This could be saturation patrols. These are

1 patrols that are out and -- and serving extra as our -- our
2 officers will work overtime. We're talking about no refusal
3 weekends in those locations that want no refusals. That is
4 actually -- our funding is helping to support that.
5 Certainly have our media campaigns, drink, drive, go to
6 jail. You'll see a lot of that from Memorial Day and, you
7 know, our -- September and Labor Day and all of our holidays
8 because those are all things that we're trying to influence
9 people's behavior on getting a safer ride along with it.

10 A lot of training. Our officers need a lot of
11 training in order to -- to actually arrest individuals that
12 are -- you know, for a DWI, it takes a field sobriety
13 testing that has to hold in -- in up in court along with it.
14 We are training judges, we're training prosecutors. There's
15 a lot of things that are coming through in our Highway
16 Safety Plan that are helping to curb this problem within our
17 state. All good work along with it with our alcohol
18 program.

19 Energy. We know we talk a lot about energy. This
20 is what we call the Texas oil boom, but I also know too that
21 our Texas oil boom, we can see that is truly impacting that
22 increase in our fatalities. I've put each one of these of
23 our shale areas. And you can see all of them except for the
24 Haynesville/Bossier is the only one that didn't have an
25 increase. There was 1,446 total fatalities in those

1 counties that would be considered energy that, you know,
2 where we know -- and what are these? These are generally
3 rural counties which where we saw where the fatalities were
4 associating with.

5 And along with this, we know that the 7.8 percent
6 increase from 2013 to 2014. Some of my crash data or some
7 of our crash data will show that the majority of these
8 fatalities, 47 percent of the crashes were single vehicle
9 crashes. They didn't hit somebody else. They ran off the
10 road. It's a single vehicle crash. The drivers were
11 generally 20 to 21 years of age and they were male.
12 Generally the oilfield are people that would work in the
13 oilfield. The crashes were -- the hour that had the most
14 crashes was you would think it would be one time, but it's
15 actually 5:00 p.m. I think that's getting off time along
16 with it.

17 A lot of people think that it's our commercial
18 motor vehicles in those areas, but in our data it's showing
19 that of the fatalities only eight percent actually involved
20 a commercial motor vehicle, a very small number. So it's --
21 it's the other vehicles, maybe the vehicles that are
22 traveling around them.

23 And with all of this, it's -- it's all coming up.
24 And when we look at all these different -- the -- the
25 crashes and I've looked at these fatalities and I've gone in

1 and -- and done some analysis. Sometimes it's just people
2 not doing the right things or forgetting it. And that's
3 where our Be Safe. Drive smart. That's -- this is where
4 that all came -- came from is it's people just doing some of
5 the basic things like we know that failure to control their
6 speed is about -- they're driving too fast. When you're on
7 a small road, the traffic is more so. But they need to slow
8 down and people need to be reminded of that.

9 Many of these individuals, they were small rural
10 roads. They probably ran through the stop sign every single
11 time that they went through there. You can't do that
12 anymore. Not with the volumes of traffic.

13 So within our Highway Safety Plan we certainly are
14 going to continue our "Be Safe. Drive Smart." Campaign.
15 These are moving all over the state. They were in Odessa,
16 Corpus Christi and Laredo. We're continue to move and
17 continue to do our billboards, our TV PSAs, getting out
18 there and talking to people and heightening that awareness
19 to what they're doing.

20 Also, our Selective Traffic Enforcement Program,
21 are STEP programs which is our DPS troopers and any of the
22 other law enforcement that are in these areas can actually
23 use that funding to go out and work extra tickets and work
24 extra overtime in those areas that we need the heightened
25 enforcement. So certainly going to focus on this part

1 within our highway safety plan along with it, too.

2 Another number that jumps out that is quite large
3 is our motorcycles. And we all know we have a lot of
4 motorcycles on our road. Motorcycles are only two percent
5 of our vehicle mix, but they're 13 percent of our
6 fatalities. 463 motorcyclists were lost last year. That's
7 an incredible number if you think about it. In 2014, we --
8 there were 36,000 more motorcycles registered in the state
9 of Texas. A lot of people are using motorcycles as -- as a
10 form of transportation. There's about 4 -- over 440,000
11 total motorcyclists in the state, but yet 463 which is a
12 large percentage.

13 The one thing that I'm proud of is -- is that
14 we've -- we've seen a decrease. We've seen a lower -- the
15 lowest number since 2012. That's a good thing. It's still
16 not where we want it to be, but we certainly have done that.
17 Have the projects within here.

18 I know of those a lot of people always talk about
19 do the motorcyclists have their helmet on. We do not here
20 in the state of Texas have a mandatory helmet law within the
21 state. 50 percent of the motor -- motorcyclists that did
22 die weren't wearing their helmets, which is to me --
23 commonsense, put your helmet on. That's part of our safety
24 portion of it. But the one thing about it is even without a
25 mandatory law, we went out and did a survey and it was

1 showing that without -- without even the law we have a 66
2 percent helmet use in our state which is great which is six
3 percent higher than the national average.

4 So I believe our campaigns and our work with our
5 motorcycle community and our advocates out there are
6 helping. I really -- certainly like to see it at a hundred
7 percent lives, because the thing that's going to save lives,
8 but Texas is doing a great thing. We have four projects
9 that are focusing on this area because of the large amount
10 of fatalities that -- that we're seeing in this and I think
11 all doing good work. Share the road. Look twice for
12 motorcyclists. They're all pieces that will be continued
13 along as we're going certainly along with training that goes
14 along with it too.

15 Another area that we need to focus on is this is
16 our pedestrians and our bicyclists. Our pedestrians, this
17 is a gigantic number. 487 in 2014 pedestrians that were
18 killed on our Texas roadways which is just incredible, a
19 large amount of number.

20 Interestingly when we start to look at the
21 pedestrian numbers. This is not just on local city streets.
22 You're thinking well, oh, it's a city street. It's
23 something in downtown Austin. There's 19 or 18 percent of
24 these fatalities occurred on interstate highways. That's
25 controlled access. You know, there's not like there's a

1 business, but we're finding out that people are crossing our
2 freeways in an urbanized area. That's like running an
3 Olympic type of sprint across our highways. There's some
4 things that we have to do with this along with the -- the
5 education.

6 And you always -- always think to yourself is it's
7 kids that are getting hit. Maybe the kids aren't crossing
8 the street and holding hands and all that. Of that, over 50
9 percent of the individuals that were killed as pedestrian
10 were over 45. So people that certainly should know and know
11 that portion of it too. And 76 percent of the fatalities
12 didn't happen at an intersection. So it's not getting
13 killed in a crosswalk.

14 So there's some things that we need to do and
15 there's a number of projects. We've gone from five to 13
16 projects within the ped/bike area that are looking at not
17 only training of it, but doing some analysis to figure out
18 what's going on with our pedestrians. Texas is considered a
19 high risk state for pedestrians. And Austin, Dallas-Fort
20 Worth, San Antonio and Houston are considered focus cities
21 from a federal standpoint. And there's where a lot of
22 effort and a lot of work is underway to try to help us with
23 that portion of it too. So definitely things that are going
24 on with that.

25 I did want to point out the bicycles. We did have

1 -- there was 50 fatalities that were -- that were shown in
2 2014, a two increase from 13 to 14. There are a number of
3 the projects that are within this Highway Safety Plan that
4 are helping us to address with training, specifically around
5 bicycles along with it too. So all good stuff.

6 The -- the saddest thing that I have to deal with
7 is when looking at the fatality reports is the first thing
8 that I do when I look at a crash report is I look to see if
9 the person was buckled. Did they have their seatbelt on.
10 Because a seatbelt is going to give an individual a fighting
11 chance. It may not work every single time, but if you have
12 your seatbelt and you stay in that car, you may be hurt, but
13 you -- you could survive along with it.

14 Last year we had 1,006 individuals that died
15 because they didn't have their seatbelt on. That's 44
16 percent of our fatalities because they didn't -- they just
17 didn't click it and put it on. Some things that we know
18 about this is this was an increase from 2013 to 2014 which
19 is incredible especially with our usage. We know that the
20 passengers in a car lag behind drivers on putting their
21 seatbelt on. We know many times people get in the backseat
22 and not put their seatbelt on. And that's what we're seeing
23 along with it.

24 We know that seatbelt use is less at night than it
25 is at day -- in the daytime. A lot of that has maybe the --

1 maybe enforcement, can't see a seatbelt at night. Another
2 piece of it is those people that are traveling at night and
3 their kids want to take their seatbelt off because they want
4 to lay down.

5 So there's different pieces along with this. We
6 definitely know that the pickup motorists are less likely to
7 put their seatbelts on. And the bad thing about pickups is
8 that pickups roll. And if they roll and you don't have your
9 seatbelt on, it doesn't matter how big your truck is.
10 You're going to come out of the vehicle.

11 Teen drivers is another piece of this. We have a
12 lot of new teen drivers that are coming on. There's got to
13 be a focus with our -- you -- with this group of individuals
14 coming in. I don't know. My children have never been in a
15 car without a car seat. But yet the teenagers being
16 whatever they are aren't -- aren't clicking along with it.

17 And then like we said with a population base, we
18 have a lot of new Texans that are moving in every single
19 day. And a lot of those have to be educated. And all of
20 that is piece of -- of what we need to be doing. That's our
21 Click It or Ticket. Great program. Started, you know, in
22 2002. When we started, our usage was 76 percent. We're
23 over 90 percent. This is the ninth year that we've had over
24 90 percent use -- nine out of 10 people put their seatbelt
25 on. That's great. That's all good use of our high use

1 state.

2 Along with it, we predicted that we saved 4,317
3 from -- from people from dying because they had their
4 seatbelt on. 72 fewer serious injuries and \$16,000,000,000.
5 All -- all a great program certainly included.

6 We had here just in the month of May is Click It
7 or Ticket. Mr. Barton came out and kicked it off in -- in
8 Austin. And we moved around to 13 different locations. We
9 have DPS and a hundred and ninety-one law enforcement
10 agencies issued tickets for seatbelt citations.

11 I certainly want to thank Commissioner Austin. He
12 did a great job in the Tyler district, he did. And we had
13 Commissioner Bugg which we are so excited. We heard you did
14 a great job, so now we've got you on our list. You're going
15 to be coming more and more -- see, if you would have never
16 done it, you really -- we probably wouldn't have come back,
17 but you did a fantastic job and we certainly appreciate it.
18 This -- the information that we get out and -- and the --
19 the changes that are made through the Click It or Ticket
20 certainly would show that we're saving lives along with it.
21 And we appreciate y'all's support of that that's certainly
22 within it.

