

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

TEXAS DEPARTMENT OF TRANSPORTATION
COMMISSION MEETING

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

Thursday
July 30, 2015
9:00 a.m.

COMMISSION MEMBERS:

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

STAFF:

Lt. General Joe Weber, Executive Director
Jeff Graham, General Counsel
Robin Carter, Commission Chief Clerk

1	<u>TABLE OF CONTENTS</u>	
2	Convene Meeting	Page 5
3	Safety Briefing	Page 7
4	Approval of Minutes	Page 36
5	Acknowledgment of Service	Page 131
6	Discussion Item	
7	4(a) Development of the 2016 Unified Transportation Program (UTP)	Page 37
8	4(b) Metrics	Page 51
9	Grand Parkway Transportation Corporation Reappoint directors to the Grand Parkway Transportation Corporation	Page 77
10	Aviation	Page 78
11	Award federal and state grant funding for airport improvement projects at various locations	
12	Public Transportation	
13	7(a) Various Counties	Page 80
14	7(b) Various Counties	Page 86
15	7(c) Various Counties	Page 89
16	7(d) Various Counties	Page 98
17	7(e) Various Counties	Page 100
18	7(f) Various Counties	Page 101
19	Promulgation of Administrative Rules	Page 103
20	Proposed Adoption Chapter 10 - Ethical Conduct By Entities Doing Business with the Department	
21	Compliance Office report	Page 103
22	Finance and Financial Assistance for Projects	
23	10(a) Travis and Williamson Counties	Page 106
24	10(b) Travis County	Page 109
25	Traffic Operations - Brazos County	Page 119
	Contracts	
	12(a) Highway Maintenance and Department Building Construction	Page 122
	12(b) Highway and Transportation Enhancement Building Construction	Page 125

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

TABLE OF CONTENTS CONTINUED

Eminent Domain Proceedings	Page 128
Routine Minute Orders and Reports	
14(a) Donations to the Department	Page 130
14(b) Real Estate Dispositions	Page 130
14(c) Reports	Page 130
14(d) Finance	Page 130
14(e) Transportation Planning	Page 130
14(f) Highway Designations	Page 130
13(g) Speed Zones	Page 130
Executive Session	Page 139
Open Comment Period	Page 139
Adjourn	Page 139

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

P R O C E E D I N G

MR. LEWIS: All right. Thanks. It is 9:03 a.m. And I'll call to order the July 30th, 2015 meeting of Texas Transportation Commission in Austin, Texas.

I'll note for the record that notice of this meeting and all items on the agenda were with the -- I'll turn on my microphone. Okay. It's still 9:00 -- it's 9:04. It's still 9:03 a.m. We do call to order the July 30th, 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. And we have actually to confirm this, we're going to start having a tradition and having the Secretary of State come over and announce that that was done.

UNIDENTIFIED SPEAKER: Stamp it.

MR. LEWIS: Tell us personally that that was filed at 3:17 p.m. as he knows on July 22nd, 2015. And that that is seven days prior to this meeting in accordance with Government Code Section 551.044.

At this time, I would like to ask that before we begin today's meeting that all of you do what I'm now doing which is to put your cell phones on silent or turn them off. Or if you have any other communication type devices, please

1 put that on silent so they don't disturb the meeting.

2 If you wish to -- if a member of the audience out
3 there wishes to address the Commission during today's
4 meeting, I would request that you complete a speaker's card
5 at the registration table. The registration table you walk
6 by here as you were coming in here. And then -- and then
7 give -- give that card to Robin Carter, our clerk, the lady
8 -- young lady down at the end of the desk here so that she
9 can tell us that you want to speak.

10 There are two cards. They have -- there are two
11 different types of cards, different colors. If it's an
12 agenda item, something that's actually posted on the agenda
13 and that's what you want to talk about and address, then you
14 fill out the yellow card. And it -- and it shows here
15 whether you want to make a statement about it or just
16 register an opinion which -- which you can do without making
17 a statement.

18 There is a place for the item agenda, the item
19 number to be put down whether you're for or against it or
20 you're neutral on it. There's a place for your name, your
21 type -- and if you are representing an organization, your
22 title and what organization you're representing here today.

23 The other card is after all the agenda items are
24 taken up, the public can certainly make open -- we call it
25 open comments. It's not necessarily tied to any -- it's not

1 on an agenda item. It's just something -- a matter you want
2 to bring to -- to the Commission's attention. And that's a
3 blue card. That's a blue card. That's similar in what you
4 write down, but you've just got some information there.
5 Write those down, give them -- give them to our clerk. At
6 the appropriate time I'll ask you to come forward and give
7 your remarks.

8 When you do so, this podium here is where the
9 remarks are given from. So you just walk up to it, don't
10 let the microphone bother you, but adjust it for your
11 height. And then state your name and if you're representing
12 an organization, what organization you're representing. And
13 then you'll give us the benefit of your comments. Now
14 regardless of which category it's in, whether it's open
15 comment or on an agenda item, we do ask that you limit your
16 remarks to three minutes.

17 Before we go any further with regard to the
18 agenda, I'm going to turn the microphone over to our
19 Executive Director Joe Weber.

20 GENERAL WEBER: Thank you, Chairman. Thank you,
21 Chairman. And at this time, I would like to ask Sidney
22 Malloy, our Occupational Safety Specialist, to come forward
23 and give us our safety brief. Sidney.

24 MR. MALLOY: Good morning, Commissioners, to our
25 Commissioners and to General Weber and to John Barton as

1 well. I just wanted to cover our safety brief on this
2 morning. In case of a tornado or inclement weather, we'll
3 shelter in place. We'll stay inside. We'll move away from
4 exterior walls, windows.

5 And our primary -- our primary shelter area in the
6 Greer Building is the -- the stairwells, basements. Our
7 secondary shelter area includes the lower levels of
8 stairwells of interior hallways and the centrally located
9 restrooms as well.

10 In case of a fire, in case of a fire evacuation,
11 we'll ask somebody to pull the fire alarm stationed at one
12 of the pull stations. Everybody will exit. If in case you
13 need directions or help, there is maps located around the
14 facility as well.

15 Our primary exit is the -- is the front door
16 facing the 11th Street. Our secondary exit is -- our
17 secondary exits are east towards -- east towards Brazos and
18 the second is west towards Congress Avenue. Our gathering
19 area in -- in case we have to evacuate is across the street
20 in the capitol lot.

21 In case of an active shooter or bomb threats,
22 follow the instructions of the public address system,
23 security officer and onsite personnel.

24 In case of a medical emergency, we have volunteers
25 to perform the following steps in the event of an emergency.

1 Contact 911 or 911 from a cell phone or 9-911 from the TxDOT
2 landline phone. Provide -- provide physical -- provide --
3 please provide the physical address to 911 -- to the 911
4 operator which is 125 East 11th Street across from the state
5 capitol.

6 We do have available AEDs and first aid kits are
7 available to support in the event of a medical emergency.
8 Are there any questions?

9 (No audible response.)

10 MR. MALLOY: If not, thank you for your time and
11 let's have a safe and productive meeting on today.

12 GENERAL WEBER: Thank you, Sidney. And with our
13 safety briefing completed, Chairman, I hand the gavel back
14 to you to complete opening remarks.

15 MR. LEWIS: Thank you very much, Mr. Director. As
16 is our tradition, we will begin with the opening comments of
17 our Commissioners and then we do have a special guest here
18 who will be introduced at that time. And we hope we'll have
19 some opening -- open segment comment for us in greeting with
20 us. So let's start with that. And Commissioner Bugg, do
21 you have any comments to make at this time?

22 MR. BUGG: Thank you, Mr. Chairman. I do. I want
23 to thank our more than 12,000 TxDOT employees that serve the
24 great people of the State of Texas. And today I just want
25 to kind of reach out and just make an observation that

1 12,000 employees of TxDOT, General Weber, they're really are
2 first in line with our customers.

3 And I want to talk a little bit about how the
4 drivers of the State of Texas are really the customers of
5 TxDOT. They're the ones that use the transportation systems
6 that all of our employees and all of us here on the
7 Commission work hard every day to try to not only improve
8 but as we look at the future growth of the State of Texas,
9 what we're going to have to do to continue to serve -- what
10 we can do to serve the people of the State of Texas.

11 And with that, and General Weber as Executive
12 Director and John Barton as our Deputy Executive Director, I
13 would like to -- to ask that we try to start thinking in
14 terms of a culture of customer service, because each of our
15 employees do serve our customers every day. And, you know,
16 there are some anecdotal things that have come to mind. I
17 know that over the Fourth of July holiday I think there was
18 some scheduled maintenance on a major highway system between
19 Dallas and Fort Worth and -- and that was duly noted in --
20 in a number of news articles.

21 And -- and then yesterday when we're talking about
22 a \$12,000,000,000 budget, one of things that I asked Brian
23 to do is try to relate that back to the people to the State
24 of Texas so they can really understand \$12,000,000,000 is a
25 big number. And -- and how do we really break that down and

1 communicate what that means to the everyday life of our
2 Texans.

3 And so I just kind of like to ask that our
4 administration work with our people and try to bring about
5 this culture of customer service. We're the best Department
6 of Transportation in the United States, we all know that. I
7 think we can do a little better. And I think if we can just
8 make this a little more top of mine, it would be great.
9 Thank you.

10 MR. LEWIS: Thank you very much for those remarks.
11 And Commissioner Vandergriff?

12 MR. VANDERGRIFF: Chairman, I'll reserve my
13 remarks for later during the agenda. I'm looking forward to
14 hearing from the people in the audience and in the
15 presentations. I will note that through Commissioner Bugg
16 that we have an agenda item coming up and do I have a deal
17 for you relative to what's being done in the area you're
18 talking about. So anyway --

19 (Laughter.)

20 MR. BUGG: That sounds a little scary to me.

21 MR. VANDERGRIFF: It's good. It's -- it's
22 actually -- it's very good. So we'll -- we'll be talking
23 about that here shortly.

24 MR. LEWIS: Great. Excellent. And Vice Chair
25 Moseley, do you have some comments for us?

1 MR. MOSELEY: Thank you, Chairman, members. Good
2 morning, everyone. What a delight to see you on this
3 beautiful summer day. Chair Lewis asked me not too many
4 weeks ago to head up a safety advisory. And I wanted to
5 just report back to the Commission that I have had the
6 opportunity to meet with the head of DPS Director Steve
7 McCraw. And he -- DPS is fully committed to join with us,
8 Chairman and members, on this opportunity to make an impact
9 on -- on reducing the numbers of fatalities and crashes on
10 our roadway.

11 The good news is our agency is recognized
12 nationwide as one of the safest places to work when you look
13 at the internal operations. But externally as it relates to
14 our roadways we do have a challenge there. And so I'll be
15 reporting back to you, Chairman and members, later this
16 year. And again very pleased to have had the full
17 cooperation and interest of DPS on this -- on this topic.

18 I've also had a chance to meet with TTI and
19 they've got tremendous resources that they want to bring in
20 to the Advisory Committee. We've -- we've got a meeting
21 setup for next week with outside stakeholder groups. And so
22 we'll be interested to listen and hear what their best ideas
23 are, their big ideas on how we can move a needle to reduce
24 death and crashes on our -- on our highway system.

25 Chairman, members, we've talked a little bit about

1 the upcoming November election. That's a big election day
2 in the city of Houston. It's an opportunity for Houston to
3 select a new mayor. And there are a number of candidates
4 that are running for office working -- beginning last
5 February working with our Houston district with Quincy Allen
6 and Raquelle Lewis.

7 And we've offered briefings to each one of the
8 mayoral candidates about the regional mobility and how --
9 how TxDOT used opportunities. And I'm pleased to report to
10 you that we've met with every one of seven candidates today
11 to provide that briefing.

12 MR. LEWIS: Wow.

13 MR. MOSELEY: And we've just made ourselves
14 available as a resource so that as they get into the
15 campaign and have opportunities to talk about mobility, they
16 have the benefit of information from our -- from our shop.

17 I wanted also to just say a shoutout and a thank
18 you first of all to the -- to the Commission. And also to
19 Carlos Swonke for allowing one of his team members to come
20 over to our shop and help out and that's Anita Bradley.
21 She's been instrumental in helping us with a number of areas
22 with aviation, rail, freight, safety, bicycle, with ports,
23 with federal affairs. And she's just finishing up her year
24 assigned to the Commission. So Anita Bradley, thank you for
25 your hard work and I want to say thanks again to Carlos

1 Swonke for letting her be on loan to the Commission. Thank
2 you, Chairman.

3 MR. LEWIS: Thank you very much, Mr. Vice Chair.
4 And I request Commissioner Austin to make his remarks.

5 MR. AUSTIN: Yeah, good morning, everyone.
6 Welcome to Austin. Happy to see everyone. And I wanted to
7 share a couple -- two or three comments. Had the
8 opportunity to travel the state to attend a couple different
9 events. I filed a couple comments about our last Commission
10 meeting and little -- couple of followup and then a couple
11 safety items.

12 First and foremost, Mr. Secretary, great to see
13 you here. Thank you. Really appreciate what you're doing
14 in helping promote Texas. And a lot of the things that we
15 do here today, I know you -- you've been to several of our
16 meetings before, are to support you and your efforts to
17 track and retain business. So we're really happy to see you
18 -- see you here.

19 I had the opportunity to attend one of your former
20 meetings. Northeast -- North and East Texas County Judges
21 Association in Waco to address them to talk about some of
22 the upcoming grants. And one thing that was interesting, a
23 lot of the -- you know, the 225,000,000 that was awarded
24 last session, it -- all that money has not been applied for
25 drawn down. So we really want to help encourage the

1 counties that are participating that were awarded grants to
2 use that money, we need to get those in your pockets and get
3 it on -- in the -- on the pavement and repair a lot of these
4 roads that -- that need to be fixed.

5 Our workshop yesterday, really thank you, Chair,
6 for allowing us to discuss the interstate system as we begin
7 looking at connectivity statewide. We have a lot of --
8 these are entrances into the state. Our -- our city to city
9 connector. The -- Commissioner Bugg said, in Dallas to San
10 Antonio to Dallas or Austin to Dallas to Houston, Houston to
11 Dallas. So we need to keep these roads moving and begin
12 looking at addressing long range capacity. Yet, we need to
13 look at ways to take some of that freight traffic and use
14 other modes of -- of transportation to benefit us long term.

15 Had the opportunity to -- to go down to Laredo.
16 And this is a project to work on the -- the groundbreaking
17 of Spur 400 down there. This is a -- had a great
18 partnership by the Killam family. Donated some right-of-way
19 down there to -- equivalent of about \$6,000,000. And I say
20 that. This is all public information.

21 What a great partner in the community. And I know
22 this is -- as we talk about Grand Parkway Association,
23 that's where it was started to look at securing potential
24 donations to find ways to advance projects that will benefit
25 the community. And we're ready to move forward. That's

1 going to be a connector into Interstate 69 and also help
2 with hurricane evacuation routes. What -- what -- and as
3 people come back up, in inland, further inland from the
4 valley should that occur. But great partnership.

5 I was -- earlier this week I was in Center, Texas
6 to work on -- they opened up State Loop 500. This has been
7 a long term project to move trucks around. They really
8 experienced this during another hurricane, Ike, with choke
9 points. This is a project that then Commissioner Senator
10 Nichols was working on. Chairman Nichols was over there.
11 We're really happy to see this open up. And -- and that
12 just shows the projects for economic development, what
13 they're beginning to do statewide that we are making an
14 impact and happy to see one of this take place.

15 Many of y'all are close in Austin probably saw a
16 great announcement over the last -- the last couple weeks.
17 Google self-driving cars. They have selected worldwide a
18 location to come and help demonstrate and test their next
19 series. They selected Austin. And we're really excited
20 about this. We're not facilitating this, but we're -- we
21 want to be at the table partnering with them to learn -- to
22 look at the next cars, what's going to happen on our roadway
23 system.

24 It's important, because as we begin looking at --
25 where -- where we come into play, what do these vehicles in

1 the -- of the future and the vehicles today need to see?
2 Let me give an example. Every one of our cars probably has
3 some type of sensor whether its windshield wipers come on or
4 something else or your -- or your cruise control, how far
5 are you from another vehicle.

6 We need to begin looking do we have the right
7 materials in our paint, our asphalt, our signs where
8 reflective can recognize these things. So research and
9 continuing on partnering, listening to private industry is
10 going to be a critical part of -- of our participation and
11 listening to -- to the industry.

12 Benny -- where -- I saw Benny here a while ago.
13 Benito is our Chief Auditor here for TxDOT. Ybarra -- Benny
14 has received a recognition, another one, of AASHTO. And he
15 has been asked to chair their peer review and internal Audit
16 Committee for all the DO -- for the DOT. So Benny,
17 congratulations. I think with your leadership and beginning
18 to look at a lot of things here really helped out with what
19 we do. So thank you for what -- what you do.

20 Last month, we had a pretty real robust discussion
21 on a couple of items. One, state infrastructure bank, the
22 uses. We are over-subscribed. In -- but in looking at how
23 are we going to begin to narrow this down, what do we want
24 it to look like going forward? It's been in place for a
25 while. It is a great tool. We are looking at this and I

1 would just offer the chair's asked -- I want to -- kind of
2 begin working on a draft. But sometime in the fall we're
3 going to at one of our workshops really have a robust
4 discussion of what we want.

5 If you have some ideas on -- on different
6 projects, cities, financial advisors, please let me know or
7 -- or -- that would reach out to us here at the Commission
8 office. We would welcome your ideas and thoughts for us to
9 consider that we've had -- I've had several folks approach
10 me with different ideas. But this was put in place
11 initially to help those cities and counties move forward
12 with right-of-way -- acquire right-of-way and do other
13 things to help pay out over -- over time instead of one --
14 use all their cash reserve. So we'll -- we'll begin to talk
15 about that.

16 We also came down on a contractor on an issue that
17 really talked about you're behind on one project. Why
18 should we award another one? That particular contract I'm
19 pleased to say it was in Salado. There's been substantial
20 progress that's been made that we've heard. I think of --
21 well, it's easy to criticize. They have responsibility to
22 come back and share the things that are being worked on.