23 Safety. When we talk safety, we talk -- there's
24 three things. Oh, we call it the threes. We have your
25 engineering piece which is how you're going to go out there

1 and you're going to fix your -- the roadways and then -- and
2 engineer it the best way. I'm going to engineer the safest
3 highway.

4 The last piece -- second piece being education.
5 That's our public information and education campaign. It's
6 talking to people about what they need to do or how they
7 need to do it. And -- and there's a lot of people that are
8 impacted by that. But then there's that last D and that's
9 enforcement. So whenever you can't get somebody -- I can't
10 engineer it and I can't talk you into doing it, sometimes
11 there needs to be a ticket that's associated with this.

12 A very, very large portion of our Highway Safety
13 Plan deals with law enforcement. We have over 78 STEP
14 grants that are within our plan that will go out and do
15 that. These are everything from driving under the
16 influence, to speed, to comprehensive that just does
17 everything along with it.

18 An incredible focus to help us to make our
19 roadways safer, just a little bit of an idea of -- of what
20 -- kind of what we did last year. In 2014 we issued through
21 our STEP programs over 60,000 -- 67,000 seatbelt citations.
22 That's 67,000 people that didn't have their seatbelts on
23 along with it. That was an increase of almost 16,000 from
24 2013.

25 Impaired driving arrest. These are the people

1 that -- that were actually arrested. In 2014 there were
2 8,833 arrests for DWI. That was an increase of 343 from
3 2013. That's 8800 people that were on the road that were
4 intox -- that were driving under the influence along with
5 it.

6 And lastly, the speeding because we all hear about
7 the speeding portion of it. Last year under our STEP grants
8 325,389 citations were issued for speeding in our state
9 which is incredible. It's just showing that there's a lot
10 of effort underway in what the Highway Safety Plan will be
11 doing along with it too.

12 Distracted driving. We hear about this. This is
13 a piece and certainly we're -- we're the advocates to go out
14 and -- and talk about public information and education. We
15 know there was over 14,000 crashes that involved distracted
16 driving. 483 deaths that were in 2014. That was a four
17 percent increase between 2013 to '14 along with it.

18 We know that there's 40 cities that are in the
19 state of Texas that currently have local bans on texting
20 while driving that are out there. And there's 46 states
21 along with it. As part of our STEP programs, our STEP
22 grants, if a city actually has an ordinance that -- that
23 they have in effect, the STEP grants can be used to actually
24 issue tickets on the ordinance along with that. So we're
25 certainly working on this to try to -- to curb some of the

1 fatalities that are coming and the crashes that are coming
2 from this, too.

3 Last but certainly not least is our child
4 passenger safety. Our most precious -- our previous cargo
5 is our children. And our children passenger seats are --
6 are certainly critical. We know that any child younger than
7 eight years of age have to be in a safety seat or a booster
8 seat. And it's a \$250 fine. But we found that in our state
9 there's a lot of individuals that first of all they don't
10 know how to put their -- their seat -- their safety seats
11 in, their child safety seats. And there's also a group that
12 just don't have the money to have a child safety seat.

13 So in all 25 of our districts we have our traffic
14 safety specialists. They're all certified child passenger
15 safety techs, meaning that they know how to go in and put
16 the seat in the correct way and install it the set -- set --
17 the -- the right way. They also have the ability that if
18 the person is showing financial need we can give them a car
19 seat.

20 So last year we did over -- almost 16 -- over 1500
21 child safety seat inspections from a statewide perspective.
22 We gave out over 744 child safety seats that are all making
23 our childrens a lot -- our children a lot safer. So another
24 good piece that's within the Highway Safety Plan that's
25 being proposed today.

1 So with this, we know that our local match which
2 is about 48.5 percent, that's 55.9 million, federal funds
3 that is coming in from NHTSA under MAP-21 is 49,000,000 this
4 is at about 42.4 percent. And our state match coming in at
5 10.6 which is 9.1 of the budget for a total of 384 traffic
6 safety projects that will be used statewide to save lives
7 out there and hopefully get our numbers in the right
8 direction, 115.5 million.

9 Staff recommends approval and I'll be willing --
10 happy to answer any questions that I can.

11 MR. LEWIS: Commissioners -- let's see.
12 Commissioner Bugg.

13 MR. BUGG: Yes. I'd just like to say, Ms. Rawson,
14 I appreciate your -- not only your passion which is very
15 evident but your dedication to this safety program. And
16 these statistics are -- are just stunning, frankly. And so
17 thank you for bringing this to our attention. And with
18 that, Mr. Chairman, I would like to make a motion to
19 approve.

20 MR. LEWIS: All right. Thank you very much.
21 Let's finish the com -- I'll -- we'll take the motion, but
22 we'll see if there any other comments or questions. Mr.
23 Austin.

24 MR. AUSTIN: Carol, great presentation. I fully
25 support what you all are doing. I always wish that we could

1 do more.

2 MS. RAWSON: Oh, thank you.

3 MR. AUSTIN: And while the numbers on there and
4 the absolute numbers are coming down, that's a very good
5 trend, any numbers on there are still too many.

6 MS. RAWSON: Exactly.

7 MR. AUSTIN: But if the overlay population is a
8 percentage, that improves even more so. So I think, you
9 know, the campaigns are making a difference across the
10 board. And one final comment as we think about this, I just
11 kind of ask for a show of hands in the room among us, how
12 many of us know kids that are 14 and younger? Almost all of
13 us. Guess what? They have not in their lifetime have not
14 gone a day without a death free incident -- death free day
15 in the state of Texas. Meaning since 2000 -- November 7th,
16 2000, that was the last day -- I took the words from John
17 Barton. That was the last day that we had a death free day
18 on a Texas highway.

19 So think about that when you look at these kids.
20 They're our next drivers. And while a lot of the
21 pedestrians are older, whatever, our next drivers they're
22 increasing at -- at a pretty substantial rate. We need to
23 educate them and make an impact on them. That's where we
24 can make the difference. With that, I will second
25 Commissioner Bugg's motion.

1 MR. LEWIS: Thank you very much, Commissioner. If
2 there are no other questions and we do not have any other
3 requests to appear before us. So we're -- I think we're
4 ready for the vote. Commissioner Bugg has moved approval of
5 the recommendation of the staff with regard to the 2016
6 Highway Safety Plan. Commissioner Austin has seconded the
7 motion. I'll call for the vote. All in favor, say "aye".

8 (Chorus of "Ayes")

9 MR. LEWIS: Any opposed, "nay".

10 (No audible response.)

11 MR. LEWIS: There being none. No nays. And the
12 motion carries. Thank you very much for your presentation.
13 General, back to you.

14 GENERAL WEBER: Next is Item 8, request for
15 financial assistance from Hidalgo County Regional Mobility
16 Authority. Our Innovative Finance and Debt Management
17 Officer Ben Asher will present.

18 MR. ASHER: Thank you. Good morning, General,
19 Chairman, Commissioners. For the record, I'm Ben Asher.
20 I'm the Innovative Financing/Debt Management Officer here at
21 TxDOT. This item is to consider preliminary approval of a
22 request from the Hidalgo County Regional Mobility Authority
23 for financial assistance in the amount of a hundred and
24 twenty-seven million nine hundred and thirty-five thousand
25 eight hundred and sixty-two dollars for construction costs

1 in connection with segments one and two of SH365 project.

2 Our staff recommends approval and I along with
3 James Bass, the TxDOT's Chief Financial Officer, are
4 available to answer your questions.

5 MR. AUSTIN: Yes, Commissioner Austin. I just had
6 a couple questions. I know I fully support what the RMAs
7 are trying to do and, you know, you look at back to why RMAs
8 were created to bring local control and plan and develop
9 projects. And I know they -- they've been working with
10 several other RMAs, working on these projects. And
11 sometimes we all had bumps on the road and moving forward,
12 but I -- and moving this forward, I just want to -- I have a
13 couple quick questions.

14 I know business staff they are also going to
15 ultimately I believe apply for a SIB loan. And that
16 application I understand has -- has come --

17 MR. ASHER: Yes, Commissioner --

18 MR. AUSTIN: -- forth.

19 MR. ASHER: Yes, just for -- for disclosure, the
20 -- the SIB application just came in this week.

21 MR. AUSTIN: Okay.

22 MR. ASHER: And given that it's just we haven't
23 had an opportunity to evaluate it, but that is certainly on
24 our to do list to -- to look at that.

25 MR. AUSTIN: So what we're looking at here, it's a

1 two vote process. This is the first reading and then it
2 goes to the second one. As would be a SIB loan that comes
3 forward. And in the meantime, you guys will be able to
4 really work with the leadership, the board and the financial
5 advisors to -- to make sure that the financial plan is -- is
6 fully laid out.

7 MR. ASHER: Correct, Commissioner.

8 MR. AUSTIN: Okay. And that's -- well, I want to
9 compliment the RMA again when I -- I spoke to the chairman
10 previously of using many tools to advance projects. And I
11 think as we look at today of how you can move projects
12 forward with the population growth that's taken place in the
13 valley. What you all are doing is great. I think one we
14 had a -- there was a form of pass through program that we're
15 going to do. And I was -- and I asked some questions about
16 the present value of using that -- of moving that up forward
17 which is what we're considering today. That is a little
18 different number. You know, the present value of that would
19 be about \$85,000,000 compared to a hundred and twelve --
20 hundred and twelve million. Does that pretty much --

21 MR. ASHER: Yeah, well, I -- I think,
22 Commissioner, that's fair. And obviously depending on the
23 -- the assumptions you use you have to -- for each one of
24 them and the discount ratios, but that is in the ballpark.
25 There is -- we did an analysis that -- that showed using

1 somewhat different assumptions of four percent discount
2 rate, 30 months of construction versus the 12 year pass
3 through. We -- we did approximately 13,000,000 was the --
4 was the PV we used.

5 MR. AUSTIN: Okay.

6 MR. ASHER: So it just varies on the assumptions.
7 But that -- and again, that's just project because the
8 construction is just an estimation.

9 MR. AUSTIN: So but the -- our commitment to -- to
10 the project is still there and by --

11 MR. ASHER: Correct.

12 MR. AUSTIN: -- moving this up a little bit sooner
13 would certainly help them develop the project and with lower
14 costs --

15 MR. ASHER: Yes, Commissioner.

16 MR. AUSTIN: -- right now.

17 MR. ASHER: It -- it would help with the funding.
18 Correct. Yes, sir.

19 MR. AUSTIN: That's -- that's all mines.

20 MR. LEWIS: Thank you, Commissioner. Any other
21 questions of Mr. Asher at this time?

22 (No audible response.)

23 MR. LEWIS: Thank you, sir. We'll be back to you.
24 We -- we do have some request to appear cards. The first I
25 have is -- on -- on this item is from Randy Sweeten who's

1 the chair -- the chairman of Hidalgo County Regional
2 Mobility Authority. After saying your name and who you're
3 here representing, you may give us the benefit of your
4 remarks.

5 MR. SWEETEN: Mr. Chairman, I'm Randy Sweeten.
6 I'm chairman of Hidalgo County Regional Mobility Authority.
7 If I may, I would like to bring up my other directors, Mr.
8 Josue Reyes who is also a card. His day job is with
9 Skanska. He's a construction manager all over the state of
10 Texas, Mr. David Guerra, president of the Rio Grande Valley
11 International Bank of Commerce and handled about
12 \$200,000,000 in bonds and loans and everything else in South
13 Texas.

14 MR. GUERRA: A lot more than that.

15 MR. LEWIS: Okay.

16 MR. SWEETEN: I'm sorry.

17 MR. LEWIS: And -- and that -- that is fine for --
18 for you all to be there. I just -- one thing that if
19 different members of you talk, you'll need to be sure to
20 state your name and who you're here representing so the
21 record can be complete. Go ahead, Chairman.

22 MR. SWEETEN: We can go. We had a ride of silence
23 in Hidalgo County for the bike that y'all were just
24 discussing. No episodes with that. It's a pretty
25 incredible event. We've got money being spent on our bike

1 trails the same way, MAP-21 that was just presented, saving
2 of lives, injuries, dollars spent. This toll road will --
3 we've put the numbers together. We'll save lives, injuries,
4 dollars.

5 The public hearing for this was held Tuesday
6 night. We had that down in our trade zone which is one mile
7 away from the border. We had about 40, 45 folks in
8 attendance with a few questions asked. The presentation
9 that was just made on Click It or Ticket when our folks
10 cross into the United States from Mexico I would -- I would
11 let you know the first thing a person does when they cross
12 the bridge into the United States is put on their seatbelt
13 because we enforce the law. And it's -- it's an amazing
14 event because we film all this and we can see all that when
15 it comes across.

16 Mr. Barton mentioned in one of our meetings here
17 recently that this project has been near and dear to his
18 heart probably too long for about a year and a half. And we
19 appreciate his persistence and dedication to getting this
20 done along with in -- a number of hours that his folks have
21 spent with us to help us through this along with
22 Commissioner Austin to get us on there. Gentlemen, we would
23 like to go build a road.

24 MR. LEWIS: Thank you very much. And Mr. Guerra,
25 if you'll state your name and who you're here representing.

1 MR. GUERRA: Yes, sir. My name is David Guerra,
2 Director of Hidalgo County RMA. I've been with the RMA
3 about three and a half years. The board -- the board group
4 that we have today, probably the -- all except one have been
5 on board for less than three and a half, four years.

6 The board is very unified. We work very hard to
7 set the RMA in the right direction. We're cost conscious.
8 We -- you know, a lot of us have tremendous experience in
9 bond financing and construction of major projects from
10 international bridges to -- to 25 campuses to all kinds of
11 things. So you have -- you have a lot of technical people
12 and finance people on this board.

13 Also our county is very unified. The cities of
14 Pharr, San Juan, Alamo, Donna, Edinburg, Hidalgo, even
15 Mission, we're very unified on this toll road and as is our
16 county court and our county judge. This will connect our
17 four international bridges. It will -- it will take all our
18 commercial traffic and a substantial amount of international
19 traffic and local traffic.

20 You know, we studied this very hard, we're ready
21 to build and we're certainly looking for the -- for the
22 right consideration of this board and the staff. We've had
23 some great conversations with staff, some very detailed and
24 I -- I respect them. I respect their views. And we've had
25 some very honest and transparent discussions.

1 And Jeff, I want to thank you for personal -- your
2 personal interest on this project and for giving us sound
3 advice. Thank you.

4 MR. LEWIS: Thank you. Any questions for Mr.
5 Guerra?

6 (No audible response.)

7 MR. LEWIS: If not, we'll proceed. Is it Mr.
8 Reyes?

9 MR. REYES: Yes. Josue Reyes with Hidalgo County
10 RMA. And Chairman, Commissioners, General Weber, thank you
11 for the opportunity to be here today. Don't want to belabor
12 the issue but we appreciate the partnership that we had with
13 TxDOT and we look forward to getting started just as our
14 Chairman had said. We're ready to go. And we appreciate
15 the opportunity to be here today and -- and look forward to
16 -- to your consideration for this item. Thank you.

17 MR. LEWIS: Thank you very much. No questions for
18 you. We do have one more card request to appear for Richard
19 Ramirez. Mr. Ramirez.

20 MR. RAMIREZ: I was talking about -- I was just
21 going to answer questions of the resource first, so --

22 MR. LEWIS: Okay. The -- well, come on up.
23 You're up. You're standing up. You're going to get a
24 question. Yes, Commissioner Austin.

25 MR. RAMIREZ: I'm Richard Ramirez. I'm managing

1 director for Southwest Financial Advisor to the RMA.

2 MR. AUSTIN: Richard, thank you for being -- and I
3 know you -- you put together a financial plan and you did
4 give me a -- a copy of this. And I know our staff is
5 beginning to go through this. There's been a lot of
6 variations of this. Pretty fairly consistent. But would
7 you mind going through and just talking about the cat -- the
8 -- the categories and the tools that you all are using for
9 funding?

10 MR. RAMIREZ: Sure.

11 MR. AUSTIN: It's a \$264,000,000 project.

12 MR. RAMIREZ: The -- and starting with the
13 information I gave you, the first three amounts there are
14 all the TxDOT related funds that either have been committed
15 or -- or included in this request. The other amounts is
16 really proceeds that we have from the vehicle registration
17 fee financing that we executed in 2013, there's about
18 \$21,000,000 left that are dedicated for -- for this -- for
19 this project.

20 We have a SIB loan, the request for 55.2 million.
21 And that has been submitted as we mentioned earlier this
22 week to the TxDOT staff. And then lastly in -- in a -- a
23 year down the road and so far we have planned a \$43,000,000
24 toll revenue bond issue. And that would be executed once,
25 you know, we have -- we get to a point that we're going to

1 need funds. Delaying as much as possible to minimize the
2 amounts of capitalized interest. So -- and that is -- has
3 pretty good coverage on that. We anticipate achieving a
4 triple B minus type investment grade rating on that.

5 MR. AUSTIN: Great.

6 MR. RAMIREZ: And those are -- those are the
7 funding sources and lessons.

8 MR. AUSTIN: And just so you're going to wait and
9 issue the bonds potentially after all the other funds are --
10 are drawn down?

11 MR. RAMIREZ: Well, not quite at that point, but
12 so with enough cushion that we can get it done. And based
13 on the -- the engineer, the GEC is doing a design bid build
14 process. So once we get to a bidding process, we will issue
15 the bonds.

16 MR. AUSTIN: And I'm sure staff's really good, but
17 how are you all coming along with the TNR study? Does that
18 --

19 MR. RAMIREZ: We have an investment grade TNR
20 study that was completed. It's I think revised from the
21 previous study downward quite a bit. It's very
22 conservative, I think. And we're penalized a lot on leakage
23 and so forth from the border, but I think the -- the reason
24 to really feel good about it is because I think the
25 enforcement actions that the RMA will implement will also

1 help the revenue side of it that's not included so far.

2 MR. AUSTIN: I want to go back to one comment you
3 made on the vehicle registration fees.

4 MR. RAMIREZ: Yes.

5 MR. AUSTIN: You all put that in place. It was
6 approved by the legislature and you all put that in place
7 2013.

8 MR. RAMIREZ: 2006.

9 MR. AUSTIN: 2006. Okay. And I think there are
10 four counties that are doing that in the state.

11 MR. RAMIREZ: Right.

12 MR. AUSTIN: Cameron, Hidalgo, Webb now and Bexar
13 County.

14 MR. RAMIREZ: El Paso also.

15 MR. AUSTIN: And El Paso, so five. And I'll say I
16 -- I want to again applaud those communities for going to
17 bat, because transportation is important to come back up and
18 -- and put some of their local money involved to help move
19 these important projects forward. Those are all the --
20 those are the main questions I have. Thank you.

21 MR. RAMIREZ: Thank you.

22 MR. LEWIS: Commissioner -- Commissioner Bugg, do
23 you -- question or comment of -- of who?

24 MR. BUGG: The -- the chairman.

25 MR. LEWIS: Mr. -- chair, so --

1 MR. BUGG: And I just -- I know that you all have
2 talked about this shortfall. And first of all, let me say
3 that, you know, this Commission had a report from the state
4 demographer last month. And we understand that the Rio
5 Grand Valley area is going to be growing dramatically. And
6 to the point that your state representative made earlier in
7 his comments, the infrastructure in the valley needs to be
8 upgraded and -- and I for one am very supportive of this.

9 I just want to understand and I believe I heard
10 some comments made but in -- in the staff report that we
11 received, we -- we have been informed that the project is
12 estimated to still be short 16 to \$60,000,000 of -- of
13 completion. And I'm just trying to understand and -- and
14 maybe it's the bonds that you're thinking about issuing but
15 I -- I just need to understand where to shortfall is going
16 to be covered.

17 MR. SWEETEN: There is no shortfall. I -- I don't
18 know where that number came from.

19 MR. BUGG: Apparently there was a letter that was
20 addressed to General Weber from you all May 15th. And --
21 and it was identified in that. I'm just trying to
22 understand.

23 MR. SWEETEN: Well, we've -- we just delivered to
24 you the SIB loan. Now that -- that may be the funding --
25 that -- that you're talking about, but the SIB loan was

1 delivered to you today. It was today.

2 MR. BUGG: Okay.

3 MR. SWEETEN: And this week as --

4 MR. BUGG: And that's --

5 MR. SWEETEN: -- we just mentioned.

6 MR. BUGG: -- that's going to --

7 MR. SWEETEN: Yeah.

8 MR. BUGG: -- plug the shortfall?

9 MR. SWEETEN: Yeah, there -- the -- the funding
10 plan that we delivered to you Commissioner is a full source
11 funding.