23 While we look at this outside, we're also taking a
24 look inside. Are we asking questions enough to say are we
25 holding up a project? And I think we found a couple things

1 where maybe we have in the process, but I would encourage
2 our team, TxDOT statewide, and all of the contracting
3 industry if something's not going right, communication can
4 solve a lot of things. Communicate, speak up, ask. It's a
5 joint shared responsibility that we need to move forward.

6 Because as Commissioner Moseley was talking about
7 Proposition 7, when this passes, we're going to need you the
8 public contracting industry engineers ready to roll to get
9 these projects out and delivered. So I think communication
10 and cleaning up the projects now can certainly -- can
11 certainly help.

12 The last thing I wanted to mention was on safety.
13 On my way down here -- and this is a -- a joint chair to our
14 staff, I've shared this with the general yesterday, to our
15 staff and also to the contracting community.

16 I was held up. I'll -- I'll say it on 79. There
17 was a construction delay. They're working on something and
18 they're letting each lane pass. As I approached, I was
19 going around the crash attenuator. That's to follow crash
20 vehicle. The contractor was not a TxDOT employee, I'm not
21 going to say the contractor's name, was sitting up there
22 just like this. I almost stopped, but I was going on.

23 Went to the flagger and he was sitting there like
24 this, the flags sitting in between. We don't need that to
25 happen. Our guys needs to pay attention to what's going on,

1 the contractors, pay attention to your guys and make sure
2 that's not happening. This is a real sensitive issues right
3 now because we had a contractor -- this last week job -- one
4 person was killed -- or two people were killed -- one in the
5 contracting community. We need to keep these work zones
6 safe and we ask it's a shared and joint -- joint
7 responsibility. So we ask everybody to please -- please pay
8 attention and as motorists, please pay attention.

9 The last thing, Chair, I will miss my -- my first
10 meeting next month. My daughter is graduating out of the
11 country overseas. So I will -- I will be gone. And I -- I
12 know y'all -- it will be in good hands. So I'll see y'all
13 in September.

14 MR. LEWIS: Well, thank -- thank you very much and
15 congratulations to your daughter --

16 MR. AUSTIN: Thank you.

17 MR. LEWIS: -- your family. And as -- I'm -- I'm
18 glad you were mentioning safety towards the end, because it
19 segues into something I wanted to say.

20 This is a big organization with a big challenge
21 and for us on the Commission great responsibilities. So
22 what we've tried -- what we are doing, I shouldn't say tried
23 to, I think we're doing it, what we have done is to
24 coordinate our efforts. And -- and for each -- each of the
25 Commissioners to -- to take leadership and work with staff

1 on an area of interest so we can have a Commissioner with --
2 I mean, it's amazing the expertise all the Commissioners
3 have in all areas, but certainly it's so complex. Have a
4 Commissioner in each area that really knows that area and --
5 and has a responsibility for keeping the rest of us in the
6 loop on knowledge of what we need to know.

7 One of those areas is safety. And Vice Chair
8 Moseley has taken that on. It's a major part of what we do.
9 It's a major emphasis for this Department. And so the area
10 of leadership and as liaison with staff an area of
11 leadership that Vice Chair Moseley has had is safety and
12 then maritime -- we have a fairly small maritime department.
13 It's a huge impact on Texas economic impact. And -- and so
14 he has taken on those roles .

15 Commissioner Vandergriff is spending a great --
16 great deal of time working with staff on a huge challenge
17 that we have and it's very important and I'm glad we're
18 doing it. But it also have legislative guidance for us.
19 And we'll be discussing some today on -- on our --
20 establishing performance measures and metrics, criteria for
21 project selection that's transparent and -- and that we can
22 -- we and the public can look -- look to, category finding
23 and things like that. And that's -- that's also been a big
24 effort. Commissioner Bugg has taken the area of sort of
25 cost deficiencies in the past.

1 We have some areas as -- as we're getting -- and
2 -- and as far as audit. He has participated and again under
3 the leadership of Commissioner Austin who is heading up our
4 audit subcommittee. And that's actually a formal committee
5 I should say of this Commission.

6 There are other tasks that need to be done. There
7 are other major things that are -- have particular expertise
8 that we need Commissioners to take on. Two of them I -- I
9 would like to ask Commissioners to take the area of
10 leadership responsibility liaison with staff responsibility
11 and that I'll announce today. And they have agreed to do
12 so.

13 I was surprised when I found out that 40 percent
14 of our sort of traditional funding comes from the federal
15 government. It's a -- it's - it's federal money from --
16 principally from federal fuel tax. And it's a -- it's a
17 major component for us. It affects us a great deal. There
18 is a lot going on on federal matters. And also there are
19 federal regulatory matters that affect us and dealing with
20 federal departments. It is -- it is an area of great
21 expertise and it's a long way away. Washington's far from
22 us. I certainly don't have much feel for how it goes on and
23 what goes on.

24 Fortunately, Commissioner Austin does -- works
25 with them a great deal, goes there, knocks on those doors,

1 knows those people, has just encyclopedic knowledge of -- of
2 the folks. So I know I need someone to say okay, Tryon --
3 you need to get up to Washington. You need to knock on this
4 door and that door and that door. And I think the person to
5 tell me that is Commissioner Austin. So that's a huge lift
6 and an enormous area, but thank you very much for taking on
7 the -- our relationships with the federal government, our
8 elected officials from the state and the federal government
9 and then federal issues -- officials and regulatory
10 agencies.

11 Another area of -- of great important and interest
12 to us is the congestion in our major metropolitan areas.
13 And I have asked Commissioner Bugg to work with the staff on
14 -- on those areas as they are very proactively addressing
15 those areas. And I have asked Commissioner Bugg to do that.
16 And he's agreed to do that.

17 Unfortunately, we -- we read the minutes and in a
18 moment we're going to have an adoption of minutes. And the
19 Commissioners do that. They're very good about reading the
20 minutes. And by doing that, they have noticed that
21 everybody is working but me. Everybody has an area of
22 responsibility and is taking a lot of time and effort except
23 me. I'm not in the minutes at any place. So that's been
24 pointed out to me and I've heard -- I've heard --

25 (Laughter.)

1 MR. LEWIS: I've heard the word. And so I will as
2 been requested. I will pick up an oar and start rowing.
3 And -- and I think the area for me is energy sector . I
4 live out in Odessa and there's a lot of particular emphasis
5 that we have and we need to look at on energy sector. And
6 since I -- I do that and we'll do that ever more in other
7 areas than -- than mine of this state, I'll -- I'll take on
8 that responsibility. So I'll work, too.

9 So okay. Having said those things, that will
10 complete opening comments unless there's any other opening
11 comment.

12 MR. BUGG: Yeah, I have a -- a response to that.
13 None of us believe you don't work as hard as you work, so --
14 (Laughter.)

15 MR. LEWIS: Well --

16 MR. BUGG: -- Chairman Lewis, you don't have to
17 add another one on to prove to us. We know how hard you're
18 working. Thank you. Thank you for your service.

19 MR. LEWIS: Thank you. Now we are particularly
20 honored to have two distinguished visitors today. Senator
21 Bob Hall is here and -- and we are honored to have you,
22 Senator. And is --

23 SENATOR HUFFINES: I'm Senator Huffines.

24 MR. LEWIS: And Senator Huffines. I -- he was
25 here yesterday. And there. I'm sorry. And thank you for

1 pointing that out. Senator Huffines is here. Thank you to
2 -- to both of you. Senator Huffines was here yesterday at
3 our workshop as well. And if -- if either of your gentlemen
4 would care to make any -- any statements, you may be here to
5 listen. You may care to make a statement on it. Senator
6 Hall, do you care to come forward by the easement? Well,
7 thank -- thank you. We're honored by you being here and
8 thank you very much. And Senator Huffines?

9 SENATOR HUFFINES: I'm good. Thank you.

10 MR. LEWIS: Thank you very much.

11 MR. AUSTIN: Chairman, he gets extra credit
12 because he was here yesterday, too.

13 MR. LEWIS: I know. Or -- or he needs counseling
14 or something.

15 (Laughter.)

16 MR. AUSTIN: Counseling one .

17 MR. LEWIS: Intervention of some kind. Thank you.
18 Thank you, both of you. We are absolutely honored to have
19 you here and it -- it helps us that you are here. It helps
20 us do our work.

21 We also have a -- a very distinguished visitor we
22 are -- we are pleased to have. Our Secretary of State
23 Carlos Cascos is here. Many of you know him. I'm sure
24 almost all of you know him by reputation, if not,
25 personally. And he is a very easy person to get to know

1 person. He will take that step to do that. And that has
2 made him one of Texas' great leaders.

3 Secretary Cascos came here as -- previously he was
4 a county judge in, I guess it's Cameron County, and -- and
5 Brownsville. He served on the Public Safety Commission
6 which where I think I've first heard of him. I think he was
7 a county commissioner down there before he became a county
8 judge. As -- he's a CPA, likes people and likes Texas --
9 and loves Texas and is serving greatly.

10 And I would request Secretary Cascos, if you would
11 please come forward and -- and intro -- you probably know
12 everybody, but formerly introduce yourself to the Commission
13 and give us the benefit of your views and thoughts at this
14 time.

15 SECRETARY CASCOS: Of my knowledge? Thank you
16 very much. Mr. Chairman, members of the Commission, it's
17 good to meet you. And it's good to see you all once again.
18 And Jeff, it's -- it's always good to see you. And thanks
19 for the -- for the non-invite to -- to dinner last night. I
20 wasn't -- I was -- I was home watching a movie. I mean,
21 that's -- I've had nothing else to do.

22 (Laughter.)

23 SECRETARY CASCOS: But thank you very much. Mr.
24 Chairman, it's -- it's always good to see you and -- and
25 thank you for -- for reaching out to my office. But I'm --

1 but I'm here for -- for several reasons. First of all, you
2 -- y'all are noticing that I'm wearing maroon. And -- and
3 as much as it pains me, I learned as a county judge if I
4 wanted to get something out of TxDOT, I had to wear the
5 colors of some of the leadership.

6 Having gone to A&M. Not me, but, you know, some
7 of the leadership that was here, including Governor Perry at
8 the time. So I would wear maroon in order to kind of make
9 everybody comfortable and happy. So -- so I wore that again
10 today and it -- and again, it -- it somewhat pains me, but
11 it's okay.

12 First of all, I'm reaching out. I'm reaching out
13 to each and every one of y'all. The -- the Chairman has
14 been kind enough and gracious enough to -- to have met with
15 me already a couple of times regarding some -- some
16 challenges that we may have on the border. I've met with
17 General Weber once -- at least once, maybe twice, on
18 projects that -- that we believe are important to -- to
19 Texas.

20 But y'all are really important guys. Everywhere
21 I go I -- I speak about Texas and -- and informing Texans
22 about Texas. And it's amazing how many Texans don't really
23 know Texas. And so part of that, part of my role as far as
24 -- as educating and informing people throughout --
25 throughout the state. And I -- I was scheduled to go to

1 Amarillo and Odessa this week, but I -- I just couldn't get
2 my schedule organized enough. But I've probably been to --
3 to Houston and Pearland and Lufkin and Nacogdoches, Amarillo
4 not yet, El Paso, San Antonio, The Valley of course to talk
5 about Texas.

6 And one thing that -- that brings to mind is that
7 we recognize the importance of -- of infrastructure. We
8 recognize that in Texas there is nine serious choking points
9 in this state, you know, combined in Fort Worth, Dallas and
10 Houston and of course I-35 and Austin.

11 I have also vice-chaired a -- the Panama Canal
12 Stakeholder Group a couple of years ago. I also vice-
13 chaired, along with Judge Emmitt, the -- the Freight
14 Advisory Group. Well, we all learned a lot.

15 And so part of promoting Texas is developing the
16 infrastructure. And as you know, Governor Abbott's -- one
17 of his primary focuses has been on infrastructure. And you
18 briefly mentioned the infrastructure. Let -- let me -- let
19 me emphasize it once again.

20 If we do not invest in the infrastructure from our
21 -- all our ports of entry, including our gulf ports of entry
22 and our land ports of entry, all the exports and imports
23 that we're going to anticipate that we're going through are
24 going to be moot. If we can't get our goods and services to
25 travel from the coast and from the border into Texas,

1 throughout Texas, through the rest of the country, it's
2 going to be moot.

3 So I ask that we seriously consider investing not
4 only along the Mexican border, I realize and recognize that
5 that's important, but we cannot let go or -- or emphasize
6 one particular area over another especially when it comes to
7 our gulf ports of entry. And I can't emphasize that enough.
8 We need them.

9 And it's not just about building a bridge. And as
10 I told the Chairman, you know, building bridges,
11 international bridges, that's the easy part. It's really
12 not that difficult. All you need is money. But the more
13 important thing is developing the infra -- infrastructure
14 from Mexico to our border and from the border inward
15 throughout the state. And it does not mean just building it
16 where the bridge ends. It's talking about looking at the
17 infrastructure throughout the State of Texas.

18 So when I travel throughout Texas, that's what we
19 are -- you know, Texas is number one in a lot of things.
20 Well, with the exception of a college football team. But --

21 (Laughter.)

22 SECRETARY CASCOS: -- we are number one in a lot
23 of things. I mean, we're number one in exports, we are
24 number one in job creation. Beef, cotton, natural gas. You
25 know, we are number one in a lot of things. We have one of

1 the finest in -- in congratulations not only to you, but to
2 past TxDOT Commissions and past leadership. We have one of
3 them, if not the best, one of the best interstate and
4 highway systems. One of the best rail systems.

5 And I think -- you know, I think Commissioner Mose
6 -- Commissioner Austin just said about multimode freight.
7 And we have to think outside the box. And I've had some
8 suggestions to the -- you know, to the Chairman. I won't
9 say them today or in front of everybody. It will be public
10 information. But we've shared some things about what I
11 think we need to do to alleviate truck traffic. And I -- I
12 want y'all to look at that. And I'll say it -- you know,
13 I'll -- I'll tell the Chair again and I'll tell any member
14 of the Commission, you know, what I believe we need to do in
15 terms of alleviate -- alleviating some of the traffic
16 without spending a whole lot of money, you know, in terms of
17 -- of truck traffic and even around I-35.

18 But with that, I'm reaching out to each and every
19 one of y'all. Whatever it is that I can do in order to
20 assist you in promoting the transportation system or even
21 the state, I'm here to serve. We're planning something to
22 go down to the border very soon. I've got my staff that
23 I've asked to go along with maybe some of your staff to go
24 down to Presidio as one example and maybe eventually Eagle
25 Pass and Del Rio. And then after that, after they come back

1 and give their report, I would like to invite the Chair and
2 myself, any member of the Commission short of a quorum to go
3 down with me and we go together to address the leadership
4 down there. So with that, I want to thank you very much for
5 your hospitality. I want to thank you for your attention.
6 And again, I'm reaching out. Anything that I can do for you
7 or my office can do for you, simply call or text. All
8 right. Any questions, Mr. Chairman?

9 MR. AUSTIN: Well, Mr. Secretary, thank you for
10 being here. And I want to say having worked with you in the
11 last several years working with your very successful RMA
12 from Cameron County, you've been a champion with I-69
13 watching what's going on down there and really helping bring
14 visibility and access to an interstate. And that is our
15 port-to-port connector. So thank you for all of your past
16 efforts.

17 Looking forward, you're -- you are out knocking on
18 doors to help bring business to Texas. To the extent that
19 you can say what are we missing? What do we need to do?
20 You know, congestion is an easy one. What else -- what else
21 do we need to do?

22 SECRETARY CASCOS: You know, it's a -- it's a
23 multi component endeavor to bring businesses to Texas.
24 First, we need to recognize that, you know, we as
25 government, you know, are not -- are not the job creators.

1 Right. It's -- we know it's the entrepreneurs and the small
2 businesses.

3 I think it's a combination of things. I think
4 people that want to relocate, I think companies that want to
5 relocate are asking maybe four or five fundamental
6 questions. One of them is infrastructure. That is one --
7 that's one of the big deals. I think they -- they look --
8 they look at the quality of the educational system in each
9 community that they want to relocate in.

10 They look at public safety. They look at medical
11 facilities. So there's -- there's a lot of components.
12 There's not just one. And obviously the business climate
13 that Texas has, I mean, it's a big deal. It's a big deal
14 when we are a right to work state and we have no state
15 income tax. That is a big deal to a lot of businesses that
16 want to open. And that's why I think they are relocating.

17 We have a great business climate. So it's not so
18 much what is it that we need to do different. We do have
19 think outside the box when it comes to infrastructure when
20 it comes to funding. But I think we need to do -- keep
21 doing what we're doing, doing it a little bit better and
22 just reaching out. We have to keep in mind that we all work
23 for the same people. It's the taxpayers of this state.

24 So as long as we're all on the same page and
25 communicate, I have asked other agencies to communicate with

1 my office when they're going to travel to Mexico. I think
2 that at times you have agencies going to Mexico where nobody
3 knows really what's going on. And a lot of times when
4 you're dealing with Mexicans, when you're dealing with
5 Mexico, they believe that if another agency goes, they're
6 speaking on behalf of the governor or the State of Texas.
7 Really they're speaking on behalf of their agency.

8 So all I ask is look. Let's -- we're all in this
9 together. All I ask is, you know, a courtesy phone call, a
10 courtesy email. We're going to Mexico to speak about this.
11 That way when I go, I'm not blindsided by saying hey, so and
12 so was here and we -- we knew nothing about it. And so I
13 think that we can do better than speaking with one -- with
14 one voice. And every agency in this state is -- is a
15 critical component whether it's TxDOT or DPS or whatever it
16 is.

17 MR. AUSTIN: One last comment I wanted to share.
18 Last year maybe a year, two years ago, we received -- our
19 agency received a lead from the secretary and the governor's
20 office of a potential company that may relocate down in East
21 Texas.

22 One thing that was critical to that was a turn
23 lane. I think a price is Polk County maybe about a million,
24 a million -- \$900,000. That doesn't seem like a lot of
25 money, but to attract and secure 240 jobs. That's huge. We

1 want to be a partner and I -- I want to share this for
2 Senator Huffines and Senator Hall's benefit.

3 There was a lot of discussion last session about
4 Commission discretion. To keep that Texas miracle alive
5 when we received leads from your office, here's what we
6 need, transportation, I think it's critical that this agency
7 continue to have the flexibility and the ability to move
8 quickly to say we're going to commit to build that turn
9 lane. It may not be in the UTP. It may not be there. But
10 we need to be able to commit quickly regardless of where
11 these companies are within reason to say we can help build
12 that and bring it here. Because that's what's given us the
13 opportunity and the -- the revenues that we have to be able
14 to reinvest back in. So we want to be a partner with you.