12 MR. AUSTIN: Yeah, I think in looking -- in going
13 back through that, you -- you have that in front of you.
14 But also involving there's a -- and to -- there's a bond
15 note -- a bond that would have \$43,000,000 of potential
16 senior -- SIB loan and then the other commitments that have
17 been made from -- from TxDOT. So on -- on paper, you're
18 looking at the sources. You have identified how you're
19 going to do it. And I think that's kind of -- that's
20 important to look at where it's going to be made up through
21 the -- through the shortfall.

22 Now we just -- now I think our staff is going to
23 go through and really dive in what future conversations.
24 Yeah, but I think it's worthy of moving forward to -- to
25 engage in those conversations to look at all the sources.

1 MR. BUGG: Well, as long --

2 MR. LEWIS: Commissioner Bugg, do you have
3 anything else?

4 MR. BUGG: -- as long as that shortfall and -- and
5 I haven't seen what Commissioner Austin has been handed, but
6 -- but I just wanted to address that and with your assurance
7 that shortfall -- there is no shortfall. That's great. As
8 I said earlier, you all need this infrastructure improvement
9 down there. And so Chairman, when it's appropriate, I'd
10 like to make the motion to approve.

11 MR. VANDERGRIFF: I'd like to make a comment if I
12 can or question the course.

13 MR. LEWIS: Commissioner Vandergriff.

14 MR. VANDERGRIFF: I -- I want to make it clear
15 that based on the information that the Department has
16 provided that the SIB loan potentially is -- would be
17 severely oversubscribed based upon the money that we have in
18 there.

19 So I -- I would not recommend to any of you and
20 I'm not -- not supportive of your project that you count on
21 that money being available because this Commission is going
22 to have to in my opinion in the near term address the severe
23 shortfall that could be in that fund, literally a lack of
24 funds to address all the projects we have.

25 So you -- you need to be prepared to -- to find

1 money elsewhere to -- to cover the shortfall.

2 MR. SWEETEN: We appreciate that, sir. And the --
3 the opportunity for us is that half a percent difference
4 between a toll revenue bond and a SIB loan. Yes, sir.

5 MR. VANDERGRIFF: I understand you, but from my
6 perspective knowing that there is a severe potential
7 oversubscription to that fund, I mean, I'm not going to vote
8 on one project funding without consideration of all the
9 projects that the Department knows or likely to request SIB
10 participation. So --

11 MR. SWEETEN: And --

12 MR. VANDERGRIFF: -- please understand that.

13 MR. SWEETEN: And you're -- you're going to have
14 the opportunity in -- at the -- at your June meeting for the
15 first reading I believe it -- it's called on the SIB loan
16 and then the second.

17 MR. VANDERGRIFF: I -- I do understand that
18 process, but --

19 MR. SWEETEN: Yes, sir.

20 MR. VANDERGRIFF: -- I'm just putting you and the
21 staff on notice that we're going to have to have a more
22 global discussion relative to how -- how that fund's going
23 to work for all the projects that we've been talking about
24 potentially going to. This -- this Department and this
25 Commission have gotten in trouble in the past repeatedly for

1 failing to have those kind of discussions and I'm not going
2 to let that opportunity pass this time.

3 MR. SWEETEN: Got you.

4 MR. VANDERGRIFF: So thank you.

5 MR. LEWIS: Thank you, Commissioner Vandergriff.
6 Commissioner Bugg, do you have anything further?

7 MR. BUGG: No.

8 MR. LEWIS: All right. Thank you. And any other
9 --

10 MR. GUERRA: Yes.

11 MR. LEWIS: -- questions? Yeah, Mr. Guerra.

12 State your name again and then --

13 MR. GUERRA: Yes, David Guerra, Director of the
14 Hidalgo County RMA. I totally respect the position of
15 Commissioner and the -- and the warning that could get the
16 entire state of Texas about the SIB fund. But keep in mind
17 two things. One, we clearly have a debt service of the --
18 the coverage to debt service all the obligations that we're
19 going to be sending out there.

20 Number two, this is going -- this is -- this is
21 going to be the first toll project in South Texas, in deep
22 South Texas in the valley. And I'm sure there's going to be
23 a lot of applications around the state which are related to
24 toll roads, existing toll roads or expansion of existing
25 toll roads. This is a first project and we truly hope that

1 you consider it -- consider that when you -- when you review
2 all projects.

3 MR. VANDERGRIFF: As -- as I made clear I hope
4 that I'm supportive your project and I --

5 MR. GUERRA: And I understand that.

6 MR. VANDERGRIFF: -- understand the ramifications
7 of it and -- and extremely supportive of that and appreciate
8 all of your efforts. It's just we've -- we've got to
9 address a -- a global picture --

10 MR. GUERRA: I understand that.

11 MR. VANDERGRIFF: -- at the same time.

12 MR. GUERRA: Yeah. Thank you.

13 MR. LEWIS: Would -- Commissioner Austin.

14 MR. AUSTIN: May I ask -- and I concur with
15 Commissioner Vandergriff. Just for a little bit of
16 clarification, Ben or James, would you all mind sharing with
17 us the kind of the -- the applications we know that's coming
18 in just to briefly -- just to clarify I think is what I'm
19 sharing with everybody that --

20 MR. BASS: Great. For the record, I'm James Bass,
21 Chief Financial Officer at the Texas Department of
22 Transportation. And as we've shared with you over the last
23 couple of weeks, when we look at the state infrastructure
24 bank, its current balance and then compare that to
25 applications we either have in hand, we know are coming in

1 coming months or we've heard discussions from some of our
2 partners that they plan on coming to the SIB.

3 When we look out over the next 24 to 36 months as
4 Commissioner Vandergriff just stated, there is not enough
5 capacity in the SIB to address all of the anticipated
6 applications for assistance.

7 MR. AUSTIN: Well, and that helps. I don't want
8 further discussions on that, but --

9 MR. BASS: And I would just say by a significant
10 amount.

11 MR. AUSTIN: Okay.

12 MR. BASS: hundreds of millions of dollars of
13 variance there. So we're not talking five to 10,000,000.
14 It's a significant number.

15 MR. AUSTIN: Thank you with that. And Mr.
16 Chairman, I would second Commissioner Bugg's motion to move
17 forward.

18 MR. LEWIS: Okay.

19 MR. AUSTIN: Okay. Thank you.

20 MR. LEWIS: Thank you very much. Let's see. We
21 -- we do have a motion. Let me say let me -- do ask Mr.
22 Asher to come up back forward and any other comments at this
23 time, Mr. Asher?

24 MR. ASHER: No. No, sir. Thank you, though.

25 MR. LEWIS: And so what the staff is recommending

1 is for preliminary approval to be -- to move forward with
2 the process here. And again, that will be -- of those more
3 -- you know, more consideration to put all these pieces
4 together. But the -- the staff recommendation is to move
5 forward with approval of the request from the Hidalgo County
6 Regional Mobility Authority for financing an amount not to
7 exceed \$127,935,862 to cover certain costs of constructing
8 segments one and two, the State Highway 365 project from
9 West Farm Market 396 and extending east and south to U.S.
10 281 in Hidalgo County, is that correct?

11 MR. ASHER: Yes, Chairman. Yes, sir.

12 MR. LEWIS: We have a motion to that effect from
13 Commissioner Bugg. We have a second from Commissioner
14 Austin. Is there any further discussion on the item? We
15 have no further request cards?

16 (No audible response.)

17 MR. LEWIS: If there's no further discussion, then
18 let's proceed to the vote. All in favor, say "aye."

19 (Chorus of "Ayes")

20 MR. LEWIS: Any opposed?

21 (No audible response.)

22 MR. LEWIS: None. Therefore, the motion carries.
23 Thank you very much for coming up here. You're very kind.
24 Thank you. Well, it's always a pleasure to go to your neck
25 of the woods, so happy to do it. Thank you. Chairman --

1 General, back to you.

2 GENERAL WEBER: Next is Item 9(a), amendment to
3 purchase order. Chief of Procurement & Field Support
4 Operations Lauren Garduno will present.

5 MR. GARDUNO: Thank you, Chairman. Good morning,
6 Chairman, Commissioners. For the record, my name is Lauren
7 Garduno and I'm the Chief of Procurement & Field Support
8 Operations for TxDOT. Before you is an amended order to
9 amend a purchase order to allow the Department to purchase
10 additional hours of service for milling machine rentals with
11 operators.

12 There was a change that was passed last
13 legislative session to Subsection B, Section 2155.088
14 Government Code requireing the governing body of a state
15 agency at a meeting to consider a material change to a
16 contract for goods or services awarded under Chapter 2155
17 Government Code and consider why that change is necessary.
18 For the purposes of Subsection B, an increase of at least 10
19 percent of the total amount paid under a purchase order is
20 considered a material change.

21 Before you is a minute order to amend a purchase
22 order. To allow the Department to do this, milling
23 machines, a rental service, the Department issued purchase
24 order under APS B-312-013-003-154000 which is now in the ERP
25 system under the purchase order that starts with 601 and

1 ends with 421. And that was -- the purchase was executed on
2 September the 11th, 2013 under the authority provided by
3 Chapter 2155 of the Government Code. And this is for the
4 purchase of a cold milling machine rental with an operator
5 to support the Department's highway maintenance program.
6 And there is a copy of the purchase order included in your
7 Exhibit A.

8 The Department proposes to amend the purchase
9 order to allow the Department to purchase additional hours
10 of use. The amendment would increase the total
11 consideration to be paid under the purchase order from
12 \$530,387.28 to \$1,176,714 which is an increase of more than
13 10 percent over the initial amount of the purchase order. A
14 copy of the amendment is attached in Exhibit B.

15 The purchase order was posted to the Electronic
16 State Business Daily and competitively bid as delegated by
17 the Comptroller of Public Accounts. The initial service
18 term was September the 11th, 2013 through September the
19 10th, 2014 with the option to renew for three additional one
20 year terms. The first renewal option was exercised and the
21 purchase order is in its second term. Approval of the
22 minute order is recommended. Staff recommends approval.
23 And I'm here to answer any questions you may have.