15 SECRETARY CASCOS: Well, thank you. And you know,
16 and I think we need to recognize that it all starts at the
17 local level, you know, because you -- you cannot possibly
18 know everything that's going on with the state. It -- it
19 starts at the local level, local county commission, city
20 commissioners and RMAs. That's where it starts.

21 MR. LEWIS: Commissioner Moseley -- or Vice Chair
22 Moseley.

23 MR. MOSELEY: Secretary, welcome. What a delight
24 to see you in this capacity and so happy to be working with
25 you now and the secretary of state.

1 On one area where perhaps we can -- we can enjoy
2 teaming up with you and your office, we would -- we would be
3 pleased to have a dialogue with Caminos y Peuntes Federales
4 about electronic technology and how the toll tag would
5 interface. That would be -- remove one barrier to trade and
6 allow trucks to move more efficiently. And so as you have
7 on occasion to talk to CAPUFE officials, if you could invite
8 them to open this dialogue with us, we would be very open to
9 that. Thank you, Secretary.

10 SECRETARY CASCOS: Thank you, Commissioner. And
11 let -- let me take it a step further. I think that it's
12 important that as -- as I travel especially when I'm going
13 to -- if I'm going to be in your area, we do try to let the
14 state senators know, the state reps know. And I think that
15 we need to let members of the Commission know as well.

16 On -- on my next trip to Mexico which will be
17 probably around the Labor Day, I think that agenda has
18 already been set. But I think what I would like to do in
19 the future is make sure that the Commission knows. That way
20 you can let me know or remind me saying make sure that you
21 talk to someone so -- or mention this. And that I will be
22 reaching out through my staff to make sure that you all know
23 where I'm traveling.

24 MR. LEWIS: Thank -- thank you so much, Mr.
25 Secretary. And we also know -- we're honored to have you

1 here. We also know that you have many demands on your time
2 as do Senators Huffines and Senator Hall. So we're honored
3 to have you all here. But we also understand if you -- if
4 -- if you need to leave and when you need to leave. You got
5 other -- other public business to do. So thank you very
6 much for being here.

7 SECRETARY CASCOS: We're gone. Thank you very
8 much and God bless you all. Thanks. Bye-bye.

9 MR. LEWIS: Thank you. At this time we'll return
10 to our agenda. The first order of business is approval of
11 the minutes from the June 24th and June 25th meetings of --
12 of Texas Transportation Commission. Draft minutes have been
13 provided in the briefing materials. Commissioner Bugg, do
14 you move to approve the minutes of the --

15 MR. BUGG: I make a motion to approve --

16 MR. LEWIS: -- June 24th and June 25th meetings?

17 MR. BUGG: -- approve both sets of minutes.

18 MR. LEWIS: And Commissioner Vandergriff, do you
19 second that motion?

20 MR. VANDERGRIFF: I do.

21 MR. LEWIS: All right. There having been a motion
22 and a second. All in favor, say aye.

23 (Chorus of "Ayes")

24 MR. LEWIS: There being all ayes, no nays, then
25 the motion carries. And at this time I'll ask our Executive

1 Director to continue with today's business.

2 GENERAL WEBER: Thanks, Chairman. Beginning with
3 Item 4(a) we have a discussion of the development of the
4 2016 Unified Transportation Program. Transportation,
5 Planning and Programming Division Director James Koch will
6 present. James.

7 MR. KOCH: Good morning, Mr. Chairman, Commission
8 members and General Weber. For the record, my name is James
9 Koch, Transportation and Planning and Programming Division
10 Director for TxDOT. Item 4(a) will provide an overview of
11 the development of the 2016 Unified Transportation Program.

12 TxDOT uses the Unified Transportation Program as a
13 10 year plan to guide transportation project development.
14 UTP is developed annually in accordance with the Texas
15 Administrative Code and is approved by the Texas
16 Transportation Commission annually prior to August 31st or
17 the end of the state fiscal year.

18 The UTP is fiscally constrained based upon the
19 finance division cashflow forecast. The UTP lists all known
20 projects in the 10 year time frame and authorizes those
21 projects for construction, development and planning
22 activities.

23 In addition to highway and bridge related
24 projects, the UTP also includes sections related to rail,
25 aviation, public transportation and state and coastal

1 waterways.

2 As you are aware, the UTP is required to be
3 developed and adopted by the Commission annually. This is
4 an extensive statewide effort that starts with receiving a
5 new forecast and setting preliminary funding targets along
6 with collaboration between state, local and federal
7 partners.

8 The UTP is just one of several planning documents
9 with different time frames used by TxDOT and our MPO
10 partners. For long term planning, there is the statewide
11 long range transportation plan that covers 24 years and acts
12 as a blueprint for the multimodal planning process.

13 Metropolitan and transportation plans and rural
14 transportation plans are a 20 year time horizon for a more
15 localized multimodal plans developed by metropolitan planning
16 organizations.

17 The Unified Transportation Program is a 10 year
18 midrange programming document and it includes project
19 planning for construction or development. The Statewide
20 Transportation Improvement Program or STIP covers a four
21 year time frame and it incorporates the metropolitan and
22 rural area transportation improvement programs.

23 Finally, the two year letting schedule which
24 includes projects currently scheduled to go to bid, be
25 awarded and begin construction in the next 24 months.

1 The UTP is a framework that connects projected
2 funding to planned projects. The UTP is a tool used by the
3 Department to connect the goals of our long range plans with
4 available funding and project development activities. The
5 UTP is organized into 12 categories of funding covering a
6 different scope of work.

7 The categories are further broken down into
8 multiple fund sources including federal programs, state
9 funds and nontraditional fund sources. The major components
10 of the document are the funding levels and project listings
11 showing how the funds are currently programmed.

12 The UTP development process is initiated by a new
13 financial forecast. The forecast estimates revenues
14 projections based on historical trends current statutes and
15 the comptroller's biennium revenue estimate. Federal
16 highway reimbursement projections account for current
17 highway bills, continuing resolutions and rescissions on
18 obligation authority.

19 The forecast also includes an estimation of
20 projected expenditures against that revenue. Important
21 assumptions used in the 2016 UTP forecast, that's FY-2016
22 through FY-2025, assumes no increase of federal funding at
23 the MAP-21 levels for new construction projects, no
24 additional distribution of Prop 1 funding in FY-18 through
25 FY-25. No implementation of recaptured diversions and no

1 additional funding for potential SJR5 or Prop 7.

2 An important part of developing the UTP each year
3 is assessing the forecast and producing draft funding
4 levels. As we do this, we compare the funding levels to the
5 current UTP. We expect these draft funding levels to change
6 and potentially increase over the next few months as we
7 anticipate additional forecast such as the recaptured
8 diversions, extensions to MAP-21 and based on the outcome of
9 the vote on Proposition 7.

10 The Texas Administrative Code and Transportation
11 Code requires TxDOT to rank the priority of each project
12 listed in the UTP. Generally, all projects must be ranked
13 as tier one, two or three. Currently, we collect all data
14 to rank projects around three criteria. Strategic goals,
15 funding availability and project readiness in order to
16 assign a tier ranking.

17 We started the development process for the 2016
18 UTP in early spring. Overall this is an extensive statewide
19 effort to produce and update this document. Public
20 involvement started this month. We released a draft
21 document on July 10th and hosted a public meeting on July
22 17th to discuss the development process, project selection
23 and the preliminary funding levels. Over a hundred and
24 sixty people participated in the public meeting.

25 Currently we have received five comments with four

1 related to the Transportation Alternatives Program and
2 design standards related to integrating bike and pedestrian
3 elements. And one comment pertaining to a specific project
4 description. We will host a public hearing on August 6th
5 and continue receiving public comments on this UTP through
6 August 17th. We will bring you the final draft in August
7 for consideration and adoption.

8 Proposition 1 funding levels were incorporated
9 into the draft 2016 UTP according to House Bill 1 and Rider
10 44. House Bill 1 and Rider 44 will identify the following
11 purposes and percentage distribution of -- of anticipated
12 Proposition 1 revenues. 45 percent for mobility and added
13 capacity projects in urban areas to decrease congestion and
14 increase the safe and efficient movement of traffic. 25
15 percent for projects that improve regional connectivity
16 along strategic corridors in rural areas of the state. 20
17 percent for statewide maintenance and preservation projects
18 and 10 percent for roadway safety and maintenance projects
19 in areas of the state impacted by increased oil and gas
20 production activity.

21 Based on the required distribution to mobility and
22 added capacity, connectivity, maintenance and energy sector
23 impacted areas, we have run the associated category formulas
24 using the current projected amounts for House Bill 1. This
25 table provides a summary by district on the draft

1 distribution.

2 We also provided the draft distribution in a
3 tabular format. This slide provides a look at the combined
4 amounts per district for FY-2016 and 2017. Note that the
5 MPO and district allocations were combined in this
6 distribution table. Because we are aware that planning
7 organizations or beginning conversations about planned
8 projects for this funding level increase, we have posted
9 draft distribution online at the UTP public involvement
10 site.

11 In that exhibit, we have separated the
12 distribution by fiscal year and we show the draft MPO
13 allocations related to mobility separately so there is a
14 clear understanding of the draft amounts we are working
15 with.

16 As noted on schedule, we are in the public comment
17 period for the draft 2016 UTP and comments will be accepted
18 through August 17th at 4:00 p.m. We will host the public
19 hearing on August 6th at 10:00 a.m. here in Austin and then
20 we will bring you the final draft during the August
21 Commission meeting for consideration and adoption.

22 Also, we wanted to note that the next update to
23 the UTP will be happening in November. We expect to receive
24 a new forecast for that update including the recaptured
25 diversions TMF and MAP-21 extensions.

1 This concludes my presentation. I'll be happy to
2 answer any questions at this time.

3 MR. VANDERGRIFF: Chairman, may I ask a question?

4 MR. LEWIS: Yes. Commissioner Vandergriff.

5 MR. VANDERGRIFF: James, I just want to make sure
6 is it -- is it fair to say that at a future UTP discussion
7 an amendment perhaps maybe as early as November will have
8 specifics that the MPOs and the districts will fill in the
9 blanks so to speak on how the Prop 1 money that has been
10 allocated to them will be used -- utilized.

11 MR. KOCH: Yes, sir. In this time period before
12 November that project selection process will --

13 MR. VANDERGRIFF: And then -- then obviously we
14 didn't include at this time in terms of the -- whatever the
15 lift is from diversions or from federal money, but we
16 hopefully will have a clear picture then as well on both of
17 those and -- and can work with that at that time potentially
18 --

19 MR. KOCH: Yes, sir.

20 MR. VANDERGRIFF: -- again. Okay. So thank you
21 very much.

22 MR. LEWIS: Commissioner Austin.

23 MR. AUSTIN: Yeah, James, thanks for the
24 presentation. And a little followup. You were talking
25 about the Prop 1. Assuming Prop 7 passes, we'll be looking

1 at additional updates I guess to the UTP. When would you
2 estimate that to be -- to occur? Are we going to start
3 discussing that in September -- I mean, November potentially
4 should it pass? Because we'll meet after the election.

5 MR. KOCH: Yes, sir.

6 MR. AUSTIN: Okay.

7 MR. KOCH: After the election.

8 MR. VANDERGRIFF: Remember, that money doesn't
9 come available to us until --

10 MR. KOCH: Two years.

11 MR. AUSTIN: Right. Right. Right.

12 MR. VANDERGRIFF: -- the next biennium.

13 MR. AUSTIN: Right. Right. Right. One comment.

14 You made a comment -- and this is open for public comment.
15 You know, in the past we've had discussion and I think
16 there's been feelings at times that maybe this is not enough
17 for public input. Share with me a little bit about the
18 process, the -- where did -- we sent out press releases.
19 How many hearings, comments, what -- what kind of feedback
20 are you receiving and kind of talk about your process.

21 MR. KOCH: Right. I - actually, we -- we've
22 gotten with the communications division and we're doing a
23 lot more outreach with the Twitter and -- and we do an email
24 blast to across the state to using the -- the global
25 statewide database. And -- and as I said, you know, we had

1 a hundred and sixty attend the public meeting. So I --
2 we're doing a lot better in terms of that -- that public
3 outreach, I believe.

4 MR. AUSTIN: Well, I just think it's important to
5 note for the record that y'all are doing a great job in --
6 in requesting it. But I've noticed in a lot of newspapers
7 that I see in East Texas there's a lot of notifications that
8 are being picked up and printed. So I -- I can't answer the
9 rest of the state, but I -- I do see the effect of this.

10 One last thing, as we begin looking -- and this
11 may be -- I guess in November when we look at the update to
12 the UTP. I've -- I've mentioned before the impact of water.
13 You know, the water development board is getting ready to go
14 out and I think they just approved 21 applicants for loans
15 on projects. Two of those I believe are going to make --
16 have a major impact on us. North Texas Water Municipal
17 District for lower boat -- boat arc reservoir and -- and
18 improvements and then Upper Trinity Regional Water District
19 for Ralph Hall Reservoir.

20 So I -- where I'm leading is that we need to make
21 sure we're prepared because this is an initiative that the
22 voters passed to give them the authority. We don't need to
23 be the holdup in -- in creating water. And where I'm
24 looking at, I know there -- I -- my understanding there is
25 going to be another round of applications potentially in

1 November for applicants to submit supplemental or additional
2 applications.

3 With those, we know on the big -- on the swift
4 list that came out what those projects were that were
5 identified. We need to -- and I want to make sure that we
6 are -- our districts are ready and know what needs to be
7 done. I know Dennis Cooley he responded to me. He did a
8 great job in looking at Lake Columbia, using that as an
9 example. Are we ready? Do we know what our costs are, are
10 we identified and whether those are in the UTP. We need to
11 be able -- if -- if they're not and it is -- they are
12 approved, I would suggest to the Commission we need to be in
13 a position to move quickly where we're not the holdup for
14 relocations or addition water, et cetera. Because this is
15 important to the state. By the way, we need rain again.
16 Anyway, thank you for your presentation.

17 MR. LEWIS: Yes, Vice Chair Moseley.

18 MR. MOSELEY: Just to kind of repeat some of the
19 obvious that the UTP and basically the requirement in the
20 Texas Administrative Code, it's -- it's been around how
21 long? How long has the agency been doing 10 year projects
22 and plans?

23 MR. LEWIS: '90s.

24 MR. MOSELEY: Back -- back to the '90s. And so
25 this is pretty much a -- is this a best practice that all

1 Department of Transportations go through?

2 MR. KOCH: Other -- other state agencies do -- do
3 a similar process, yes.

4 MR. MOSELEY: So I'm looking 10 years into the
5 future. And -- and the fascinating thing about this process
6 is that there are so many unknowns. We talked a little bit
7 about the federal government. I mean, that's an irregular
8 source of funding because there is difficulty in -- in
9 agreeing upon a -- a budget.

10 MR. KOCH: Yes, sir.

11 MR. MOSELEY: We got a three month extension this
12 week. But it's hard to put it in a 10 year planning
13 document. Is that -- would that be a fair statement?

14 MR. KOCH: Yes, sir.

15 MR. MOSELEY: So -- so as wonderful as this
16 planning process is and I -- and I commend you and the team,
17 I think it's a beautiful document, would it be fair to say
18 -- I mean, this is like measuring it with a micrometer,
19 marking it with a grease pencil and cutting it with an axe.
20 I mean, there's parts of this that are very precise.

21 MR. KOCH: Yes, sir.

22 MR. MOSELEY: And there are parts of it that are
23 very best guess. And part of -- part of the opportunity
24 here is to open a dialogue with a public and to start to
25 queue up projects and put them into a -- a priority for

1 funding. Is that -- is that that the highest and best use
2 of this document?

3 And then the legislature has asked MPOs to join in
4 this process. So they've been doing some -- some planning
5 as well. But now they're being asked more formally to have
6 their own 10 year planning documents, is that correct?

7 MR. KOCH: Yes, sir. Through House Bill 20.

8 MR. MOSELEY: And so you'll be -- you'll be I
9 guess the next time around you'll be more formally working
10 with all the MPOs to bring us this -- the next -- the next
11 version of the UTP will include their inputs, is that --

12 MR. KOCH: Yes.

13 MR. MOSELEY: And then the other question is not
14 this document, but the next one would -- would also perhaps
15 reflect a rhetorical question. One is the role of toll
16 roads in our state mobility system, because the legislature
17 is asking us to report back as to whether or not we want to
18 continue in the toll road business. Is that -- is that
19 correct?

20 MR. KOCH: Yes, sir.

21 MR. MOSELEY: And so that would have an impact on
22 this document as well if the legislature decided we wanted
23 to get out of the toll business entirely.

24 MR. KOCH: That would be reflected in the project
25 listing. Yes, sir.

1 MR. MOSELEY: In the next -- the next document.

2 MR. KOCH: Correct.

3 MR. MOSELEY: Okay. Thank you.

4 MR. KOCH: If -- if you would please, sir, go back
5 to slide eight. And if you would assist me, just first of
6 all state, you know, what period of time so it's clear for
7 everybody what period of time this funding would cover. And
8 then go down the funding categories just briefly and discuss
9 with us the -- we have -- we have 12 categories and the
10 differences between the 21.

11 MR. KOCH: Right. Okay. Well, this is a 10-year
12 document. So it -- it -- this starts in FY-2016 and it runs
13 through 2025. What you see before you there are the 12
14 categories that we used to distribute funds across the
15 state. Walking through the different categories, category
16 one, that's our preventative maintenance and -- and rehab.
17 That's our bread and butter throughout the state to make
18 sure that we're maintaining our roads and -- and keeping
19 them to -- to good standards.

20 Category 2, the metro and urban area corridor
21 projects, that's the bread and butter project primary for
22 our metro areas to -- that's where we get the big freeway
23 type expansion projects funded out of that pot of funds.

24 Category three are the non-traditionally funded
25 transportation projects. That can be a lot of different

1 things, bond -- bond funded, other mechanisms being used for
2 those to -- to move those forward. Category four, the
3 statewide connectivity corridor projects. That's kind of
4 the -- the brother of the category two for the rural areas
5 of the state to provide connectivity on those corridors.

6 Category five, congestion and litigation of air
7 quality improvement. That's for the areas of the state that
8 are having primarily air quality issues. And it funds
9 projects that are -- are specific to trying to improve
10 congestion and the air quality in those specific areas.

11 Category six is our structures replacement.
12 That's our bridge program to keep our bridges up to standard
13 and -- and being replaced as needed. Category seven,
14 metropolitan mobility and rehabilitation. That's a category
15 that -- that's the bread and butter at the MPO level for
16 doing projects down from the -- the category two level,
17 major facilities going through the metro areas.

18 Category eight is -- is safety improvements. That
19 -- those are targeting specific safety issues across the
20 state. Category nine, transportation enhancements. That's
21 like the -- the TAP program, things like that, hike and bike
22 trails, issues such as that.

23 Category 10 is the supplemental transportation
24 project. That's kind of a catchall to do other -- other
25 transportation type facilities. Category 11, district

1 discretionary, that's a pot of money that's given to each
2 one of the districts. Each district gets two and a half
3 million dollars per year to spend. And then of course
4 category 12, strategic priority is at Commission discretion.

5 MR. LEWIS: Thank you very much. Any other
6 questions, Commissioners?

7 (No audible response.)

8 MR. LEWIS: Thank you. Very good job. Appreciate
9 it.

10 MR. KOCH: Thank you, sir.

11 GENERAL WEBER: Next up is Item 4(b), a discussion
12 of metrics. Chief Strategy and Innovation Officer Darran
13 Anderson, our Director of Planning Marc Williams will
14 present. Darran.

15 MR. ANDERSON: Mr. Chairman, Commissioners,
16 General Weber, for the record, my name is Darran Anderson.
17 I'm the Chief Strategy and Innovation Officer for TxDOT. In
18 a moment we'll have some slides, I hope.

19 I've been before you in the last two workshops in
20 April and May talking about review of our vision, values,
21 mission and goals. And -- and subsequently that that will
22 lead to a more deeper understanding of our initiatives and
23 as well as our -- see if this gets to where I need it to be.
24 As well as our metrics that will support that, the
25 performance metrics. Specifically what we're trying to do

1 is we're trying to be like some other state DOTs that are
2 actually reporting publically and openly on their websites
3 and -- and through various documents.

4 What the -- what they see is their high level
5 strategic performance measures and how they're doing it in
6 relation to those. And we captured a number of metrics as
7 I've said in the previous workshops, but we want to get to a
8 -- a greater degree and more strategic thoughtfulness in
9 those and -- and provide that both to you and to the public
10 so that you can say what we're doing to it to achieve our
11 goals.

12 As a part of that and at General Weber's direction
13 and the Chairman's direction, we -- we launched off with a
14 team looking at specifically the -- the values that we have
15 again, looking at our mission statement, looking at our
16 vision. And -- and we're moving forward with that towards
17 our goals and our objectives.

18 And it's led by the Office of Strategic Planning.
19 Stacey Strittmatter is the person that's been in charge of
20 that effort. And she has a lot of guidance from both
21 myself, Commissioner Vandergriff, Marc Williams as well as
22 Rich McMonagle who is our Chief of Staff.

23 And we form this core strategy team to -- to put
24 together this effort. Now this strategy team is actually
25 not division and office directors and -- and district

1 engineers and nor is it the administration. These are --
2 these are people who volunteered their time to support this
3 effort and -- and actually do a lot of extra duty. And --
4 and it's very youthful input to this process and I think
5 it's been very beneficial to have a -- a different look than
6 -- than an administrative look initially at reviewing these.
7 And -- and they have met several times, many two to four
8 hour meetings to -- to review these.

9 We have also met with a number of focus groups
10 statewide as you see on this slide, five focus groups have
11 met. And we conducted an agency wide survey to every
12 employee in the agency and asked them all common questions
13 about what they thought about our mission statement and
14 goals.

15 This is our core strategy team. They have been
16 taken from both districts and divisions and offices. And on
17 the right, you'll see the -- the focus groups and that we
18 have participation of those focus groups both from districts
19 as well as divisions and offices.

20 And so it is a very wide and -- and comprehensive
21 coverage. And when you tie in the survey additionally to
22 that, we've -- we've reached out across the entire
23 organization thus far to ask them to think deeply about how
24 we feel about our -- our mission and our -- and our values.

25 As we worked with each group and as we worked in

1 the core strategy team, we gave them definitions of what we
2 were thinking -- what -- you know, what they needed to
3 understand were -- were values and a vision statement and a
4 mission statement. And we asked them four general
5 questions; what services does TxDOT provide, who are TxDOT's
6 customers, what does success look like to you. And what
7 does the future of transportation look like to you. And --
8 and very simply, those four questions led to hours long
9 discussions about values and mission statements.

10 And to the degree such that every word in many
11 cases was examined for its exact meaning and was that the
12 right word and was it comprehensive enough and did it -- did
13 it incorporate exactly what they were meaning behind that.

14 What's been very positive and -- and I think
15 telling across the organization is no matter, you know, what
16 focus group, whether it was a survey or whether it was this
17 core strategy team, we see a common thread of words and
18 values that are coming through. So I mean, these are three
19 examples from three separate meetings of the -- the common
20 words that they stressed. And how many -- or -- or how much
21 relevance they -- or importance they placed on each word.
22 And so these -- this is starting to form the core of what
23 will be our values, what will be our mission statement and
24 what will be the vision statement.

25 Our next steps is that on July 31st just -- that's

1 tomorrow, the OSP, the Strategic Planning Office and the
2 Core Strategy Team will provide their recommended values,
3 vision and mission statements to the administration and
4 we'll review those over the next couple weeks. And then
5 we'll bring those to the Commission with our -- our final
6 recommendations in the next month as to what those should be
7 and if they should change from what they currently are.

8 And following that on August 21st, they -- in the
9 meantime the core strategy team is going to continue to meet
10 and they're going to focus now on the goals that would
11 support those -- that mission statement, what -- whether or
12 not they feel we should change any of them. And then the
13 greater definition of those goals and then actually start to
14 identify initiatives and align initiatives that are in the
15 Department to those goals and start placing the performance
16 metrics that we think are more strategic in relation to
17 those. And all -- all those goals and objectives to the
18 administration on the 21st of August.

19 And then finally as we go into the fall, we'll
20 further define those performance metrics. And this will be
21 a cyclical process until we get to a -- a set of metrics
22 that we feel best represents the performance of the
23 Department. And then -- and then we'll go public with those
24 in - upcoming in the fiscal year.

25 Before I hand it over to Marc who's going to

1 actually talk about House Bill 20 and how we're addressing
2 House Bill 20, I wanted to ask Commissioner Vandergriff if
3 he had any comments.

4 MR. VANDERGRIFF: Thank you, Darran. I think --
5 Mr. Chairman, thank you, Darran. I make -- I won't restate
6 what he has already put in the presentation here. But I --
7 I want to make a couple of observations and points for the
8 Commission and for the audience. The -- the first and
9 foremost, this -- this group, this core strategy team and
10 the leadership helping it has been terrific. I've had the
11 privilege of doing this kind of process probably 20 times or
12 so in my career in the public and private sector. And it's
13 always worked and done -- the project's done well.

14 Having said that, this is the best team I've ever
15 had a chance to work with. They -- they have grasped how to
16 do this and -- and be very professional and very opinionated
17 but respectful at the same time. And it has just been
18 terrific. And -- and Darran of course leads that effort.
19 He also mentioned Stacey Strittmatter who has just done a
20 terrific job of facilitating and her team -- some of them
21 are in the back of the room. And I know that Chairman Lewis
22 has been able to join us on several of occasions to
23 participate in that. And so he probably has his own
24 thoughts he can give you in a minute on it.

25 But I want to note that -- that it's been a great

1 group to work with and continue to. This is a logical
2 process. It is a review -- what we hold dear, what we do
3 and what we want to get to in terms of values, mission and
4 vision. And then going forward into the goals and
5 objectives. And we'll get to real serious performance
6 measures.

7 And in that process, I want to note to the
8 Commission that I -- my expectation will be between now and
9 the August meeting that you'll get a chance to be briefed in
10 detail about what's going to date so that you're up-to-date
11 and don't just get at the Commission meeting about it.

12 But also as this group continues to meet over time
13 that we would love to have you -- obviously we can't all be
14 there at the same time. We got a public meeting. But would
15 -- would love to have you join us individually at times to
16 participate in this discussion. And I -- I think that we're
17 going to get some terrific performance measures which is the
18 end goal out of this that will not take away from LBB or the
19 federal government but will be things that we can measure
20 the performance that will address some of the questions
21 you've had.

22 And the last thing I want to say in this regard is
23 the total -- Commissioner Bugg, we had a deal for him. I
24 don't want to steal the thunder of what will come the next
25 month when he sees it, but people which is customers is at

1 the core of what this group believes that we ought to do.
2 And I think that you're going to be really pleased with the
3 direction that they're headed. So it's -- it's great.
4 Thank you.

5 MR. LEWIS: Commissioner Bugg.

6 MR. BUGG: Thank you, Mr. Chairman. I want to
7 congratulate Commissioner Vandergriff on the work thus far
8 and look forward to working with you on that -- that really
9 good deal.

10 (Laughter.)

11 MR. BUGG: Kind of -- kind of -- I love a good
12 deal. I just -- I didn't know I was going to get one today.
13 But Darran, if you would go back to slide number six just
14 for a moment. And just kind of picking up on what
15 Commissioner Vandergriff just now mentioned and then kind of
16 going back to some of my opening comments about customer
17 service. I noticed that even though one of the questions,
18 one of the questions asked was what services does TxDOT
19 provide. And one of the questions was who are TxDOT's
20 customers which I think are the right questions to be
21 asking.

22 It was interesting to me that of the three slides
23 that are in front of us the slide on the far left, the word
24 service was not anywhere used. The slide in the middle,
25 this tiniest little in red, they're buried there, was the

1 word service. And I guess in the slide to the far right
2 people were starting to think about service by the end of
3 this process and -- and I'm pleased that service was at
4 least highlighted there.

5 But customer service really needs to get baked
6 into the cake of everything that we're -- we're talking
7 about. And I know that Commissioner Vandergriff and I have
8 a shared vision on that. So please be mindful of that as
9 you take this work forward, Darran. Thank you.

10 MR. ANDERSON: Yes, sir. Any other questions?

11 MR. LEWIS: Any other comments that --

12 MR. VANDERGRIFF: Well, I'll just segue -- I'll --
13 I'll reserve some similar comments for Marc's area and that
14 we have the MPO group, the planning organization stakeholder
15 committee, so --

16 MR. LEWIS: Very good then.

17 MR. ANDERSON: Thank you.

18 MR. LEWIS: You may proceed.

19 MR. WILLIAMS: Thank you, Darran. Chairman,
20 fellow Commissioners, General Weber, for the record, my name
21 is Marc Williams. I'm the Director of Planning for the
22 Texas Department of Transportation. And this is kind of the
23 follow on on the conversation and the discussion that Darran
24 presented. Very closely related initiative that we are
25 embarking on again with Commissioner Vandergriff's

1 involvement and participation is beginning to respond to the
2 requirements that were set forth in House Bill 20 that was
3 passed during the 84th Legislative Session.

4 And to recap, House Bill 20 related to the
5 operations of the -- and planning and expenditures of -- of
6 TxDOT and our planning organizations. Planning organization
7 as defined in House Bill 20 includes our districts and our
8 metropolitan planning organizations.

9 And there were five key components that were
10 outlined in House Bill 20. Mostly focused on performance
11 based planning and strategies for implementing a -- a
12 process, a collaborative process with our stakeholders,
13 customers on performance based planning and project
14 selection.

15 And I mentioned that there were five key elements.
16 The first element put into -- into law, the removing of the
17 policing of state highway funds from eligible uses of money
18 in the state highway -- state highway fund.

19 Secondly, requires as I mentioned TxDOT to adopt a
20 performance based planning and programming process. Third,
21 requires as was mentioned by Commissioner Moseley earlier on
22 the conversation with the Unified Transportation Program
23 requires that planning organizations all develop a 10 year
24 plan for the use of funding allocated to their areas.

25 Fourthly, set stipulations on design and build

1 contracts by TxDOT. And then last, House Bill 20
2 established two committees, house and senate, that will be
3 working with us on the implementation of the requirements of
4 House Bill 20 and examining how we go through and -- and
5 work to plan and review study and evaluate our
6 transportation funding, project selection, prioritization,
7 performance metrics and -- and policy making. And so you
8 can kind of see with that explanation there why we wanted to
9 kind of closely align this presentation with Darran's
10 discussion just a few minutes ago.

11 One of the things that we are working on right now
12 was a requirement in House Bill 20 that we submit what is
13 termed an initial report to the select committee by
14 September 1st of 2015 of this year. So we're a little over
15 a month away. The report is intended to focus on three key
16 areas. One is a discussion on the revenue projections
17 needed by the Department to maintain current maintenance,
18 congestion and connectivity conditions.

19 Two, funding categories and the allocation of
20 funding by formula to those categories. So those 12
21 categories Chairman Lewis that you had Mr. Koch -- Director
22 Koch step through, those are the ones that are -- care
23 called out in -- in number two and -- and wanting to outline
24 and provide more information in this initial report on the
25 process that we use and -- and rationale behind each of

1 those funding categories.

2 And then third, performance based planning and
3 decision making. What are we currently doing in regard to
4 that? And -- and again, Director Koch in his presentation
5 on the UTP outlined the current processes that we use to
6 score and evaluate projects. How are we doing in that
7 regard and what are other opportunities that we can use
8 working in collaboration with our planning organizations to
9 more fully develop our performance based planning and -- and
10 decision making process.

11 And so these are the three key elements that will
12 be included in -- in this particular report. And I'll come
13 back to where we are in the process of this report at the
14 conclusion of my presentation.

15 But there were several other requirements that
16 were part of House Bill 20 and the reporting requirements.
17 And after this initial report, House Bill 20 also requires
18 us to submit a preliminary report not later than March 31st
19 of next calendar year. And in that report there are about
20 six additional elements that were called on to report on.

21 One is the use and utilization of alternative
22 methods of financing that have been authorized by the
23 legislature for -- for projects. That includes bonding,
24 that includes public/private partnerships. There have been
25 a lot of questions about how does those -- how do those

1 measures contribute to what we have been able to deliver as
2 a department working with other local stakeholders and
3 agencies. And -- and what the effect would be on -- on
4 changes on the use and utilization of those areas.

5 Number five, performance metrics and tools used by
6 the Department to evaluate performance of the Department on
7 projects and programs. Six, the Department's collaboration
8 with state and local officials. How are we doing in -- in
9 the area of public involvement and public participation?
10 Again, Director Koch in his presentation on the UTP talked
11 about some of the increased participation that we have had
12 with the UTP. But the UTP is a very complex document. And
13 so how well is the public understanding and following what
14 is going on in that process and how the Department makes
15 decisions and selects projects.

16 Number seven, any proposed rule policy or program
17 or plan of the Commission or Department of statewide
18 significance. And then the last two, benefits of utilizing
19 a zero based budgeting principals and any other matter that
20 the committee, the legislative committees that I mentioned
21 before may consider appropriate and ask us to address in our
22 preliminary report.

23 As we go about responding to the requirements of
24 House Bill 20, we've envisioned several groups that we
25 anticipate having to work with. Shown at the top are the

1 two legislative committees that I referenced. Below that is
2 the certainly working through as we submit any of our formal
3 documents working through the Texas -- this Commission.
4 Also closely coordinating with TxDOT administration on our
5 responses.

6 And then there's about four groups shown in green
7 here that we see as having some level of participation and
8 involvement throughout this process. First at the top and
9 these are really kind of not structured in any particular
10 order, but at the top are invitees to observe Committee
11 discussions and -- and we have begun to reach out to
12 legislative staff members and -- and representatives of the
13 Governor's Office, Speaker of the Senate House
14 Transportation Committee and -- and even the Sunset Advisory
15 Committee to inform them of what we're doing through this
16 process and advised that -- and -- and invite them to sit in
17 -- in some of these efforts.

18 To the right hand side kind of in the middle,
19 Planning Organization Stakeholder Committee. We mentioned
20 -- I mentioned that House Bill calls for planning
21 organizations. And we have established a stakeholder
22 committee of seven MPO and seven district representatives
23 that are already constituted as part of this stakeholder
24 committee and providing input to us as we respond to House
25 Bill 20.

1 We're also looking at forming a customer
2 stakeholder committee represented of county officials, city
3 officials, business industry representatives and local
4 citizen interest. And we really see this committee coming
5 on and being a -- a more regular part of the process as we
6 begin the development of -- of really the preliminary
7 report. But wanting to make sure that we have a formal
8 group of folks that can kind of read and react to what we're
9 developing and sharing and -- and you can kind of provide us
10 some outside commentary on -- on how we're doing and what we
11 need to do better as an organization.

12 And then at the bottom, the TxDOT core strategy
13 team. This was the same team that -- that Chief Anderson
14 introduced and discussed as part of the vision, mission,
15 values and goals. And as he described it, that group is
16 working on a performance based and performance measure
17 criteria for the agency to achieve those values and goals.

18 It's very important that we align that process
19 with what we're trying to develop in response to House Bill
20 20. And so there's a lot of collaboration that has -- that
21 has gone on to date and will continue to go on as we go
22 through the process here.

23 I mentioned earlier the Planning Organization
24 Stakeholder Committee is being comprised of both seven TxDOT
25 and seven MPO representatives. Those are shown here both

1 myself and Commissioner Vandergriff are serving as
2 facilitators to the discussion of this group. We've already
3 had an initial phone call and an initial meeting of this
4 group to just sort of outline a lot of information on where
5 we're going with House Bill 20, a lot of the same
6 information that we've shared with you all today and gotten
7 their initial input.

8 But specifically we're going to be looking at this
9 group to continue to support the development and
10 implementation of our efforts with House Bill 20, provide
11 input and comments. We'll be sharing with them an early
12 draft of this initial report on House Bill 20 and -- and
13 allowing them to provide input as well as with the
14 preliminary report in March of next year.