24 MR. LEWIS: Are there any questions that --

25 MR. AUSTIN: One --

1 MR. LEWIS: Yes --

2 MR. AUSTIN: One question.

3 MR. LEWIS: -- Mr. Austin.

4 MR. AUSTIN: Yes, sir. Thank you for the detail.
5 And I've -- I've looked through the purchase order. And for
6 the sake of Chair Lewis and Commissioner Bugg, I want them
7 to know that I did not see federal yellow as a line item in
8 here. Going back a few years ago listening from --
9 listening to our team who identified some savings measures.
10 And Dalton Pratt did this. And what that was, we were -- in
11 our orders, we were paid an additional 4 to 7, 8, \$9,000 per
12 machine to add to our own special federal yellow. So it's
13 not on there and we saved a lot of money by eliminating that
14 to be a better a steward. So I applaud you all with this --
15 and since it's not on there, I will make a motion to
16 approval.

17 MR. LEWIS: Okay. Any other -- any other
18 questions at this time from anyone? And I -- as I
19 understand it, the -- Chief, that the -- your motion is to
20 -- your request is that we approve this material change to
21 the purchase order awarded under Chapter 2155, Texas
22 Government Code for the purchase of services of a milling
23 machine rental with operator to supplement the state forces
24 in accordance. And that's your recommendation, correct?

25 MR. GARDUNO: Yes, it is.

1 MR. LEWIS: And we have a motion from Commissioner
2 Austin. We have a second from -- we have from Commissioner
3 Bugg. Any other discussion?

4 (No audible response.)

5 MR. LEWIS: There being no further discussion,
6 I'll call for the vote. All in favor, say "aye".

7 (Chorus of "Ayes")

8 MR. LEWIS: Aye. Any oppose, no -- "nay".

9 (No audible response.)

10 MR. LEWIS: There are none. And therefore the
11 motion carries. Thank you. General.

12 GENERAL WEBER: Mr. Garduno, please continue with
13 Item 9(b).

14 MR. GARDUNO: Yes, sir. Do you want me to state
15 for the record the name again or just continue?

16 GENERAL WEBER: Just continue.

17 MR. GARDUNO: Okay. We have another minute order,
18 very similar in nature, under the same guidelines of the
19 Government Code. This was purchase order that was purchased
20 in APS under the B-312-013-003-28000 which is now in the ERP
21 system purchase order that starts with 601 and ends with
22 424. And this purchase contract was executed on September
23 the 9th, 2013 under the authority provided by the same
24 Chapter 2155 Government Code. And it was -- of course, it
25 was for a service to run from September the 9th, 2013

1 through September the 8th, 2014.

2 The -- the amendment would increase the total
3 consideration to be paid for under this purchase order from
4 -- for -- from \$537,500 to \$890,625 which is also an
5 increase of more than 10 percent of the initial amount of
6 the purchase order.

7 This particular purchase order is not for a
8 milling machine. It is for -- to be considered what we
9 consider a lay down machine with an operator. It's a
10 purchase of service. And the staff again recommends
11 approval of this purchase order amended.

12 MR. LEWIS: Commissioners, any questions to Chief
13 Garduno at this time?

14 (No audible response.)

15 MR. LEWIS: If -- if not, then you're requesting a
16 previous material change to a purchase order. Again,
17 awarded on the same chapter of the Government Code, this
18 time for the purchase of the services for an asphalt paver
19 machine rental with operator to supplement the state forces,
20 is that correct?

21 MR. GARDUNO: That is correct, sir.

22 MR. LEWIS: All right. And we have a motion.
23 Commissioner Bugg a motion and second by Commissioner
24 Austin. If there's no further discussion, we don't have any
25 cards with regard to this. So no further discussion, we'll

1 call for a vote. All in favor, say "aye".

2 (Chorus of "Ayes")

3 MR. LEWIS: Aye. Any opposed, "nay".

4 (No audible response.)

5 MR. LEWIS: There being no opposed, then the
6 motion carries. Thank you, Chief.

7 GENERAL WEBER: And Lauren finally 9(c).

8 MR. GARDUNO: Yes, sir. The -- this is the third
9 service -- purchase of service contract that was issued in
10 the APS system under B-3120-130-032-08000 which is now in
11 the ERP system under the purchase order 60 -- beginning with
12 601 and ending with the number 425. This is also for
13 another lay down machine with an operator service. It was
14 purchased under the same Government Code Chapter 2155. And
15 that purchase amount was for \$491,250. And we want to amend
16 it to \$982,500 which is also an increase of more than 10
17 percent over the initial amount of the purchase order.

18 This purchase order was also posted to the
19 Electronic State Business Daily and it was competitively bid
20 as the others and it was delegate -- as delegated by the
21 Comptroller of Public Accounts. And as I said earlier, the
22 initial term of service was for September the 9th, 2013
23 through September the 8th, 2014 with the same options to
24 renew for three additional one year terms. The first
25 renewal option was exercised and the purchase order is in

1 its second term. Approval of this minute order is
2 recommended by the staff. I'm here to answer any questions.

3 MR. LEWIS: All right. Any questions of Chief
4 Garduno on this matter?

5 (No audible response.)

6 MR. LEWIS: If not, Commissioner Vandergriff, do
7 you move that we approve the staff recommendation for this
8 material change of purchase order for the purchase services
9 for this asphalt --

10 MR. VANDERGRIFF: So moved.

11 MR. LEWIS: -- paver?

12 MR. AUSTIN: Okay. And --

13 MR. LEWIS: Mr. Austin, do you second?

14 MR. AUSTIN: Second. Yes, sir.

15 MR. LEWIS: Very good. We have a motion and we
16 have a second. There being no other discussion, all in
17 favor, say "aye".

18 (Chorus of "Ayes")

19 MR. LEWIS: Any opposed, no.

20 (No audible response.)

21 MR. LEWIS: Being unanimous, then that motion is
22 granted. Thank you.

23 MR. GARDUNO: Thank you, sir. Thank you, Chair.

24 GENERAL WEBER: Item 10(a) consists of awarding of
25 contracts for our Maintenance and Department Building

1 Construction contracts. Our Director of Construction Mr.
2 John Obr will present.

3 MR. OBR: Good morning. For the record, I am John
4 Obr, Director of the Construction Division. Item 10(a) is
5 for consideration of the award or rejection of Highway
6 Maintenance and Department Building Construction contracts
7 led on May 5th and May -- May 6th of 2015. We presented 19
8 projects today. The average number of bids per project was
9 2.54. The low bid value was \$25,282,650.66. We had an
10 overall under run of 0.64 percent. Staff recommends award
11 of all maintenance projects.

12 MR. LEWIS: Any questions of -- of Director Obr at
13 this time?

14 (No audible response.)

15 MR. LEWIS: Then if not, we do not have any cards
16 on this I don't believe on this -- on this item. So
17 therefore Commissioner Austin --

18 MR. AUSTIN: So moved.

19 MR. LEWIS: -- do you move that we award the
20 Maintenance and Billing Construction contracts listed in the
21 Exhibit A to the minute order in accordance with
22 recommendation?

23 MR. AUSTIN: So moved.

24 MR. LEWIS: And Commissioner Bugg, you second. We
25 have a motion and a second. If there's no other discussion,

1 we'll proceed to the vote. All in favor, say "aye".

2 (Chorus of "Ayes")

3 MR. LEWIS: Aye. Any opposed, no.

4 (No audible response.)

5 MR. LEWIS: The motion carries. Thank you, sir.

6 General.

7 GENERAL WEBER: Mr. Obr, please continue with Item
8 10(b).

9 MR. OBR: Item 10(b) is for consideration of the
10 award or rejection of Highway and Transportation Enhancement
11 Building Construction contracts let on May 5th and 6th of
12 2015. We present 92 projects today. The average number of
13 bids per project was 3.52. The low bid value was
14 \$554,855,771.85. The awards are split as eight projects in
15 mobility totaling \$163,235,855.05 and 84 projects in
16 preservation totally \$391,619,916.80. We had an overall
17 overrun of 1.51 percent.

18 The staff recommends award of all construction
19 projects except for the following: First we present
20 Montgomery County STP 1502-201. We received one bid for
21 this project which was 62.05 percent or roughly 2.3 million
22 over the engineer's estimate. This project is for widening
23 FM 1097 for a two-way left turn lane and giving it an
24 asphalt overlay. The district does not believe that a
25 competitive bid was received and would like to look at

1 design modifications and re-let it at a later date. We
2 concur with this plan of action. Therefore, we recommend
3 that project for rejection.

4 Additionally, we present the following three
5 projects. US-90 -- 75 in Collin County, STP 1502-083 MM, FM
6 914 in Erath County, STP 2015-770 ATS, and FM 2123 in Wise
7 County, STP 2014-884. There was a TxDOT communication error
8 in the last 15 minutes of letting the prior to the 1:00 p.m.
9 deadline and on the day of letting for these specific
10 projects.

11 We accepted bid protests from four contractors who
12 could show their attempts to submit a bid during this time
13 and that -- that there was an error that occurred and that
14 their proposed bid would have been a low bid based on other
15 bids received. On the basis -- on this basis, we recommend
16 these projects be rejected and re-let at a later day.

17 MR. LEWIS: Thank you. Does that complete your --

18 MR. OBR: Yes.

19 MR. LEWIS: -- presentation? Commissioners, any
20 questions of Mr. Obr at this time?

21 (No audible response.)

22 MR. LEWIS: We -- we do have some request to
23 appear cards. So thank you. We'll be back to you, Director
24 Obr. We have three requests to appear. I'll just take
25 these in the order that I have. And I would ask you to come

1 forward as I call your name and then state your name and who
2 you represent and give us the benefit of your remarks.

3 First, we have -- it's Bob Kober? I -- I usually
4 get it wrong, so I don't know if I said it right or not, but
5 tell us your name and the correct way to say it and --

6 MR. KOBER: Thank you, Commissioners, General
7 Weber. Yes, it is Bob Kober. I'm representing Knife River.
8 I'm the president. We're based out of Bryan. I live in
9 College Station. I'm asking the Commission to override the
10 Department's recommendation to reject all bids on Erath,
11 specifically because the state statutes, federal statutes
12 and TxDOT's own requirements address how this situation
13 should be addressed.

14 First of all, there's multiple ways that bids can
15 be submitted. You can turn them in personally. You can
16 have a courier deliver them. You can deliver them by mail
17 or you can deliver them electronically. So there's multiple
18 avenues for bid delivery. And the intent of the system is
19 they must be received prior to the time posted, open
20 publically and awarded to the low responsible bidder or
21 responsive bidder.

22 I contend that Knife River was the low responsive
23 bidder, because our bid was submitted in accordance with the
24 outlined procedures. And if I reference TxDOT's
25 specifications, this comes out of the instructions to

1 bidders. Item 7, non-responsive bid. I got to get my
2 cheaters on here. The Department will not accept a non-
3 responsive bid, a bid that has one or more of the
4 deficiencies listed below is considered non-responsive. The
5 bid was not in the hands of a letting official at the time
6 and location specified in the advertisement.

7 Electronic Bid, Item 8. The bidder is responsible
8 for taking the appropriate measures to submit a bid. By
9 going to submit a bid, Item 9.3. When submitting by mail or
10 delivery service, blah, blah, blah, bottom line, to be
11 accepted, the bid must be in the hands of the letting
12 official by the time of opening regardless of the method
13 chosen for delivery. So it's consistent whether it's
14 electronic or turned in in person, it is the bidder's
15 responsibility to make sure he gets his bid submitted.

16 If there is a problem electronically which is a
17 risk we all carry because our internet can go down, the
18 internet connection between us and the electronic receiver
19 can go down, the alternative, the backup is to submit by
20 paper. Even in your items here, you address that in case
21 you submit two bids.

22 Item 11.2, consideration of bid format. When a
23 bidder submits both an electric bid and a printed bid that
24 is responsive, the unit bid prices and the printed bid will
25 be used to determine the total bid amount. So there is --

1 there is a process here that could have been done. If there
2 was a problem submitting electronically, they could have
3 submitted a paper bid.

4 So that's pretty much the basis of my claim is
5 that Knife River and the other bidders that were read were
6 responsive bidders. There was an alternative to delivery of
7 a bid which was by paper. And if they have problems
8 electronically, they could have called it in and had
9 somebody standing by. They could have submitted in the
10 timely fashion and -- and also had a responsive bid.

11 By recognizing a non-responsive bid as the low
12 bidder, you also have a process for challenging award. This
13 is also in the standard specs. So Item 12, Department will
14 consider a claim of a bidder by the apparent low bidder if
15 the following requirements have been met. And there's an
16 outline there. However, within that specification it says
17 acceptance of the bidder claim by the Department will result
18 in the rejection of all bids. The erring contractor will
19 not be allowed to bid the project when it is read.

20 So I guess that's one question I have if -- if you
21 are going to rebid this, are you going to allow the erring
22 contractor to rebid or are you going to follow your
23 specifications. Or we just follow your specifications and
24 recognize the responsible low bidder that's outlined. I
25 know it's an unfortunate event that occurred, but let's

1 correct that in specifications and let's uphold the existing
2 processes we already have. Thank you for your
3 consideration.

4 MR. LEWIS: Thank you, Mr. Kober. Any questions
5 at this time?

6 MR. VANDERGRIFF: I do. Yes, I have --

7 MR. LEWIS: Yes, Mr. Vandergriff.

8 MR. VANDERGRIFF: I just have one -- actually,
9 it's of -- of our counsel, Mr. Graham.

10 MR. LEWIS: Thank you Mr. Kober for coming
11 forward. Jeff Graham, if you'll please come forward.

12 MR. VANDERGRIFF: It's just a simple question.
13 What is the Commission's ability to even be engaged in this
14 issue in terms of what happened on a procurement?

15 MR. GRAHAM: Wow. Okay. A little -- Jeff Graham,
16 for the record. A little open ended. You can reject what
17 Mr. Obr is recommending, you can adopt what Mr. Obr is
18 recommending. You can weigh in and say I reject your
19 rejection, Mr. Obr, and I require that you do adopt it or
20 you can say Mr. Obr, I agree with your recommendations and
21 we adopt what you've recommend and reject what you recommend
22 -- what you recommended to reject. She sells seashells.

23 MR. VANDERGRIFF: And that will teach me not to
24 ask any questions.

25 (Laughter.)

1 MR. LEWIS: Any other questions, Commissioner
2 Vandergriff?

3 MR. VANDERGRIFF: No.

4 MR. BUGG: Commissioner Vandergriff, you're an
5 attorney. You -- you knew better than to ask an attorney
6 for --

7 MR. LEWIS: Well said. Well, well, well said.
8 Some say yes, some say no and I agree with them. And I -- I
9 like that. Okay. Commissioner Austin.

10 MR. AUSTIN: Well, I -- I'm going to save my
11 question and ask John Obr after the --

12 MR. LEWIS: When we come back.

13 MR. AUSTIN: Yeah.

14 MR. LEWIS: We do have two other requests to come
15 forward. Robert Kober -- they're both the same? Okay. I
16 thought it might be or I thought it be a relative. That's
17 fine. Thank you. James Kuhr?

18 MR. KUHR: Kuhr.

19 MR. LEWIS: Kuhr. See, here I go. Please come
20 forward. After stating your name for the record and who
21 you're here representing then give us the benefit of your
22 thoughts.

23 MR. KUHR: My name is James Kuhr and I'm with OHL
24 USA. I run business development for the state of Texas.
25 And I actually have some information that I would like to

1 share with you Commissioners if that's okay.

2 MR. LEWIS: Surely.

3 MR. KUHR: I'll bring my --

4 MR. LEWIS: You may -- yeah, come up here and the
5 clerk will pass it up to us.

6 MR. KUHR: Thank you. So as you might be able to
7 guess, OHL USA was one of the low bidders in this process.
8 And I understand that you've all been briefed on it. For
9 people following on along at home, basically the TxDOT
10 electronic bid system, the entire TxDOT network had a
11 widespread outage and it was -- it did not allow bidders to
12 update bids or submit bids in the last I think about 15
13 minutes up until 1:00 o'clock.

14 There's really two points to cover here, what is
15 fair and what the rules say. I -- now, I have a legal
16 education. Please don't hold it against me. I know
17 Commissioner Vandergriff and Justice Lewis, you all might
18 understand what I'm saying in that. And I think the law is
19 very clear here. So we'll start with what's fair and we'll
20 go from there.

21 During this process, a TxDOT employee said the
22 electronic bidding system going down is equivalent to TxDOT
23 locking the doors and not letting anyone submit a bid. This
24 is very odd to me, because as far as I know Riverside was
25 not locked up. Anybody could have come down and submitted

1 their bid all the way up until 1:00 o'clock and it would
2 have been accepted by TxDOT.

3 Now I'm a little young, but I understand that this
4 is how they used to do it all the time. And so it strikes
5 me that the electronic bidding system isn't so much a door.
6 It's more of a window, a window that closed on everybody at
7 the same time giving us the all -- all the exact same
8 advantage or disadvantage. We could have turned in our bids
9 manually. That means that this process was fair and it was
10 by the book. Which brings us to the book.

11 I had an earlier conversation with John and we
12 really do appreciate what John has done throughout this
13 process. He's been extremely fair and extremely receptive
14 and open to all of our comments and thoughts. And he
15 expressed that he was somewhat concerned about the future
16 and the integrity of the bidding system. But as the
17 attorneys on the panel might know, we have to apply the law
18 as it is right now. And in this case, the law is the Texas
19 Administrative Code.

20 So if you will look in those folders that I gave
21 you, there's a couple packets that have the two pieces of
22 the Texas Administrative Code that are relevant to this
23 situation. The first one that we want to look at doesn't
24 have highlighting on the first page. It has the
25 highlighting on the second page. If I can find it. And it

1 says very simply that the Department is not responsible for
2 a bidder being unable to submit or withdraw a bid due to the
3 unavailability of the internet. Pretty blanket statement,
4 pretty clear I think there.

5 Of course, the question then becomes if you've got
6 a legal -- legal education what is the definition of
7 internet. And if you'll notice, internet is a capitalized
8 term. So there is a definition in the Texas Administrative
9 Code for the internet which is what the other section is.

10 And if you'll look there on the front page, it
11 says explicitly what the internet is. Collectively it's the
12 myriad of computer and telecommunications facilities
13 including equipment and operating software that comprised
14 the interconnected worldwide network of networks that employ
15 the transmission control protocol, internet protocol or any
16 predecessor or successive protocols to the protocol to
17 communicate information of all kinds by wire or radio.
18 Basically, that's saying anything that talks to anything
19 else is the internet electronically. The -- the TCP/IP is
20 the standard communication methods.

21 And so my understanding is that the entire TxDOT
22 network went down. And it seems very clear to me that this
23 definition which was meant to be all encompassing just for
24 these sorts of situations applies here.

25 Now as you know, in law, there are bright line

1 rules. You got to apply the rules as they stand today and
2 in bidding, it's the same situation. We can't turn in our
3 bids late. If we try to FedEx them in and the FedEx guy
4 doesn't get there, that risk is on us.

5 I think it's very clear from these administrative
6 codes that if the internet goes down in its expansive
7 definition that it is, then that's a risk that the
8 contractors have to take. Therefore, I'm with my friend
9 from Knife River and the plea that you guys overturned Mr.
10 Obr's suggestion that you award all the contracts as bid on
11 that date. And I'm open for any questions.

12 MR. LEWIS: Any questions of Mr. Kuhr at this
13 time?

14 (No audible response.)

15 MR. LEWIS: All right. Thank you, sir, for coming
16 in.

17 MR. KUHR: Thank you all very much.

18 MR. LEWIS: We appreciate your remarks. And Mr.
19 Obr, Director Obr, please come back up here. I think we
20 have some questions. Let's begin with Commissioner Austin.

21 MR. AUSTIN: Yes, sir. Mr. Obr, you know, in --
22 in high school I turned a paper in late, got a bad grade. I
23 wasn't proud of that. All that to be said, I -- you know,
24 they certainly offer a compelling argument as it is right
25 now. And I just wanted to be -- it is -- and first let me

1 say it's extremely un -- well, it's not pleasurable that we
2 had a system downfall, something that we've relied on and
3 that's been a way of doing business, but it goes out. And
4 that's why I guess, you know, one in the code there are a
5 contingency plans on what to do if. And I just wanted to
6 make sure -- so during the day the building was open. Was
7 there fax bids are allowable as well, is that correct?

8 MR. OBR: Yes, sir.

9 MR. AUSTIN: Fax machines were up working?

10 MR. OBR: Yes, sir. Well, let me -- let me
11 restate that. That is a contingency plan that we can use if
12 we agree to before we start accepting bids. Typically, we
13 do not get any fax bids.

14 MR. AUSTIN: So in our procurement, we are saying
15 -- so typically we do not receive. Are we saying
16 electronically is the only way that we would have accepted a
17 bid?

18 MR. OBR: No, sir.

19 MR. AUSTIN: Okay.

20 MR. OBR: No, sir. We --

21 MR. AUSTIN: So I -- I don't understand your
22 comment just then.

23 MR. OBR: We -- let me clarify. We -- we have
24 bids delivered by U.S. Mail and they have to be certified
25 and packaged. It is -- we haven't received any fax bids.