15 And then we -- we envision working with them on
16 several other areas that we -- we consider as -- as being
17 important for adoption and development. One, we -- we
18 looked at many of the things that were proposed in House
19 Bill 13. While it did not pass, it was voted unfavorably
20 initially in both of the legislature's -- two elements that
21 -- that deal with updating transportation funding categories
22 and formulas. We feel like that is going to be a necessary
23 and important follow through to what we're doing with House
24 Bill 20.

25 And providing further input to the development of

1 the cash for -- cash flow projections. That was called for
2 in 13. But -- but similarly, there are -- there are similar
3 elements that are required as part of House Bill 20. And so
4 we won't be sure and touch on these two elements, because
5 we've -- we agree that they are very important for us to
6 consider as we move forward.

7 Some of the next steps that we want to make sure
8 that you all as a Commission are aware of. First part of
9 next month August 1st we'll be sharing a working draft of
10 the initial report to the committee members. We've already
11 developed an initial draft of that report, an early draft of
12 that report that's been shared with administration and --
13 and Commissioner Vandergriff has had a chance to review
14 that. We're responding to comments and expect again to have
15 a working draft shared with the committee members so they
16 can provide input to it.

17 We expect to have a couple of meetings of the
18 Planning Organization Stakeholder Committee coming up August
19 6th and August 12th. And those are -- will be kind of
20 working meetings to review really focusing on that initial
21 HB 20 draft report. And there will be future meetings
22 scheduled as we move forward.

23 At your next Commission meeting, August 26th, we
24 will ask for your formal review and approval of our initial
25 draft report that will be submitted on September 1st in

1 response to the HB 20 legislation issue being -- expecting
2 and -- and have an opportunity to see versions of that
3 report over the coming weeks.

4 And so that concludes my portion of the
5 presentation. I'll pause here and -- and defer to
6 Commissioner Vandergriff if there's anything else that we
7 wanted to bring forward.

8 MR. LEWIS: Thank you. And Commissioner
9 Vandergriff, would you lead the discussion here?

10 MR. VANDERGRIFF: Just a couple things. Again,
11 not trying to repeat all of the good information that Marc
12 has provided you, but tie a couple threads together.
13 Clearly anybody that's ever been around me knows I'm a
14 process guy. So Marc and I have a great relationship in
15 that regard in his staff. They really think and work along
16 those same lines. And I think that one of the things that
17 we're going to find a significant amount of TxDOT's work
18 that people pay attention to but they don't necessarily
19 follow like the big projects in terms of safety and
20 maintenance and bridges. There -- there is -- the -- the
21 staff has a process selection for that that's -- that's
22 pretty significant and -- and very effective that we'll see.

23 And the second is just like we talked about the
24 performance measures and metrics discussion that'll be going
25 forward. We'll invite your participation of that process as

1 -- as a meeting to come up to try to get people to come in
2 to visually. Chairman Lewis, again, it's been very
3 important. I will tell you that the first meeting we had
4 the MPO group listened very respectfully to Chairman Lewis
5 and he gave some great opening remarks to start things and I
6 -- they didn't -- they -- they moved into the discussion
7 very quickly once mark and I opened our mouths, because
8 they're a very opinionated aggressive group.

9 But -- but that brings up if I would go back to
10 the one chart that had the various boxes in it. I -- I
11 prefer to look at the last part where it's green as almost a
12 circular. The document if you think of it this way. The
13 Planning Organization Committee is -- is clearly by
14 definition, the metropolitan planning groups. And we are
15 required by HB 20 to have that group.

16 But I think it's important that we have from the
17 bubbling at the bottom so to speak our core strategy team
18 based upon folks in all the different disciplines of TxDOT.
19 And -- and I will tell you I didn't say this earlier. They
20 are a very -- they're not shy. I'll put it this way.

21 But they -- but they also represent what I would
22 think is the future of this agency. And probably long after
23 we're gone, those 10 people will be in leadership positions
24 and perhaps one day one or two of them during their careers
25 will certainly be in the positions of the senior staff today

1 but being an Executive Director at some point. So these are
2 a very good group people that I'm looking forward to get a
3 chance to meet.

4 But -- but they're the keepers of our core
5 principles that we're developing and those performance
6 measures. And so kind of checking through that. And then
7 the customer stakeholder committee or perhaps even
8 committees, we will need to involve other disciplines
9 besides the MPO discipline to just kind of check the
10 assumptions as well. And I think today we've had some good
11 discussion about other issues such as freight, ports, things
12 like that. We'll -- we'll get that participation in this.

13 And then last but not least certainly is the
14 various groups that we work with and serve for, we are an
15 executive branch agency and responsible to the governor.
16 And we have responsibilities fiscal and performance wise to
17 the legislature. So they ought to be watching us and we
18 clearly are going to go underneath sunset. So this is going
19 to be a great process and I look forward to you all being
20 engaged in it.

21 Again, it's a challenge for us with getting three
22 of us together makes a quorum. But -- but we'll have a
23 chance to bring a couple in at a time to do this. So thank
24 you again for this and you'll certainly be well briefed
25 before the next meeting.

1 MR. LEWIS: Thank you very much, Commissioner
2 Vandergriff and -- and for your work. And Commissioner
3 Austin.

4 MR. AUSTIN: Commissioner Vandergriff, great job
5 in doing this. Just a couple questions and comments. As we
6 look at - in planning the seven, was that something -- was
7 that statutorily or is that just a good easy working number?

8 MR. ANDERSON: Oh, I'll let Marc answer that.

9 MR. WILLIAMS: We wanted to -- it -- it was not
10 statutorily required that we even establish that committee.
11 But what we -- we wanted --

12 MR. AUSTIN: Sure.

13 MR. WILLIAMS: -- to do was to -- to look -- to
14 try to get a good cross section of -- of MPOs and districts
15 that cover both urban and rural areas. But also recognizing
16 that -- that a lot of the funding, the majority of the
17 funding goes through in particular the big four metro MPOs.
18 And we wanted to make sure that each of those groups was --
19 was represented on the -- the MPO side.

20 MR. VANDERGRIFF: Well, and -- and I just -- I'm
21 going to interject one thing here. The -- the process of
22 the committees is not statutorily required, but --

23 MR. WILLIAMS: Okay.

24 MR. VANDERGRIFF: -- we're supposed to work with
25 those groups to develop this. And it makes good sense for

1 us to work as collaborative partners in this process in
2 doing so. It's kind of like as Benjamin Franklin once said.
3 If -- if we don't hang together, we will surely all hang
4 separately. And so it's important I think.

5 MR. AUSTIN: Well, and -- and I appreciate hearing
6 that. Where -- where I'm leaning -- and Marc, you kind of
7 answered my question. I noticed you have the big MPOs, but
8 the next two or three are large MPOs as well. I think
9 you've had the top six or seven or -- or seven of the top
10 nine --

11 MR. ANDERSON: Yes, sir.

12 MR. AUSTIN: -- largest MPOs. And what other than
13 staff, I'm focusing on the MPO, we don't have some of the
14 rural ones. You know, you're got -- there's no
15 representation from The Valley where you have border
16 activities. I know you have El Paso. We've got Houston who
17 can represent a lot of ports, but also Corpus, very
18 important with what's happening in the energy sector.
19 Central East -- East Texas. Where I'm leading, I -- I would
20 hope there's another opportunity to bring some of these
21 other MPOs --

22 MR. WILLIAMS: Yes, sir.

23 MR. AUSTIN: -- for comments.

24 MR. WILLIAMS: And we -- we actually reached out
25 to TEMPO which is the Texas Association of MPOs and ask them

1 for their list of -- of individuals that they would like to
2 have included. We -- we set initially a target of seven and
3 seven just wanting to make sure that we had a manageable
4 group.

5 But Ashby Johnson is the Director of TEMPO. And
6 he working through him, we will be reaching out to all of
7 the MPOs throughout the state. And they'll be doing that as
8 well. They've already had meetings of their group where
9 they have reached out to their fellow MPOs as well to get
10 their input.

11 MR. AUSTIN: I -- I chuckle but -- and I love
12 this, because this almost looks like a working group after
13 our interstate discussion we had yesterday, because they're
14 all on the major interstates and I think most MPOs have
15 interstates coming through as well.

16 Just a couple other comments. As we're -- you
17 know, and prior presentation, Page 8, we had the preliminary
18 funding levels. Basically our 12 categories of funding.
19 I was honored I guess back in 2000, John help me, 2001, '2,
20 back in there. One of the major initiatives the Department
21 had was simplification of funding. And we went from 31, 32
22 -- 34 categories down to the existing 12.

23 MR. WILLIAMS: Okay.

24 MR. AUSTIN: And that's how we came up with these
25 right here. And I represented the Tyler MPO at -- at that

1 time. Met a lot of folks that I've worked with today during
2 that process. But what was critical during that
3 conversation, each of these developed formulas and how we
4 come back and fund projects.

5 And I want to just -- a couple of these things. I
6 hope these stay and I hope you take these into consideration
7 when you do this. One, economic out -- well, besides the --
8 the obvious, congestion, mobility and safety. Safety should
9 be number one. Then you get into other things. Now is
10 there a military significance. Is there a border crossing
11 of port, entrance -- a port of entry into the state. And
12 it's not just in the valley of border crossing. And can be
13 coming in through Orange, Interstate 10, Marshall,
14 Interstate 20, up in the panhandle, Interstate 40, you know,
15 major crossings are even on our trunk system.

16 Hurricane evacuation route gets a lot of
17 attention. I think we've learned a lot of lessons in trying
18 to help evacuation. You know, it's not if it's going to
19 happen again. It's when. I want to make sure that we have
20 adequate access and funding to -- to help citizens get out
21 -- get away from the -- from the hurricane.

22 There's -- there was several other criteria that
23 were taken into consideration that sometimes the major
24 metropolitan cities may not be as in tune to but it causes
25 choke points through other parts of the state. And that --

1 we just -- I just want to make sure we're bringing those
2 folks in.

3 The -- the last comment as we look as this, you've
4 heard me mention a couple times today whether it's
5 Commission discretion or make sure -- I -- I want to
6 encourage it to be in the UTP; water, water, water. Are we
7 ready to help our water partners when the lake is -- lakes
8 are constructed or rebuilt or what have you to include these
9 in there, I think that ought to be one of those categories
10 in -- in the process that if we have to advance some things
11 to get it done, we don't need to be the holdup.

12 What I'm saying is again, economic development.
13 We're all realizing the revenues. There's an employment and
14 everything from creating jobs. But that also comes with the
15 responsibility to retain jobs does that means -- and we're
16 using the example, John, help me. I think a U.S. 79 to
17 retain and expand -- I guess this is a project Chairman
18 Nichols is working with. Also then add Commissioner Todd
19 Staples. Sanderson Farms opened up a bunch -- you know,
20 Leon and Anderson County I believe. And again, they needed
21 a turn lane. This is a different project than what I talked
22 about earlier. Small amounts, four or 500,000 had cost
23 sharing. We need to be able to move and keep those -- added
24 to keep Texas employed and moving.

25 You know, I love this process, Commissioner

1 Vandergriff. I look forward to working with you and
2 visiting with you to share some ideas. But I just wanted to
3 -- let's also reflect back on what got us to where we are as
4 we look at going -- going forward.

5 MR. LEWIS: Vice Chair Moseley.

6 MR. MOSELEY: I just say thank you, Commissioner
7 Vandergriff and -- and Marc. And I think this is very
8 impressive and looking forward to helping any way I can.
9 But so pleased Commissioner Vandergriff stepped forward to
10 help out on this project. Very useful.

11 MR. LEWIS: Thank you. I would join in that. I
12 did have the opportunity of observing the teaming --
13 strategy team and, you know, one -- one thing about when you
14 come in to this roll and just get around TxDOT employees is
15 even -- even though I've been around very -- very public
16 spirited employees have passed, you just never get around
17 people that are more higher quality, more dedicated to
18 public service and harder working than -- than the -- the
19 people you see here at TxDOT. Not only in this building and
20 all the other buildings. It's amazing.

21 We're going to be honoring Lonnie Gregorcyk here
22 in a minute. It's going to setup the high bar for that
23 standard that we should all -- all aspire to. But it's --
24 it -- I mean, he's -- a particular example of it but it's
25 uniform, if that level is uniform. Even so. When I was in

1 there and the team meeting and seeing these staff members
2 from districts from here or from different backgrounds all
3 working together on what we ought to do, where we ought to
4 go, what's -- what's the -- the standard to be. It was
5 inspirational.

6 I mean, you walk out of that feeling even better
7 than you did. So I -- I -- it was great for me to do it.
8 It was good for me, a good education for me. And I
9 encourage my fellow Commissioners to take that opportunity
10 as well. And thank you. Any other -- any other questions
11 of Mr. Williams? Thank you, sir.

12 GENERAL WEBER: Next up is Item 5, appointment to
13 the Grand Parkway Transportation Corporation. Innovative
14 Finance and Debt Management Officer Ben Asher will present.
15 Ben.

16 MR. ASHER: Good morning, General, Chairman,
17 Commissioners. For the record, I'm Ben Asher, the
18 Innovative Debt Management Officer here at TxDOT. The
19 Commission authorized the creation of the Grand Parkway
20 Transportation Corporation and appointed three directors to
21 its board in March 2012 for initial terms expiring August 31
22 -- August 31st, 2015.

23 This minute order approves the reappointment of
24 three directors, James Bass, Lauren Garduno and Rich
25 McMonagle to the board for the term expiring August 31st,

1 2021. Staff recommendations approval and I would be happy
2 to answer any questions.

3 MR. LEWIS: Any -- any questions, members? If
4 not, I believe -- Vice Chair -- Vice -- do you have a
5 question?

6 MR. BUGG: No, I was going to second.

7 MR. LEWIS: Okay. Then -- all right. Vice Chair
8 Moseley moves to approve the reappointment of directors to
9 the Grand Parkway Transportation Corporation in accordance
10 with the staff recommendations. Commissioner Bugg seconded
11 that motion. If there's no discussion we'll vote. All in
12 favor, say aye.

13 (Chorus of "Ayes")

14 MR. LEWIS: Any opposed, no.

15 (No audible response.)

16 MR. LEWIS: There are no opposed. Therefore, the
17 motion carries. Thank you, sir.

18 GENERAL WEBER: Next is Item 6, the award of a
19 state and federal aviation grant funding. Our Aviation
20 Division Director Dave Fulton will present.

21 MR. FULTON: Thank you, General -- General Weber,
22 Chairman, Commissioners. For the record, my name is Dave
23 Fulton, Director of TxDOT's Aviation Division. This minute
24 order contains a request for grant funding approval for
25 airport improvement projects. The total estimated cost of

1 the request is shown in the Exhibit A is approximately 11.1
2 million. Approximately 8.7 million in federal funds, 1.3
3 million in state funds and 1.1 million in local funds. A
4 public hearing was held on July 2nd of this year. No
5 comments were received. We recommend approval of this
6 minute order.

7 MR. LEWIS: Commissioners, are there any questions
8 at this time?

9 (No audible response.)

10 MR. LEWIS: If -- Commissioner Bugg --
11 Commissioner Bugg moves to approve the award of federal
12 state grant funding for airport improvement projects in
13 accordance with the staff's recommendation. Commissioner
14 Austin --

15 MR. AUSTIN: Yes, I'll second.

16 MR. LEWIS: A motion. We have a motion and a
17 second. If there's no discussion, we'll proceed to a vote.
18 All in favor, say aye.

19 (Chorus of "Ayes")

20 MR. LEWIS: Any opposed, no.

21 (No audible response.)

22 MR. LEWIS: There are no opposed, it's unanimous.
23 Thank you very much for your presentation.

24 MR. AUSTIN: Dave, I want to say thank you. I
25 know you've been traveling around a bunch of airports as you

1 do on a regular basis. I hear feedback from many of the
2 airports that you visit and the folks and say it's very well
3 received. And thank you. You've got a tremendous,
4 tremendous group. And I know -- there's only -- Mr. Chair,
5 I would love before the end of the year to maybe hear from
6 the airport at aviation -- our advisory committee. I don't
7 think -- it's been a while since we've heard from them. As
8 we -- with some of our other advisory committees to just
9 talk about aviation activity maybe sometime before the end
10 of the year.

11 MR. FULTON: Thank you, Commissioner Austin. I
12 appreciate that.

13 GENERAL WEBER: Next is Item 7(a), the award of
14 our transportation development credits and federal grants to
15 enhance mobility of seniors and our individuals with
16 disabilities. And our Public Transportation Division
17 Director Eric Gleason will present.

18 MR. GLEASON: Good morning, Mr. Chairman, members
19 of the Commission, General Weber. For the record, my name
20 is Eric Gleason, TxDOT Director of Public Transportation.
21 Agenda Item 7(a) is the first of six minute orders before
22 you today for your consideration. And collectively these
23 six minute orders recommend a total \$36.8-million of federal
24 program funds, state matching funds and 5.4-million
25 transportation development credits supporting a variety of

1 operating and capital investments in the rural and small
2 urban areas of Texas comprising 41 percent of the state's
3 population and 96 percent of the state's land area.

4 These investments support an infrastructure of
5 service, fleet and facilities providing safe, reliable
6 critical connections within and among communities in the
7 rural and smaller urban cities throughout the state.

8 Item 7(a) awards almost \$7,000,000 in federal
9 transit and administration grant funds for the enhanced
10 mobility of seniors and individuals with disabilities
11 program. And approximately 1.1 million transportation
12 development credits or TDCs for various projects and rural
13 and small urban areas of Texas. Agencies recommended to
14 receive funds and the respective totals for each agency are
15 listed in Exhibit A.

16 Funds are used for a variety of purposes including
17 service, fleet procurement, travel training programs for
18 persons with disabilities and physical improvements to
19 increase access to public transportation.

20 The projects are identified and evaluated with the
21 assistance of a TxDOT district based public and stakeholder
22 engagement effort. And this effort was recently recognized
23 and promoted to other state DOTs as a best practice by the
24 National Center for Senior Transportation. Final award
25 amounts are determined by the Public Transportation

1 Division. Staff recommends your approval of this minute
2 order.

3 MR. LEWIS: Are there any questions for Director
4 Gleason at this time or any other discussion?

5 (No audible response.)

6 MR. LEWIS: If -- if not, Commissioner Austin, do
7 you have --

8 MR. AUSTIN: I just have one quick question.

9 MR. GLEASON: Yes, sir.

10 MR. AUSTIN: As you begin looking at these, you
11 know, I know some with -- with population growths, you know,
12 we've made changes to the -- the MPOs.