1 Could we receive a fax bid as a -- as a backup plan? Yes,
2 sir. We could.

3 MR. AUSTIN: It is an allowable method.

4 MR. OBR: I believe it is.

5 MR. AUSTIN: Well, we're saying bid in accordance
6 with the Texas Administrative Code.

7 MR. OBR: Yes, sir.

8 MR. AUSTIN: Okay. So it is an allowable as with
9 any other --

10 MR. OBR: I believe so.

11 MR. AUSTIN: -- method. Okay. That's what -- my
12 personal feeling, I'm inclined to award as presumed since
13 it's in our contingency plans. I know -- come to vote, but
14 I'm -- I'm inclined to do that.

15 MR. OBR: As we present it's going to reject --

16 MR. AUSTIN: It -- but -- it's -- it's not to
17 reject your motion, but to award the bids, we may have to
18 come back in a subsequent vote and we may have to ask legal
19 counsel. But I would like to see the awards go that as
20 submitted because everybody has a same opportunity to bid at
21 the same time frame. And these are sophisticated bidders
22 for the most part.

23 MR. LEWIS: I think -- yes, Commissioner Bugg.

24 MR. BUGG: Mr. Obr and -- and maybe Jeff, if you
25 don't mind, I'm -- I'm just trying to follow this. And

1 Commissioner Austin, I -- I read the recommendations from
2 our staff, you know, to re-let basically all four of these.
3 And the integrity of our bidding process is absolutely
4 fundamental. So we have to ensure the integrity of our
5 bidding process.

6 Having said that, it seems like by letting the
7 bids re-let, it's -- it's fair to everybody. And I'm -- I'm
8 trying to look at this. And so Jeff, the reason why I asked
9 you to come up, is there anything in the administrative code
10 or any statutes that we're governed by that would prohibit
11 us doing a -- a do over?

12 MR. GRAHAM: No. And in fact, and John Obr can
13 speak to this. But if in the interest of Texas it behooves
14 you to reject them and re-let, that's what you expressly can
15 do. And Mr. Obr has made the determination that in this
16 case based on the total totality of the facts it is better
17 for the state of Texas to reject these certain bids and re-
18 let them in their entirety.

19 MR. BUGG: Right. And so that would ensure the
20 integrity of the process in these four incidences as well as
21 the whole system wide, correct?

22 MR. GRAHAM: Yes, it would. And -- and just to
23 further back to the comments, as we go through the letting
24 process on the day of letting, just to -- a couple of events
25 that occurred. One, we knew that the internet -- the

1 internet had gone down that day. And my staff took it upon
2 themselves to connect to XOVision system where our
3 electronic vault is through phone services. We had a
4 hotspot that we connected to so that we could avoid TxDOT's
5 internet system and still get to the vault. So it was -- we
6 were under -- under the impression at that time at 1:00
7 o'clock that we had no issues with letting because we had
8 connected. We have connectivity.

9 In our processes, there is a step that takes place
10 between XOVision's vault and the TxDOT server that simply
11 verifies that that bid that was submitted to the vault is an
12 official bidder approved -- pre-approved by TxDOT. So we
13 accept it. In the future, we have severed that step so that
14 -- that will not happen with future lettings til we totally
15 redo our process in the upcoming months. So that little
16 step during those 15 minutes caused a bid error message to
17 be sent to those that are trying to submit their bids in the
18 last 15 minutes. We connected and carried on and
19 unbeknownst to us, that -- that piece of communication was
20 not occurring.

21 MR. BUGG: Well, I'm not a technician, so I'm not
22 so interested in --

23 MR. GRAHAM: Yes, sir.

24 MR. BUGG: -- hearing the details again about the
25 breakdown. I'm -- I'm with Commissioner Austin. Let's hope

1 that our computer systems have the redundancy so that this
2 doesn't happen again, but --

3 MR. GRAHAM: Yes, sir.

4 MR. BUGG: I go back to the whole reason why I'm
5 trying to understand the comments from the gentlemen. And
6 that is the integrity of the process has to be intact. And
7 it just appears to me if we're within compliance of our
8 laws, Jeff, and you're recommending that we in fairness re-
9 let these things, I don't see the harm in doing that. In
10 fact, it seems to mitigate and remove the harm to all
11 parties so that there's an -- an equal fair playing field
12 for all of the -- the bidders that may want to rebid on this
13 thing? So am I wrong in -- in assuming that?

14 MR. OBR: That is first and foremost in my
15 recommendation from staff as far how we wanted to move
16 forward with -- with what we presented as our minute orders
17 today.

18 MR. BUGG: Okay. All right. Well, Chairman, I'm
19 -- I'm willing to make a motion to approve the
20 recommendation as presented.

21 MR. LEWIS: Commissioner Vandergriff, do you --

22 MR. VANDERGRIFF: Well, I just noted that I guess
23 there was perhaps a rebuttal and was wanting to be offered
24 and I wasn't sure if you could see that behind Jeff.

25 MR. LEWIS: Yes. Thank you for --

1 MR. VANDERGRIFF: That's --

2 MR. LEWIS: -- offering your comments.

3 MR. VANDERGRIFF: -- that's at the discretion of
4 the Chair, so --

5 MR. LEWIS: So let's -- let's -- sure. Gentleman,
6 you may come forward. Sure. State your name again and --

7 MR. KUHR: James Kuhr with OHL USA.

8 MR. LEWIS: -- keep in mind of the time, but go
9 ahead.

10 MR. KUHR: Yes, sir. I'll be very quickly. I do
11 believe that there would be harm if you re-let the bids for
12 two reasons. First of all, TxDOT did go ahead and post all
13 of the bid tabulations. So all of these subcontracting
14 pricing did make it out onto the web. Which means basically
15 we could get around bid shopping if we to do a second round
16 of it which would hurt the contracting community as a whole.

17 Additionally, I believe that the rules are very
18 clear here. And so this is -- if someone came up and said,
19 you know, I turned in my bid at 1:01, I'm going to protest
20 it, obviously we would have thrown them out because it's a
21 clear violation of the rules and it's in the best interest
22 of the state of Texas to have clear rules. Here, we have
23 very clear rules that if you don't turn it in electronically
24 you can still submit it manually. Therefore, we should
25 follow those rules as are established to help the integrity

1 of the system. Thank you very much.

2 MR. LEWIS: And any questions -- pardon me.
3 Questions of Mr. Kuhr at this time?

4 (No audible response.)

5 MR. LEWIS: Thank you. And James Kuhr --

6 MR. KUHR: Yes, sir.

7 MR. LEWIS: -- appeared again. And Mr. Kober,
8 state your name please, who you're representing and --

9 MR. KOBER: Bob Kober, Knife River. Regarding the
10 rebid and the integrity, once the numbers are exposed and a
11 project is rebid, it becomes a reverse auction. It's no
12 longer a competitive bid. Any bidder can go out there and
13 they can look at the bid tabs and they can look at the total
14 bid values and they can say, all right, I'm going to knock a
15 hundred grand off. I'm going to knock a hundred grand off.
16 If we're going to reject all the bids and do a reverse
17 auction, reject all your bids, rebid them. Save Texas some
18 money. But that's not what public procurement law states,
19 the lowest responsive bidder.

20 We've had a situation where one of our projects
21 was rejected in the past. Our number was released I think
22 by error. And lo and behold. Guess what, the rebid we were
23 not successful again. So it's -- I've been burned before
24 and that's why I'm so adamant that it's not a good process
25 and it is not fair and equitable to rebid a project because

1 the numbers have been released, they're public information.
2 You know what you got to shoot for. Thank you.

3 MR. LEWIS: Thank -- thank you, Mr. Kober. Mr.
4 Kober -- do you have questions for --

5 MR. AUSTIN: No. No.

6 MR. LEWIS: Commissioner Austin.

7 MR. AUSTIN: For counsel. Very complex. Based on
8 what they're presenting and your -- and our understanding of
9 the -- of the code, the bidding process, there are alternate
10 methods. Granted, internet is the preferred method but
11 there are alternate -- alternate methods to submit bids.

12 MR. KOBER: Yes.

13 MR. AUSTIN: Okay. I just want to confirm that.

14 MR. LEWIS: Any -- any other questions?

15 (No audible response.)

16 MR. LEWIS: Thank you. Mr. Obr -- Director Obr,
17 do you have any further comments at this time?

18 MR. OBR: No, sir. I do not.

19 MR. LEWIS: All right. Thank you. Then
20 Commissioner Bugg has made a motion to award the Highway and
21 Transportation Enhancement Building Construction contracts
22 that are listed in Exhibit A to the minute order in
23 accordance with the staff recommendation as the staff as
24 recommended it here today. Do we have a second to that
25 motion?

1 (No audible response.)

2 MR. LEWIS: Okay. Then the -- the motion fails.
3 Thank you. Thank you. All righty.

4 MR. AUSTIN: I've asked counsel can we come back
5 in --

6 MR. LEWIS: Let's do this. Let's take a short
7 recess.

8 MR. AUSTIN: Okay.

9 MR. LEWIS: Okay. What we're going to do is take
10 a -- a short recess.

11 MR. LEWIS: And we may consider other matters.
12 But let me -- let -- you might want to -- we're going to
13 have a short recess for about five minutes to -- and we'll
14 go further on this item at that time. Okay. Thank you.
15 We'll be in recess for five minutes.

16 (Recess from 11:26:33 to 11:40:45.)

17 MR. LEWIS: All right. It is -- we've -- we've
18 been in recess. It's now 11:40 a.m. and we're going to go
19 get back on -- on the record here. Now as it stands right
20 now, we're -- we're still on -- what is this, it's 10 --
21 10(b). We're still on 10(b). As it stands now, no one has
22 submitted bids at all. I mean, no one has received -- been
23 awarded any contracts to anybody.

24 MR. OBR: That is correct.

25 MR. LEWIS: Not these gentlemen, not anybody else.

1 Here's -- here's my recommendation, my motion on how to
2 proceed on this. I think on the ones that sir have not been
3 contested, that they're -- where there's no contest. And
4 the -- the ones -- and that would include the one that
5 you're recommending be rejected, you know, because it was a
6 single -- single bidder situation, right?

7 MR. OBR: That's correct.

8 MR. LEWIS: You didn't have anything to do with
9 this electronic thing.

10 MR. OBR: Yes, sir.

11 MR. LEWIS: So I'm going to move that we award all
12 contracts under Item 10(b) in consistent with the staff
13 recommendation. And with the exception of the following,
14 that we take the staff recommendation to reject the bid on
15 project is STP 1502 and then 201?

16 MR. BARTON: Yes, sir.

17 MR. LEWIS: All right. So we would reject that
18 one. With regards to the other recommendations that have
19 been made here to reject the other bids and that was
20 projects STP 1502-083MM, STP 2015-770HES and STEP 2014-884
21 that we just defer action on that at this time to get full
22 input from everybody involved, learn more about it and --
23 and then we come back and decide that at a later time on
24 what we -- what we want to do on that so that we -- we take
25 the staff recommendation as made with the exception that

1 we're not -- we're going to defer action on those three
2 items? And I -- I so move.

3 MR. BUGG: As I understand the motion, Chairman
4 Lewis, we would approve the staff recommendation on the 88
5 construction projects and defer action on STP 1502-83, STP
6 2015-770 and STP2014-884. We'll defer action on those
7 three.

8 MR. LEWIS: Right.

9 MR. BUGG: And then we'll reject STP1502-201 as
10 staff has recommended.

11 MR. LEWIS: Right.

12 MR. BUGG: I second that motion.

13 MR. LEWIS: Any discussion?

14 MR. AUSTIN: I agree with the theory of -- of, you
15 know, and thinking of deferring. But, you know, it's not
16 going to change the bid. They still bid -- and I feel they
17 were bided in accordance with the -- with the code. And
18 personally feel we ought to just go ahead and award them in
19 -- in totality.

20 MR. LEWIS: Thank you. And one -- one thought
21 that I -- I would have quite frankly is that we are -- we --
22 we -- right now we have a four person group and -- and we
23 can certainly act as a four person group. The idea of
24 having five is that you got sort of a -- if it got down to
25 tie, you got a tiebreaker.

1 And this is the kind of thing that in -- in my
2 opinion well -- there's -- there's policy involved here.
3 We'll discuss the policy. What if we do if there's an
4 internet breakdown and some of the bids get -- that's on our
5 side, not the bidders, but on our side that we did and --
6 and what's fair, what's fair to everybody.

7 I think -- and that's -- that's why I felt it best
8 to -- to look at this, think about what we're going to do.
9 And -- and as Commissioner Mosley gets here, we got five and
10 we'll decide whatever it is. And that -- that was my
11 thought on deferring those three, going ahead with a
12 recommendation, take it, but defer action on -- on the other
13 three. So that's my thought.

14 MR. AUSTIN: And Mr. Chairman, with all due
15 respect. We are here. We need to continue on with
16 operations of TxDOT and let staff and everybody move forward
17 before cost increase, et cetera. That's where I'm thinking
18 we just -- I feel we need to move forward.

19 MR. LEWIS: And -- and I suppose where we are here
20 is I've got a motion on the floor and I think -- do you want
21 to amend the motion? I mean, my -- my motion is do -- you
22 know, do the rest of them in accordance of deal with the
23 recommendation, but defer action with those three items.
24 That's -- that's what I had moved and there is a second.
25 Did you wish to amend that motion?

1 MR. AUSTIN: I would be happy to amendment if that
2 makes it easier. I -- I would offer an amendment to include
3 the three that were excluded for deferment that we include
4 and award them as they came out with the bid.

5 MR. LEWIS: All right. Is there a second to the
6 motion to amend?

7 (No audible response.)

8 MR. LEWIS: For lack of a second, I think the
9 motion to amend fails. Is there any other discussion with
10 regard to the motion which I made which is to follow the
11 staff recommendation as to all matters including the
12 rejection of the bid of project STP 1502-201 but with the
13 exception that we do not accept a recommendation at this
14 time with regard to the other three items and we defer that
15 action on that at this time? Any other discussion?

16 MR. VANDERGRIFF: Well, I just want to note,
17 Chairman, that once in a previous life when I was in your
18 shoes and we had a four to four vote on a -- approving a
19 confederate flag license plate and I thought it was a great
20 idea at the time to have the -- the ninth board member who
21 was missing show up. And through a very convoluted set of
22 circumstances, it took us five more months until the ninth
23 member could show up at a board meeting which were held
24 monthly and in order to get all nine there. And we found
25 ourselves smack dab in the middle of a presidential campaign

1 over that issue with lots of publicity. So beware of the
2 unintended consequences.

3 And I'm going to go with you on that, because I
4 respect your leadership on that question. But I would also
5 ask the staff through you to let us understand the
6 unintended consequences of that if -- how this might still
7 affect this -- the integrity of the original bid process and
8 -- and those who did comply and get their bids in. So I --
9 we can do that at that meeting, but I want to be assured
10 when this comes back up that -- that they address that
11 question.

12 MR. LEWIS: Thank you. Any -- any other comments
13 with regard to the motion which I made and -- and
14 Commissioner Bugg seconded?

15 (No audible response.)

16 MR. LEWIS: Then at this time I'll call for a vote
17 on the motion as -- as made by me. All in favor, say "aye".

18 (Chorus of "Ayes")

19 MR. LEWIS: All opposed?

20 MR. AUSTIN: Aye.

21 MR. LEWIS: Okay. So the vote -- the motion does
22 prevail. And we will keep the -- we grant the other part of
23 the request. But with regard to those three items, 1502-
24 083, 2015-770, 2014-884, the staff recommendation has been
25 deferred at this time. And we will defer action on those

1 items to a later -- a later time.

2 MR. AUSTIN: Chair, I think this is a -- a -- it's
3 been a very good discussion. I think it's an eye opening
4 discussion. I agree with being fair, but we also are bound
5 I feel by -- by the code. I think there's a lesson learned
6 here is that with all bidding maybe we can amend something
7 or put back out. Please be mindful and refer back to the
8 code of what -- you know, have a contingency plan. We have
9 contingency plans here at the Department. I know when we do
10 things when we're asked to do things and we need to ask our
11 bidders to do it and then be ready to receive them in
12 different modes.

13 And make sure there's more than one fax machine,
14 because if you say -- if somebody's dialing in and it's
15 busy, you know, we need to make sure we have a contingency
16 plan for -- for what's stated in the code with our policy.
17 So lesson learned. Thank you.

18 MR. LEWIS: Thank you very much. Thank you, Mr.
19 Obr. General.

20 GENERAL WEBER: Chairman, that brings us to Item
21 11, the Eminent Domain Proceedings. Director of Right of
22 Way John Campbell will present. John.

23 MR. CAMPBELL: Good morning. For the record, my
24 name is John Campbell, Director of the Right of Way
25 Division. I'd like to present for your consideration Item

1 11 which authorizes the filing of condemnation proceedings
2 necessary to progress the acquisition of 38 right of way
3 parcels by exercise of eminent domain.

4 Sixteen of the parcels are along non-controlled
5 access facilities and 22 of the parcels are along controlled
6 access facilities. The staff recommends your approval of
7 the minute orders.

8 MR. LEWIS: Does anyone have questions for
9 Director Campbell at this time?

10 (No audible response.)

11 MR. LEWIS: Then if not, we come to a motion to be
12 presented by Commissioner Bugg.

13 MR. BUGG: Chairman Lewis, I move that the Texas
14 Transportation Commission authorize the Texas Department of
15 Transportation to use the power of eminent domain to acquire
16 the properties described in the minute order set forth in
17 the agenda for the current month for construction,
18 reconstruction, maintenance, widening, straightening or
19 extending the highway facilities listed in the minute order
20 as a part of the state highway system and that the first
21 record vote applies to all units of property to be
22 condemned.

23 MR. AUSTIN: I will second that eloquently stated
24 motion.

25 MR. LEWIS: I don't know how he does it. Our

1 Commissioner -- Commissioner Bugg has moved as -- as we have
2 heard in eloquent tones. Commissioner Austin has equally
3 elegant tones seconded. We have a motion. So any
4 discussion?

5 (No audible response.)

6 MR. LEWIS: If not, I'll call the vote. All in
7 favor, say "aye".

8 (Chorus of "Ayes")

9 MR. LEWIS: Aye. Any opposed, no.

10 (No audible response.)

11 MR. LEWIS: None. So the motion carries. Thank
12 you, sir.

13 GENERAL WEBER: Thank you. John almost looked
14 disappointed he didn't have any questions.

15 MR. LEWIS: General.

16 GENERAL WEBER: Item 12 contains our routine
17 minute orders including donations to the Department, real
18 estate donations and dispositions, reports and speed zones.

19 MR. LEWIS: Commissioners, are there any questions
20 concerning the routine minute orders?

21 (No audible response.)

22 MR. LEWIS: If -- if not, Commissioner Austin, do
23 you move that we approve the routine minute orders including
24 donations to the Department, real estate donations,
25 disposition reports and the speed zones?

1 MR. AUSTIN: Yes, so moved.

2 MR. LEWIS: And Commissioner Vandergriff, can you
3 second that motion?

4 MR. VANDERGRIFF: Second.

5 MR. LEWIS: All right. We have a motion to
6 second. If there's any discussion, we'll have it now. If
7 there's no discussion, I'll call for a vote. All in favor,
8 say "aye".

9 (Chorus of "Ayes")

10 MR. LEWIS: Any opposed, no.

11 (No audible response.)

12 MR. LEWIS: All right. The motion carries. We
13 have no items for executive session. All of the action
14 items on the agenda are completed. Do we have anyone signed
15 up for open comment at this time? We do not have anyone
16 signed up for open comment. Is there any other business to
17 come before the Commission members?

18 (No audible response.)

19 MR. LEWIS: If not, there being none, Commissioner
20 Vandergriff, do you move we adjourn?

21 MR. VANDERGRIFF: I do.

22 MR. LEWIS: And Commissioner Bugg, do you second
23 the motion?

24 MR. BUGG: I do.

25 MR. LEWIS: All right. All in favor, say "aye".

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(Chorus of "Ayes")

MR. LEWIS: Any opposed, no.

(No audible response.)

MR. LEWIS: All right. Thank you very much.
Appreciate it very much.

(Proceedings concluded at 11:52 a.m.)

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C E R T I F I C A T E

I, Kimberly C. McCright, CET, certified electronic transcriber, do hereby certify that the foregoing pages 1 through 129 constitute a full, true, and accurate transcript from electronic recording of the proceedings had in the foregoing matter.

DATED this 11th day of June, 2015.

Kimberly C. McCright, CET
Certified Electronic Transcriber