13 MR. GLEASON: Yes, sir.

14 MR. AUSTIN: And some counties I think Tyler,
15 Smith are now beginning to look at their own versus not
16 going to the cog, some other areas of the state are doing
17 the same thing. As these come out and just start separating
18 out from what we've traditionally seen, would you mind
19 pointing out either privately or publically as they begin to
20 separate out from the --

21 MR. GLEASON: Absolutely.

22 MR. AUSTIN: -- what they've done traditionally?

23 MR. GLEASON: Absolutely. In fact, in Addendum
24 Item 7(c) one of our awards will go to the newly formed
25 McLennan County rural transit district in the Waco area

1 which was reacting and responding to growth just as you
2 said.

3 MR. AUSTIN: The same thing. And, you know, just
4 as we look at all of these one general question, I know we
5 pass through by, you know, formula and need --

6 MR. GLEASON: Correct.

7 MR. AUSTIN: -- to just make sure that there's
8 good accountability that they are maintaining a good level
9 of service --

10 MR. GLEASON: Yes, sir.

11 MR. AUSTIN: -- to -- to maintain. Where they
12 just get a vehicle and -- okay. Thank you.

13 MR. LEWIS: All right. We have -- any -- if there
14 are no other questions of Director Gleason at this, we do
15 have a -- a request to appear card. Any other questions of
16 Eric Gleason?

17 (No audible response.)

18 MR. LEWIS: Then Rob Stephens, would you please
19 come forward? Mr. Stephens, please come forward and come up
20 to the podium there then state your name, your title and who
21 you're representing if you're here representing someone and
22 give us the benefit of your remarks.

23 MR. STEPHENS: Thank you, Chair, Commissioners,
24 Chairman Lewis, General Weber. Thank you this morning for
25 having me speak on behalf of Item 7(a). Although I did not

1 sign up to speak on all of the items in this -- in this
2 agenda, I -- I do -- I do support them all. I -- my name is
3 Rob Stephens for the record. I serve you as your Public
4 Transportation Advisory Committee Chair. And I do manage a
5 small urban system in Midland Odessa.

6 I would like to make some comments on - on this
7 particular item. I'm very grateful for the opportunity to
8 be able to engage in the process to Mr. Eric Gleason. Spoke
9 of -- I am very grateful for his leadership. Him and his
10 staff have led this process to the local level, but engaged
11 stakeholders and -- and encourages inclusiveness. But there
12 are some difficult discussions that happen at the local
13 level, but they are at the local level.

14 I believe that we have this opportunity to -- to
15 target our efforts at an at risk population in our areas if
16 folks were disabled and -- and elderly. And offer extended
17 services to help them maintain independent living and help
18 them extend the quality of their lives. In addition to
19 helping us stay on our mission of keeping our road safe,
20 keeping congestion down and connecting our communities. So
21 I'm very grateful for that opportunity.

22 And I'll tell you about the two projects in our
23 area. We got an opportunity to partner with Ector County
24 and the City of Midland in offering services with the
25 public transportation provider to extend a safer more

1 reliable more efficient transportation services to that
2 group of people in our -- in our community.

3 So it was -- it was an amazing process that was
4 very helpful with the leadership of Eric and his staff. I'm
5 very grateful for that opportunity. And Commissioner Lewis,
6 I heard earlier you might need some help rowing a boat.
7 I've been pretty good in a boat. So if you -- so if you got
8 an extra oar, I -- I don't mind jumping in the boat with you
9 and helping you out on some public transportation stuff. I
10 do appreciate the opportunity to thank you, Gentlemen.

11 MR. LEWIS: Thank you. If there are no further
12 questions or comments of Commissioner Austin, do you move to
13 --

14 MR. AUSTIN: So moved.

15 MR. LEWIS: -- award the Section 5310 formula
16 grants in accordance with the staff recommendation and you
17 do so move. Vice Chair Moseley, do you second?

18 MR. MOSELEY: Second.

19 MR. LEWIS: We have a motion and a second. If
20 there are no comment, we'll proceed to a vote. All in
21 favor, say aye.

22 (Chorus of "Ayes")

23 MR. LEWIS: And none opposed, so that passes.
24 General.

25 GENERAL WEBER: Thanks, Chairman. Eric Gleason,

1 continue with Item 7(b), the award of funds in support of
2 our regional public transportation planning for FY-2016 and
3 FY-2017.

4 MR. GLEASON: Thank you, General Weber. Agenda
5 Item 7(b) awards approximately \$1.8-million in federal
6 transit administration Section 5504 statewide and non-
7 metropolitan transportation planning program and state
8 matching funds to support required regional coordination
9 planning efforts in 21 of the 24 regional planning areas in
10 Texas.

11 Recommended award amounts are listed in Exhibit A.
12 These funds will be used to support fiscal year 2016 and
13 2017 efforts in these areas to update state and federally
14 mandated coordination efforts between public transportation
15 providers and health and human service programs. The
16 Department has supported these efforts since 2005.

17 The proposals for work were solicited and
18 evaluated by Department staff. Amounts shown in Exhibit A
19 are negotiated amounts consistent with evaluation results
20 and agreed upon modified programs of work based on those
21 amounts for each recipient. Staff recommends your approval
22 of this minute order.

23 MR. LEWIS: Are there any questions of Director
24 Gleason with regard to this matter?

25 MR. AUSTIN: Eric, I'm -- I'm sorry. I should

1 have asked this a while ago. When you were awarding federal
2 and state funds. So really it's a -- it's a match. If we
3 didn't have the state and the federal funds coming down,
4 would we continue to spend the state money?

5 MR. GLEASON: In some instances --

6 MR. AUSTIN: Maybe --

7 MR. GLEASON: -- yes, in other instances, no.
8 About two-thirds of our program is federally funded. And
9 depending on the type of expense, some type of project
10 anywhere from a 50/50 match ratio to an 80/20 match ratio is
11 required.

12 So will the potential impact of the -- if the
13 Highway Trust Fund were to shutdown, would that have any
14 impact on future grants?

15 MR. GLEASON: Absolutely. As I said, you saw
16 yesterday that in the presentation from Finance Director we
17 are expecting about \$95-million in our 2016 program. Two-
18 thirds of that is going to be federal. Ninety-six percent
19 of that total 95 we recommend to you an award out to
20 recipients for services in their community, so --

21 MR. AUSTIN: So we're -- we're kind of a pass
22 through agency entity --

23 MR. GLEASON: Yes, sir.

24 MR. AUSTIN: -- for those federal funds --

25 MR. GLEASON: Yes, sir.

1 MR. AUSTIN: -- to come down. I just wanted to
2 make sure -- and which category do these state funds come
3 out of?

4 MR. GLEASON: Those are appropriate as a part of
5 our budget each year.

6 MR. AUSTIN: As part of -- part of our budget
7 every year. Okay. I just wanted to -- just for
8 clarifications. Thank you.

9 MR. GLEASON: Yeah.

10 MR. LEWIS: All right. Thank you. Any other
11 questions for Director Gleason? If not, Commissioner
12 Vandergriff, do you move approval of the award of funds that
13 are listed in 7(b) in accordance with staff recommendations?

14 MR. VANDERGRIFF: So moved.

15 MR. LEWIS: And Commissioner Bugg, do you second
16 that?

17 MR. BUGG: Second.

18 MR. LEWIS: We have a motion and a second. If
19 there's no discussion, we'll have a vote. All in favor, say
20 aye.

21 (Chorus of "Ayes")

22 MR. LEWIS: Any opposed, say nay.

23 (No audible response.)

24 MR. LEWIS: It's unanimous. Therefore, the motion
25 carries.

1 GENERAL WEBER: Next is Item 7(c), award of
2 transportation development credits and funds in support of
3 our request for proposals. Please continue here.

4 MR. GLEASON: Thank you. Agenda Item 7(c) awards
5 \$12.5-million in federal and state matched funds and
6 approximately 1.3-million transportation development credits
7 for projects selected in the Department's annual coordinated
8 call for projects seeking discretionary federal transit
9 administration program funds administered by TxDOT.

10 Each year the Department combines a number of
11 discretionary program funding opportunities into a single
12 call for projects. This approach allows applicants and us
13 to mix and match funds from complimentary programs to
14 maximize our ability to fund worthwhile projects.

15 This year's call for projects was published in the
16 Texas register on November 7th of last year with projects
17 proposals due on February 9th, 2015. Thirty-nine proposals
18 were received requesting a total of \$68,000,000.
19 Recommended awards are listed in Exhibit A.

20 TxDOT's staff evaluate each proposal again
21 specific funding program requirements, consistency with
22 Department goals and responses to specific criteria included
23 in the request for proposals. Results are reviewed with
24 each proposer and discussions occurred to rescope project
25 elements or phasing based on the evaluation and available

1 funding.

2 Examples of recommended projects included
3 intercity bus service partnerships and partnership with the
4 New Mexico Department of Transportation and private
5 intercity carriers such as Greyhound connecting rural areas
6 to important employment destinations and the National
7 Intercity Bus Network.

8 We have multimodal facility construction
9 investments as well as efficiency studies for agencies
10 seeking to improve their organizational and service
11 performance. Staff recommends your approval of this minute
12 order.

13 MR. LEWIS: Commissioners, are there any questions
14 of Director Gleason at this time?

15 (No audible response.)

16 MR. LEWIS: We do have a couple of cards here.
17 Thank you, sir. We do have two individuals who wish to
18 address this item. I'll request first John Hendrickson.
19 Mr. Hendrickson, if you would come forward stating your full
20 name, your title and who you're here representing and your
21 remarks.

22 MR. HENDRICKSON: Good deal. Thank you, Chairman
23 Lewis, Commissioners and General Weber. John Hendrickson,
24 President of Texas Transit Association and General Manager
25 of Waco Transit System for the record. Commissioner Austin,

1 it was good to see you in Waco at the North and East Texas
2 Judges Association. And I know that they appreciated your
3 comments and your insight.

4 Once again, TTA's support, you know, on Agenda
5 Item 7(a) through (f) and we want to thank you and also Mr.
6 Gleason and his staff, you know, for the hard process -- or
7 the hard work that went into the process for this
8 coordinated call. It's not an easy task. And that's a lot
9 of information to review and analyze. So I -- I think
10 they've selected some really good projects.

11 I -- I wanted to speak on behalf of McClennan
12 County Judge Scott Felton. He wasn't able to be here today
13 due to budget process and budget vote this morning. And he
14 wanted to let you all know that he wanted -- he was very
15 thankful for y'all helping move McClennan County forward as
16 Texas's newest rural transit district. And then also he
17 wanted to make sure that you knew that public transportation
18 is moving forward in McClennan County. The first couple
19 weeks of service that they've started in on July 1st and the
20 first couple of weeks of service as they've already seen a
21 22 percent increase in ridership. I would like to also say
22 hello to Senator Huffines. I -- I thank you for being here.
23 It's important for him to be a part of this process.

24 But, you know, as we move forward in public
25 transportation, I -- I think it's important that we realize

1 that it's part of the solution. It may not be all of the
2 solution, but it's a big part of it. And as we can increase
3 and remove single occupancy vehicles off the roadway and get
4 them into more efficient ways and modes of transportation,
5 it'll help us with our maintenance cost and our roadway
6 requirements and all of that.

7 Senator -- or Commissioner Austin, you spoke about
8 Sanderson Farms. Waco has a big project with Sanderson
9 Farms and transports a lot of people to that facility for
10 work which has helped them affect their bottom line. And so
11 it's really important.

12 And as you talk about rowing, be very careful. I
13 -- I competed in the Texas Water Safari which is the world's
14 toughest boat race where you paddle from San Marcos all the
15 way to the Gulf. And so I think I'm under -- well, I know
16 I'm under 200 that have ever completed it solo since 1966.
17 So be careful rowing. It hurts.

18 (Laughter.)

19 MR. HENDRICKSON: So if I can help in any way,
20 please let me know.

21 MR. AUSTIN: First of all, thank you for being
22 here and I --

23 MR. HENDRICKSON: Sure.

24 MR. AUSTIN: -- think you were standing -- well
25 and first and rowing -- come canoe the paddle of the

1 nature's river. We've got snakes and alligators, so it --

2 MR. HENDRICKSON: Oh, yeah. We do -- we do down
3 there as well.

4 MR. AUSTIN: I -- I believe you were standing
5 there when the Judge was -- when we were in Waco and I
6 wanted to duly acknowledge something. You informed that we
7 would be receiving the next day a letter from Senator
8 Birdwell. Birdwell basically saying don't forget about us
9 in Waco and McClennan County on I-35. And --

10 MR. HENDRICKSON: Yes, sir.

11 MR. AUSTIN: -- part of that was duly
12 acknowledged. We did receive the letter pointing out to the
13 fellow Commission. I think everybody received that at --
14 with all the activity happening north and south, the
15 congestion and choke points really happening real time in --
16 in Waco. So --

17 MR. HENDRICKSON: Yes, sir.

18 MR. AUSTIN: -- that's -- it's acknowledged.

19 MR. HENDRICKSON: Good deal. Good deal. Thank
20 you, y'all. Ya'll have a great day.

21 MR. LEWIS: Thank you. If there are no other
22 questions for Mr. Hendrickson, we have a card from Randy
23 Isaacs. Mr. Isaacs, please come forward, stating your name,
24 who you're -- your title and who you're here representing.
25 And then give us the benefit of your remarks.

1 MR. ISAACS: Good morning, Mr. Chairman, members
2 of the Commission, General Weber. My name is Randy Isaacs.
3 I represent the Nation -- Nationwide State Government
4 Affairs Function with Greyhound Lines, Incorporated.
5 Greyhound formed in 1914 as a proud Texas based company
6 located in Dallas. We celebrated our hundredth anniversary
7 last year. Pleased to -- to participated throughout the
8 state in that.

9 Greyhound is an American icon and the running dog
10 logo of the company is represented and recognized worldwide
11 as one of the main -- one of the top 10 in the world. While
12 we're mostly known for our scheduled service, we provide
13 packaged express service, charter, a variety of -- of other
14 special services. And one is the Greyhound Connect which
15 links rural communities with the remaining network and the
16 urban and small urban networks. We -- we can thank the
17 partnership with Eric and his staff to maintain service to
18 20 of the rural communities throughout the state through
19 this program.

20 Just two weeks ago Greyhound reached a historic
21 milestone by launching service in Mexico. We're the first
22 company to -- U.S. based company to operate domestic
23 services in the -- in the country of Mexico with 13 daily
24 schedules between Monterrey and Nuevo Laredo and 10 daily
25 schedules between those points and San Antonio, Austin and

1 Dallas. We look forward to expanding that network as well
2 over time.

3 Greyhound has a unique relationship with the State
4 of Texas and with the Texas DOT. We've helped with coastal
5 evaluations during the storms that have occurred in recent
6 years. We'll do that again in the future. Even though the
7 relationship received at Eric's tenure here at TxDOT, he's
8 brought a new level of understanding and support to the --
9 to the need and the importance of bus services in the state.
10 And we appreciate that. Thank you for your time and I
11 appreciate the opportunity. I would be happy to answer any
12 questions you may have.

13 MR. LEWIS: Commissioners, any questions for Mr.
14 Isaacs? Yes, Commissioner Austin.

15 MR. AUSTIN: Yes. Thank you for sharing this.
16 You know, it's unique to have a big company like yours to
17 receive one of these grants. You mentioned -- you know,
18 you're establishing service in Mexico. I just want to
19 confirm that what we're awarding you here is for use in
20 Texas.

21 MR. ISAACS: It is.

22 MR. AUSTIN: Okay.

23 MR. ISAACS: Yes. It is. It is.

24 MR. AUSTIN: I just wanted clarification.

25 (Laughter.)

1 MR. ISAACS: We -- we don't take it across the
2 border.

3 MR. AUSTIN: Wanted clarification. Thank you.

4 MR. ISAACS: And we cost share on --

5 MR. AUSTIN: Okay.

6 MR. ISAACS: -- all the services too, the grants
7 -- the grants provided.

8 MR. LEWIS: Vice Chair Moseley.

9 MR. MOSELEY: Thank you for being here. The --
10 the bus service you're offering, are they on I understand
11 different names than Greyhound?

12 MR. ISAACS: It's the -- the service in Mexico and
13 between Mexico and the United States has operated as a
14 Greyhound Lines Incorporated --

15 MR. MOSELEY: It is a Greyhound.

16 MR. ISAACS: -- service. It used to operate
17 before we actually served Mexico. It operated as -- as a
18 subsidiary that was kind of a -- a name within the company,
19 but it was a subsidiary of the company.

20 MR. MOSELEY: Not the Conejo.

21 MR. ISAACS: But this is --

22 MR. MOSELEY: Not Conejo or was it a --

23 MR. ISAACS: No, El Conejo is a different --

24 MR. MOSELEY: That's a separate --

25 MR. ISAACS: -- company. It was --

1 MR. MOSELEY: Yeah.

2 MR. ISAACS: -- suddenly I'm drawing -- Grosero
3 and another -- another brand name essentially is what it
4 was. But this is all operated as Greyhound lines and you
5 may see the Greyhound lines of Mexico at the end of that on
6 some of the buses' logo.

7 MR. MOSELEY: Last question. Is there some
8 contemplation in the future of offering what might be
9 considered a first class service -- cabin service where you
10 would have first class seating and maybe an attendant and,
11 you know, make -- make that more of a first class service?

12 MR. ISAACS: The market existed years ago and
13 we've contemplated that. We have a service that we're
14 running now called Greyhound Express which is largely an
15 urban -- urban service. A little higher fare for that
16 service, fewer stops. We -- but we are -- by entering into
17 the Mexican market, I believe you will see over time some
18 replication of that type of service -- different service
19 levels in the United States.

20 MR. MOSELEY: Thank you.

21 MR. LEWIS: Any other questions for Mr. Isaacs at
22 this time? If not, thank you very much sir for coming
23 forward. Director Gleason, if you would come back up. Any
24 other questions or comments of Director Gleason?

25 (No audible response.)

1 MR. LEWIS: Commissioner Bugg, do you move to
2 approve the award of the funds that are described in Item
3 7(c) in accordance with the staff recommendation?

4 MR. BUGG: So moved.

5 MR. LEWIS: And Commissioner Vandergriff, do you
6 second that?

7 MR. VANDERGRIFF: Second.

8 MR. LEWIS: We have a motion and a second. If
9 there's no discussion, we'll proceed to a vote. All in
10 favor, say aye.

11 (Chorus of "Ayes")

12 MR. LEWIS: Any opposed?

13 (No audible response.)

14 MR. LEWIS: There are none, so it's unanimous.
15 The motion carries. Thank you. General.

16 GENERAL WEBER: Eric, continue with Item 7(e), the
17 award of transportation development credits and federal
18 funds to our rural areas.

19 MR. GLEASON: Thank you. Item 7(d) awards
20 approximately \$5,000,000 in Section 5339, Federal Section
21 5339, bus and bus facilities forming the grant program funds
22 to rural and urban transit districts serving small urban
23 areas and rural areas in Texas. This minute order also
24 authorizes the use of up to 1,000,000 transportation
25 development credits as match for specific project proposals

1 as needed.

2 TxDOT administers the bus and bus facilities
3 program for rural and small urban areas in Texas.

4 Individual statewide rural area and small urban area program
5 totals are apportioned each year at the federal level.

6 Commission adopted allocation formulas and the Texas
7 Administrative Code distribute funds to individual transit
8 districts based on the relative condition of their fleet.
9 Once calculated, these funds may be used for any eligible
10 capital program purpose by the sub-recipient.

11 Exhibit A identifies approximately \$3.8-million
12 for small urban areas of Texas and \$1.2-million per rural
13 areas. Staff recommends your approval of this minute order.

14 MR. LEWIS: Any question of Director Gleason with
15 regard to this matter?

16 (No audible response.)

17 MR. LEWIS: If there are no questions, we do not
18 have any cards. Commissioner Austin, do you move to approve
19 the award of the items described in 7(d) in accordance with
20 the staff's recommendations?

21 MR. AUSTIN: So moved.

22 MR. LEWIS: I have Vice Chair Moseley.

23 MR. MOSELEY: Second.

24 MR. LEWIS: Do you second? We have a motion and a
25 second. If there's no discussion, we'll proceed to a vote.

1 All in favor, say aye.

2 (Chorus of "Ayes")

3 MR. LEWIS: Any opposed, no.

4 (No audible response.)

5 MR. LEWIS: The motion carries unanimously.

6 GENERAL WEBER: Eric, now you can continue with
7 Item 7(e).

8 MR. GLEASON: Yeah. Thank you. Agenda Item 7(e)
9 awards over -- just over \$10-million in federal funds under
10 Section - Federal Section 5311 formula grants for rural
11 areas program and up to 2,000,000 in transportation
12 development credits to Texas rural transit districts for
13 rural public transportation operating and capital program
14 purposes as shown in Exhibit A.

15 Each year consistent with Commission adopted Texas
16 Administrative Code requirements, a portion of the overall
17 Section 5311 formula grants for rural areas program
18 apportioned to Texas is distributed based on each rural
19 transit district's proportional share of reported revenue
20 service miles. Transportation development credits are made
21 available for use as match for capital projects funded with
22 this award. The staff recommends your approval of this
23 minute order.

24 MR. LEWIS: Commissioners, any questions of
25 Director Gleason with regard to this matter?

1 (No audible response.)

2 MR. LEWIS: We do not have any cards.

3 Commissioner Vandergriff, do you move to approve the award
4 in -- in --

5 MR. VANDERGRIFF: So moved.

6 MR. LEWIS: -- consistency with the staff
7 recommendation? Commissioner Bugg, do you second that
8 motion?

9 MR. BUGG: I do.

10 MR. LEWIS: if there's no discussion, we'll
11 proceed to a vote. All in favor of the motion, please say
12 aye.

13 (Chorus of "Ayes")

14 MR. LEWIS: Any opposed, no.

15 (No audible response.)

16 MR. LEWIS: The motion carries unanimously.

17 GENERAL WEBER: And finally, Item 7(f), award of
18 our federal funds to our rural transit districts for FY-
19 2015.

20 MR. GLEASON: Thank you. Agenda Item 7(f) awards
21 approximately \$355,000 of FTA Section 5311 formula grants to
22 rural areas program funds, to rural transit district's
23 offsetting changing and formula award amounts triggered by
24 the 2010 Census Results.

25 Each year consistent with Commission adopted Texas

1 Administrative Code requirements, a portion of the 5311
2 program funding is awarded using each rural transit
3 district's proportional share of rural area population based
4 on the most recent U.S. Census. In this case, 2010.

5 The transition from funding based on 2000 Census
6 population figures to 2010 population figures triggered
7 shifts in proportional share amounts. Funds included in
8 this minute order offset losses and formula funding due to
9 the shift for those agencies included in Exhibit A. Staff
10 recommends your approval of this minute order.

11 MR. LEWIS: Are there any questions of Director
12 Gleason with regard to this matter?

13 (No audible response.)

14 MR. LEWIS: If there are no questions,
15 Commissioner Bugg, do you move to approve the award of the
16 funds referenced in Item 7(f) in accordance with staff
17 recommendation?

18 MR. BUGG: So moved, Mr. Chairman.

19 MR. LEWIS: Okay. Commissioner Austin, do you
20 second --

21 MR. AUSTIN: Yeah, I second.

22 MR. LEWIS: -- that? We have a motion and a
23 second. All in favor, say aye.

24 (Chorus of "Ayes")

25 MR. LEWIS: Any opposed, no.

1 (No audible response.)

2 MR. LEWIS: The motion carries unanimously. Thank
3 you, Director.

4 MR. GLEASON: Thank you.

5 MR. LEWIS: General.

6 GENERAL WEBER: Next is Item 8, proposed adoption
7 of amendments to Chapter 10. Director of the Compliance
8 Office, Kristin Alexander, will present. Kristin.

9 MS. ALEXANDER: Thank you, General, Chairman,
10 Commissioners, good morning. For the record, I am Kristin
11 Alexander, Director of the Compliance Office for TxDOT. The
12 minute order before you proposes amendments to Title 43
13 Texas Administrative Code Section 10.6 related to conflicts
14 of interest for adoption and publication for the purpose of
15 receiving public comment.

16 Senate Bill 20 of the 84th Legislature added new
17 restrictions on the employment of certain former state
18 employees. Proposed amendments to Section 10.6 expand the
19 existing definition of conflict of interest for entities
20 doing business with the Department to include an entity that
21 hires a former Department employee who participated on
22 behalf of the Department in an original awarded procurement
23 are contract negotiation involving that entity within two
24 years after the employee leaves the Department.

25 The proposed definition applies to entities

1 awarded at procurement as the prime contractor or an equity
2 partner of the prime contractor. It does not apply to a
3 contract awarded under a low bid process.

4 The proposed amendments to Section 10.6 apply only
5 to Department employees who played an active part in the
6 original procurement or contract negotiation by performing a
7 materially relevant step and whose participation occurs on
8 or after September 1st, 2015. Appeals will be handled
9 through existing appeal processes. Staff recommends
10 approval of this minute order.

11 MR. LEWIS: Do we have questions of the Compliance
12 Officer at this time? Are there any questions,
13 Commissioners?

14 (No audible response.)

15 MR. LEWIS: If not, do we have any cards for
16 comment? We have no cards for comment. If there's no --
17 nothing further when -- we will proceed to a vote.
18 Commissioner Austin, do you move approval of the proposed
19 adoption of amendments to Section 10.6, conflict of
20 interest?

21 MR. AUSTIN: So moved.

22 MR. LEWIS: And Vice Chair Moseley, do you second?

23 MR. MOSELEY: Second.

24 MR. LEWIS: We have a motion and a second. If
25 there's no further discussion, all in favor, say aye.

1 (Chorus of "Ayes")

2 MR. LEWIS: Any opposed, no.

3 (No audible response.)

4 MR. LEWIS: The motion carries unanimously. Thank
5 you very much for your presentation.

6 MR. AUSTIN: Chair, I just wanted to note I --
7 General, you had really sent out -- I've got -- a pretty
8 positive outline or a detailed email to all the staff and I
9 think that was -- thank you for doing that to explaining
10 what this was and what was going to happen. I just wanted
11 to note that for the record.

12 GENERAL WEBER: Thanks. Yes.

13 MR. LEWIS: Absolutely. Thank you. All right.
14 Thank you. And General.

15 MS. ALEXANDER: The purpose of --

16 GENERAL WEBER: Continue.

17 MS. ALEXANDER: Okay.

18 GENERAL WEBER: Go ahead and continue.

19 MS. ALEXANDER: Thank you. Thank you. The
20 purpose of this report is to provide a summary of
21 information related to investigations for the month of June
22 2015 in accordance with Texas Transportation Code Section
23 201.452 and 201.454. During June, 10 allegations were
24 assigned for investigation. Six investigations were closed
25 during the month and two of those were substantiated. No

1 further actions are recommended at this time.

2 MR. LEWIS: Thank you, Director Alexander.
3 Appreciate it.

4 GENERAL WEBER: Next is Item 10(a), amendments to
5 the Central Texas Turnpike System Supplemental Amending
6 Indenture . Director of Finance, Brian Ragland, will
7 present. Brian.

8 MR. RAGLAND: Good morning. For the record, I'm
9 Brian Ragland, Director of the Finance Division. The
10 proposed minute order before you would allow for two things
11 related to the Central Texas Turnpike System or CTTS.
12 First, it authorizes the CFO to amend the bond indenture on
13 the CTTS to allow for the reporting of current year figures
14 only in the annual report versus the current two year
15 comparative format.

16 And then the second thing it would do is it would
17 authorize the CFO to purchase directors' and officers'
18 liability insurance related to the CTTS. And I'm happy to
19 answer any questions. Staff recommends your approval.

20 MR. LEWIS: If I could ask, would you tell me a
21 little bit more about the insurance that's being purchased?
22 What purpose of it -- what it -- what is covers in other
23 words.

24 MR. RAGLAND: The insurance would cover to my
25 understanding would cover a personal liability related to --

1 the way it was put to me was sort of unintentional crossing
2 off the line related to the Central Texas Turnpike System
3 and all of the disclosures required of the indenture and the
4 -- the financial reporting. It's unique versus our other
5 bond programs which are covered by general state immunity
6 because the -- the actual revenues from the project support
7 the bonds.

8 MR. LEWIS: Okay. So it sort of would -- because
9 there is that gap there --

10 MR. RAGLAND: Uh-huh.

11 MR. LEWIS: -- it would -- it would cover that for
12 the official actions to take discretionary actions that you
13 are taking.

14 MR. RAGLAND: Correct.

15 MR. LEWIS: Okay. Thank you. Any --

16 MR. AUSTIN: Wait, I just have one question. Is
17 this over and above the normal D&O insurance that they would
18 have? And I see Stein in the back.

19 MR. RAGLAND: I don't believe we had -- we don't
20 have any --

21 MR. AUSTIN: Besides those parts, okay.

22 MR. RAGLAND: -- D&O. TxDOT does not currently
23 have any D&O and --

24 MR. AUSTIN: We don't. Okay.

25 MR. RAGLAND: -- generally state employees and

1 officers are covered by -- by --

2 MR. AUSTIN: Okay.

3 MR. OBR: -- statute, but not in this -- not
4 necessarily in this case.

5 MR. AUSTIN: Not necessarily. Okay. Got you.

6 MR. LEWIS: Any other questions? At this time, we
7 do not have any cards on this matter. Commissioner
8 Vandergriff, do you move to authorize the Chief Financial
9 Officer to execute -- execute the Supplemental Amending
10 Indenture referred to in this agenda item in accordance with
11 staff recommendation?

12 MR. VANDERGRIFF: So moved.

13 MR. LEWIS: And Commissioner Austin, do you second
14 that?

15 MR. AUSTIN: I second.

16 MR. LEWIS: We have a motion and a second. And if
17 there's no further discussion, then we'll proceed to a vote.
18 All in favor, please say I.

19 (Chorus of "Ayes")

20 MR. LEWIS: Any opposed, no.

21 (No audible response.)

22 MR. LEWIS: The motion carries unanimously.

23 MR. RAGLAND: Thank you.

24 MR. LEWIS: Thank you.

25 GENERAL WEBER: Next is Item 10(b), final approval

1 of an application for financial assistance from the Central
2 Texas Regional Mobility Authority. Innovative Finance and
3 Debt Management Officer Ben Asher will present.

4 MR. ASHER: Thanks, General, Chairman,
5 Commissioners. Again, Ben Asher, Innovative Financing Debt
6 Management Officer here at TxDOT. This item is to consider
7 final approval of a request for financial assistance from
8 the Central Texas Regional Mobility Authority or CTRMA as
9 it's more commonly known for a toll equity grant of up to a
10 hundred and forty-three million four hundred and forty-four
11 thousand dollars and two -- two hundred and forty-eight
12 dollars. Last -- at last month's Commission meeting
13 preliminary approval was provided.

14 This financial system request would be used to pay
15 for a portion of the cost of constructing one -- U.S. 183
16 South Bergstrom Expressway. Staff recommends approval and
17 I'll be happy to answer any questions you may have.

18 MR. LEWIS: Commissioners, any questions?

19 (No audible response.)

20 MR. LEWIS: Thank you, Mr. Asher. We do have --
21 we do have a request to speak card. So I would ask Mr.
22 Dixon, would you please come forward? Mr. Dixon is not
23 reticent to wear maroon. He's happy to wear maroon unlike
24 Secretary Cascos. If you'll please state your name for the
25 record and who you're here -- your title you're here

1 representing and give us the benefit of your remarks.

2 MR. DIXON: Thank you, Mr. Chairman. My name is
3 Don Dixon. And good morning, General Weber. And I -- I
4 wanted to remind you of the -- a conversation I had with Mr.
5 Barton years and years ago. And he reminded me how the
6 people of Texas sacrificed to develop this great public road
7 system that we have. I agree with him with that. I -- I've
8 been privileged to witness that myself. 75 percent of the
9 history of this great Department I've personally been able
10 to witness.

11 Part of that sacrifice that the people of Texas
12 made in developing our public road system was our right-of-
13 way system. Many, many land owners and farmers and ranchers
14 and actually dedicated or gave that -- that right-of-way for
15 this great public road system. And some of it obviously was
16 a condemned by eminent domain, but some was, you know,
17 giving it very low prices. I -- I witnessed that to -- to
18 benefit the public road system.

19 And -- and Commissioner Bugg, I -- I appreciate
20 you mentioning the fact that you want to recognize who the
21 customers are of this highway department. And basically I'm
22 speaking now as a customer. And in this particular item,
23 there is a public right-of-way involved that was either
24 dedicated or condemned, maybe good process for a public use.

25 So -- so from a customer standpoint, when this

1 public right-of-way which was given or condemned for an
2 obvious public use and reason, then this public right-of-way
3 is converted to a toll road. This changes the dynamics
4 completely. It's -- it's no longer exactly a public because
5 now they have to pay extra to use this public right-of-way.

6 So as a customer, this is kind of a thorn in the
7 side for the customer. Whenever we have a public right-of-
8 way, we think it should be used as a public right-of-way.
9 There is some history on this. In Caldwell County, those
10 poor people -- those people over there had a tremendous
11 problem. They had -- had a 183 which is a public right-of-
12 way, had thorough fares they could go. And that was
13 basically taken away from them and then they had to kind of
14 use the access roads with red lights and that sort of thing.

15 So this is a customer service area that we need to
16 work on as a -- as a state and protect this from the public
17 side the best you can. In other words, use this -- taking
18 this right-of-way is last resort. So that's my comment on
19 this and thank you for your work.

20 MR. LEWIS: Thank -- thank you. Thank you very
21 much, Mr. Dixon. Any questions of Mr. Dixon?

22 (No audible response.)

23 MR. LEWIS: No questions of Mr. Dixon. Then --

24 MR. BUGG: Yeah.

25 MR. LEWIS: -- let me --

1 MR. BUGG: Yeah. I -- I would like to say --

2 MR. LEWIS: Oh, yes. For Commissioner Bugg.

3 MR. BUGG: I'm sorry. First of all, Mr. Dixon,
4 thank you for the accolade, but Chairman Lewis is our
5 Chairman. So I'm just -- I'm just a Commissioner.

6 MR. DIXON: Did I say -- did I say Chairman?

7 MR. BUGG: But anyway --

8 MR. DIXON: Commissioner. Beg -- beg your pardon.

9 MR. BUGG: What I wanted to say -- what I wanted
10 to say was that Mr. Dixon and I had an opportunity between
11 the last Commission meeting and today to sit down and have a
12 cup of coffee at my office and I appreciate --

13 MR. DIXON: Thank you very much for that.

14 MR. BUGG: -- not only you taking the time to have
15 out conversation, but Mr. Dixon as we all have come to know
16 is very passionate about our Texas transportation system.
17 And I want you to know that I've taken your notes. Mr.
18 Dixon brought some hand drawn graphs and charts and lots of
19 information and we're in the process of reviewing all that.
20 So message received and we're working on it right now. So
21 thank you again for your service.

22 MR. DIXON: I'm happy to cooperate any way I can
23 with you.

24 MR. BUGG: Thank you.

25 MR. DIXON: Yes.

1 MR. LEWIS: Any other questions of Mr. Dixon? If
2 not, thank you Mr. Dixon for coming forward. Commissioner
3 Austin.

4 MR. AUSTIN: Yeah, if I may, I see Stein in the
5 back. Would you mind coming up for a second and talk about
6 the project? While he's coming up, I want to say
7 Commissioner Bugg, you're talking about Mr. Dixon's charts
8 and graphs. Just for the record, I think his charts and
9 graphs were better than James Bass' during some of the
10 hearings.

11 (Laughter.)

12 MR. AUSTIN: Of course James knows I always mess
13 with him but they -- they are informative. Mike, for the
14 record, would you mind introducing yourself?

15 MR. HEILIGENSTEIN: Mike Heiligenstein, Executive
16 Director of Central Texas Regional Mobility Authority.

17 MR. AUSTIN: Okay. Thanks. I just want to go
18 back over your project. I know last month we granted
19 preliminary approval on the SIB and with -- with this
20 project. Mr. Dixon brings up an interesting point. This
21 road was there. Are -- are you -- is it -- will additional
22 right-of-way be required to expand these lanes?

23 MR. HEILIGENSTEIN: Well, first of all, let me say
24 I agree with his comments. And to that effect, the
25 customers that want to use a non-tolled facility on 183

1 instead of four lanes will now have six lanes. And they'll
2 have fewer intersections. So the non-tolled desire on the
3 part of the traveling public will have an enhanced
4 experience. And let me repeat that from last time that we
5 are rebuilding those frontage roads at no cost to the state.
6 This money will be used to help support that -- those
7 frontage roads which again are non-tolled. A hundred and
8 forty million from the grant, 700,000,000 from the users of
9 that facility and from loans. So this 140 is leveraging an
10 \$800,000,000 project which is going to be vital for Central
11 Texas as I-35 goes under construction.

12 MR. AUSTIN: You kind of answered my question. So
13 there's additional new capacity of non-toll lanes that are
14 -- that are being added.

15 MR. HEILIGENSTEIN: Absolutely. Absolutely. And
16 -- and as all projects, 290 East to Manor has six lanes non-
17 tolled, six lanes tolled. So there's a choice. And that --
18 and the people on that seem to like it since it's well above
19 traffic and revenue estimates. We're at about 30 percent
20 higher than we were -- we thought we would be. And that's
21 an individual choice.

22 MR. AUSTIN: Well, and thank you for that. And I
23 -- I know what y'all are doing to help relieve congestion.
24 This project is going to be critical for this area and I --
25 I say that because when we start looking at our -- our

1 ultimate solutions on Interstate 35 coming right through
2 town, right through Austin, this hopefully will be able --
3 the -- the non-tolled and the choices will be able to pick
4 up some of that capacity and give customers and citizens a
5 choice where -- where to drive. So --

6 MR. HEILIGENSTEIN: Yeah, I would suggest -- and I
7 would go to the extent to say if it has -- if it wasn't for
8 the tolled portion of this road, the non-tolled would not be
9 expanded and not be enhanced for many, many years.

10 MR. AUSTIN: For how many years?

11 MR. HEILIGENSTEIN: Many.

12 MR. AUSTIN: Many.

13 MR. HEILIGENSTEIN: Many, you know, the --

14 MR. AUSTIN: With a capital M.

15 MR. HEILIGENSTEIN: Yeah.

16 MR. AUSTIN: That's right. A lot.

17 MR. HEILIGENSTEIN: You can just -- you can
18 calculate the share that we'll have increase share of
19 Central Texas MPO out of the -- the new legislation, new
20 funding and calculate that over several years and -- and if
21 you're going to do pay as you go, you can figure about, you
22 know, six or seven years.

23 MR. AUSTIN: Well, and this was -- the -- the
24 total scope of this project is how much --

25 MR. HEILIGENSTEIN: A -- the total scope. The

1 total terms of cost.

2 MR. AUSTIN: Project, right.

3 MR. HEILIGENSTEIN: The development cost is
4 580,000,000. Total project cost is 700,000,000. And that
5 does not include financing costs.

6 MR. AUSTIN: So even with new money coming in
7 hypothetically, just discussions to say it wasn't tolled ,
8 we would be faced with the decision to pick and choose areas
9 around the state to fund projects. There's still not enough
10 money to help keep mobility whereas and not every road can
11 be a toll road but this is an option that does help add
12 capacity and I love that you're adding non tolled capacity
13 to -- to this project. So otherwise it would be a long time
14 before we can afford to do that.

15 MR. HEILIGENSTEIN: I -- I -- that's exactly
16 correct. In fact, you would have to pick and choose just in
17 Central Texas, because Central --

18 MR. AUSTIN: Right.

19 MR. HEILIGENSTEIN: -- Texas has \$2,000,000,000
20 worth of facilities that are backed up so to speak. And I
21 don't think the growth of Central Texas is going to diminish
22 any time soon.

23 MR. AUSTIN: Okay. Thank you. Thank you.

24 MR. LEWIS: Yes, Commissioner Vandergriff.

25 MR. VANDERGRIF: Yeah, I just -- it's not a

1 question for Mr. Heiligenstein. I -- I appreciate your
2 service. And, you know, I'm -- I'm okay with this. It's --
3 it's a project that was started at an earlier day and at
4 different time and different area. And it needs to be
5 completed and it's certainly the money that's being put in
6 as leverage to get a good and worthy project out.

7 I -- I do want to note that between the
8 Governor of the State of Texas and the legislature of the
9 State of Texas, they've -- they've clearly noted to us that
10 there is a new paradigm and a new day in Texas in terms of
11 what this Commission and this Agency is to be funding or not
12 funding and that, you know, going forward we're going to
13 have to really look at -- at -- what a non -tolled world if
14 you will and how that looks and -- and be working with that,
15 because that's the direction we certainly received.

16 MR. HEILIGENSTEIN: Thank you.

17 MR. LEWIS: Very interesting. I -- I have a
18 question as well for you to comment on. As I -- as I
19 understand this, I mean, the -- the whole amount before us
20 is a hundred and forty-three million, a little over that.
21 But almost -- well, over 80 percent of that actually is
22 money that has been allocated to the local MPO over time and
23 -- and it is that local group that is wanting and expressing
24 their desire to have that money applied to this project as a
25 view high priority for this -- this area, is that correct?

1 MR. HEILIGENSTEIN: Mr. Chairman, that's correct
2 as well as our House and Senate delegation.

3 MR. LEWIS: Okay. Thank you. Thank you. Any
4 other questions at this time?

5 (No audible response.)

6 MR. LEWIS: Thank you very much sir for --

7 MR. HEILIGENSTEIN: You're welcome.

8 MR. LEWIS: -- coming forward. Any other -- yes,
9 sir, if you'll please come back, Mr. Asher. Are there any
10 other questions or comments, any other questions?

11 (No audible response.)

12 MR. LEWIS: Then we -- see, Commissioner Austin,
13 do you move to --

14 MR. AUSTIN: I so move.

15 MR. LEWIS: -- approve the grant -- this will be
16 final approval -- approval of the application for the grant
17 in -- in accordance with the staff recommendations. You do
18 make that staff recommendation --

19 MR. ASHER: Yes, I do.

20 MR. LEWIS: -- Mr. Asher? We have a second. Vice
21 Chair Moseley --

22 MR. MOSELEY: Second.

23 MR. LEWIS: -- seconds. Any other discussion?

24 Then this is for final approval. We have a motion and a
25 second. There being no other discussion, I'll call for the

1 vote. All in favor, say aye.

2 (Chorus of "Ayes")

3 MR. LEWIS: Any opposed, no.

4 (No audible response.)

5 MR. LEWIS: It is unanimous and carries. Thank
6 you, sir.

7 GENERAL WEBER: Next is Item 11, reversible lane
8 operations at Kyle Field. Director of Traffic Operations
9 Carol Rawson will present.

10 MR. AUSTIN: If she's coming up, I'm already going
11 to have a question.

12 (Laughter.)

13 MS. RAWSON: Good morning, Commissioners. Did you
14 have a question? Okay. Good morning. Good morning,
15 Commissioners. I'm Carol Rawson, Director of the Traffic
16 Operations Division. This minute order will authorize
17 temporary one-way or reversible lane operation of a section
18 of FM 2154 between FM-2347 and FM-2818 in Brazos County
19 during peak traffic periods associated with Texas A&M
20 University home football games in College Station. There we
21 go. Got it.

22 A traffic control committee consisting of the
23 Department and numerous other entities in Brazos County met
24 to create a traffic control plan for the purpose of reducing
25 congestion during and after the games.

1 Kyle Field draws in excess of a hundred thousand
2 attendees for each of these events. The committee worked to
3 select the best routes and to determine the required signing
4 and traffic controlled devices to direct and regulate
5 traffic. Staff recommends the approval of this minute
6 order.

7 MR. AUSTIN: Yes.

8 MR. LEWIS: Commissioner Austin.

9 MR. AUSTIN: I want to make sure I understand this
10 right. So if we were to apply reversible lanes here in
11 Austin for the UT games, we have to shut down 35 if I
12 understand that right. So anyway, reversing the lanes,
13 General, is -- what happens do you reverse him if you win or
14 you lose?

15 (Laughter.)

16 MR. AUSTIN: I want to see it.

17 GENERAL WEBER: Well, that's assuming we have
18 enough people come to the games. So we have to check it out
19 first, Commissioner.

20 MR. AUSTIN: I would move approval.

21 MR. LEWIS: Okay.

22 MS. RAWSON: It's a good thing.

23 MR. AUSTIN: Yeah, it's a good thing.

24 MS. RAWSON: It will help the Aggies get home so
25 that the General doesn't have to leave so early in the game

1 to get back to round --

2 MR. LEWIS: And our -- at the games, will they
3 passing out instructions so that all the --

4 MS. RAWSON: Yes.

5 MR. LEWIS: -- Aggies will understand which --
6 what reversible is and where they're supposed to go?

7 MS. RAWSON: There -- I'm sure there's a lot of
8 effort that was put into this. There will be proper signing
9 and then a lot of education that goes along with it. And
10 I'm sure that we'll -- we'll help to get the Aggies home.

11 MR. AUSTIN: There you go with oxymorons again
12 proper signing. We're going to have a Longhorn engineer
13 oversee this, Mr. Barton.

14 MS. RAWSON: I'll get him home okay.

15 (Laughter.)

16 MR. AUSTIN: I would move approval.

17 MR. LEWIS: Okay. We have a motion to approve --
18 approval from Commissioner Austin. Commissioner Bugg
19 seconds that motion. If there's no further discussion,
20 we'll proceed through a vote. I -- I should say all in
21 favor say whoop I guess or something, but I won't. All --
22 all in favor of the motion, please say aye.

23 (Chorus of "Ayes")

24 MR. LEWIS: Any opposed, no.

25 (No audible response.)

1 MR. LEWIS: Therefore, the motion is -- carries
2 and thank you very much.

3 MS. RAWSON: Thank you, sir.

4 GENERAL WEBER: Thanks, Carol. Item 12(a)
5 consists of the awarding of contracts for our maintenance
6 and department building construction contracts. Director of
7 Construction John Obr will present.

8 MR. OBR: Good morning. For the record, I am John
9 Obr, Director of the Construction Division. Item 12(a) is
10 for consideration of the award or rejection of highway
11 maintenance and department building construction contracts
12 let on July 7th and 8th of 2015.

13 We present 24 projects today. Average number of
14 bids per project was 2.75. The low bid value was
15 \$55,748,878.04. We have an overall under run of 5.99
16 percent. Staff recommends award of all maintenance projects
17 except for the following three projects. All three projects
18 were in the Pharr District, same contractor with a single
19 bid.

20 First, we present Cameron County, RMC-628887-01.
21 We have received one bid for this project which came in at
22 77.18 percent or \$525,873 over the engineer's estimate.

23 The second project we present is Hidalgo County,
24 RMC-628885-01. We also received one bid for this project
25 which came in at 71.1 percent or \$549,352 over the

1 engineer's estimate.

2 Third, we present Starr County, RMC-629025-01.
3 Again, we received one bid for this project which came in at
4 a hundred and forty-two point three one percent or \$540,200
5 over the engineer's estimate. These projects are all for
6 cleaning, sweeping and debris removal. In the past, the
7 district has experienced interest from multiple bidders for
8 similar projects. District would like to revisit the scope
9 of work, the contract notes and network with the contracting
10 industry on upcoming projects to see why there was litter
11 interest in these three. We concur with this plan of action
12 and recommend these projects be rejected and relet at a
13 latter day.

14 MR. LEWIS: Any questions of Director Obr at this
15 time? If there are no --

16 MR. AUSTIN: Just one -- one question. The
17 internet was working.

18 MR. OBR: Yes, sir. It was working.

19 MR. AUSTIN: Okay. Just --

20 MR. OBR: Everything was -- everything was good.

21 MR. AUSTIN: And I know y'all were working on some
22 new changes that

23 MR. OBR: Yes, sir.

24 MR. AUSTIN: -- we have been discussing that we're
25 going to roll forward to hopefully expedite and give some

1 flat latitude to staff should other problems occur.

2 MR. OBR: Yes, sir.

3 MR. AUSTIN: All right. Thank y'all for -- for
4 doing that.

5 MR. OBR: Yes, sir.

6 MR. LEWIS: All right. Thank you. If there's no
7 -- yes. Vice Chair Moseley.

8 MR. MOSELEY: Chairman, I'll vote in favor of the
9 motion and absolutely appreciate the work John and his team
10 do on contracts. I think a -- a discussion we've had in the
11 past over time has to do with change orders. And I think
12 that might be useful if we can start getting more
13 information on the change orders that are being approved and
14 who's -- who's getting them and maybe even a monthly report
15 Chairman might be useful to the Commission.

16 MR. AUSTIN: Mr. Chairman.

17 MR. LEWIS: Commissioner Austin.

18 MR. AUSTIN: We had a -- I know this was looked at
19 several months ago by the Audit committee as well and I
20 think we had a -- a brief report. And I -- I agree with
21 Commissioner Moseley. Maybe that's something Benny or
22 someone can come back up to where we can receive that
23 regular feedback on the change orders.

24 MR. LEWIS: Very -- very good.

25 MR. AUSTIN: I agree.

1 MR. LEWIS: Thank you. Any other questions of
2 Director Obr at this time?

3 (No audible response.)

4 MR. LEWIS: If not, Vice Chair Moseley, do you
5 move to act in accordance with staff's recommendation with
6 regard to award or rejection of these contracts as --

7 MR. MOSELEY: So moved.

8 MR. LEWIS: -- presented? And Commissioner
9 Austin, do you second?

10 MR. AUSTIN: I second.

11 MR. LEWIS: Any other discussion? We have a
12 motion and a second for approval of the staff
13 recommendations. All in favor, say aye.

14 (Chorus of "Ayes")

15 MR. LEWIS: Any opposed, no.

16 (No audible response.)

17 MR. LEWIS: the motion carries unanimously. Thank
18 you. General.

19 GENERAL WEBER: John, please proceed with Item
20 12(b), the construction contracts.

21 MR. OBR: Item 12(b) is for consideration of the
22 award or rejection of highway and transportation enhancement
23 building construction contracts let on July 7th and 8th of
24 2015.

25 We present 86 projects today. The average number

1 of bids per project was 3.2. The low bid value was
2 \$594,823,659.94. The awards are split as 13 projects and
3 mobility totaling \$291,281,047.23. And 73 projects and
4 preservation totaling \$303,542,612.71.

5 We had an overall under run of 0.11 percent.
6 Staff recommends award of all construction projects except
7 for the following three projects. First, we present Nueces
8 County, STP-1502439-HES. We received four bids for this
9 project which came in at 28.39 percent or \$408,610 over the
10 engineer's estimate. This project is for installing
11 advanced warning signals, widening and a high friction
12 surface course on FM-70.

13 Upon discussion with the Corpus District, they
14 wish to redesign and rescope the project to bring the
15 project closer in line to the safety funding that was
16 available. We concur with this plan of action and recommend
17 the project be rejected and relet at a later date.

18 Second, Starr County STP-1502463-ATS. We received
19 one bid for this project which came in at 43.65 percent over
20 or \$398,825 over the engineer's estimate. This project is
21 for widening bridge class culverts on U.S. 83 at Arroyo
22 Quiote. The district believes that several of the major
23 items came in much higher than the engineer's estimated
24 costs because of the lack of competition and the project
25 should be reevaluated. All bids rejected and relet at a

1 later date. And we concur with this plan of action.

2 And finally, Bee County STP-1502500-HES. We
3 received six bids for this project which came in at 17.93
4 percent or \$653,611 over the engineer's estimate. This
5 project is for widening of FM-2441.

6 The apparent low bidder submitted a bid error
7 claim within five business -- business days in accordance
8 with TAC rules. Claims stated that while the total press
9 for the contract was accurate, the estimator on the project
10 had reversed item price for mobilization and barricades.
11 And thus their software estimating package adjusted all
12 bids, items accordingly.

13 The contractor has been notified that in
14 accordance with that TAC they will not be allowed to bid on
15 the project when it is relet and that sanctions could be
16 imposed if another bid error claim is made within the next
17 36 months.

18 After reviewing the bid error -- error claim, we
19 recommend that the low bid does meet the criteria of bid
20 error and that in accordance with the TAC all bids be
21 rejected on this project as well. Any questions?

22 MR. LEWIS: Are there any -- are there any
23 questions of Director Obr with regard to this matter?

24 (No audible response.)

25 MR. LEWIS: If there are not, thank you, sir. And

1 Commissioner Bugg, do you move to accept the staff's
2 recommendation with regard to awarding the contracts that
3 they recommend and rejecting those that they recommend?

4 MR. BUGG: So moved.

5 MR. LEWIS: And Commissioner Vandergriff, do you
6 second that motion?

7 MR. VANDERGRIFF: Second.

8 MR. LEWIS: We have a motion and a second. There
9 being -- if there's no further discussion, we'll proceed to
10 a vote. All in favor, say aye.

11 (Chorus of "Ayes")

12 MR. LEWIS: Any opposed, no.

13 (No audible response.)

14 MR. LEWIS: The motion carries unanimously. Thank
15 you, Director.

16 GENERAL WEBER: Thank you. That brings us to Item
17 13, the eminent domain proceedings. Director of Right-of-
18 Way John Campbell will present.

19 MR. CAMPBELL: Good morning. For the record, my
20 name is John Campbell. I'm the Right-of-Way Division
21 Director. I would like to present for your consideration
22 Item 13 which authorizes the filing of condemnation
23 proceedings necessary to progress the acquisition of 49
24 parcels by exercise of the power of eminent domain. 38 of
25 these parcels are on controlled -- or non-controlled access

1 parcels and 11 of them are controlled access parcels. Staff
2 recommends your approval of the minute order.

3 MR. LEWIS: Commissioners, are there any questions
4 of Director Campbell at this time?

5 (No audible response.)

6 MR. LEWIS: If there are not, then Commissioner
7 Bugg, would you like to make a motion for us?

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

18 MR. LEWIS: Very well stated motion. And
19 Commissioner Vandergriff, do you second that motion?

20 MR. VANDERGRIFF: I second the motion.

21 MR. LEWIS: Now we have a motion and a second.
22 Any questions or comments with regard to the matter?

23 (No audible response.)

24 MR. LEWIS: Then we'll proceed to a vote. All in
25 favor, say aye.

1 (Chorus of "Ayes")

2 MR. LEWIS: Any opposed, no.

3 (No audible response.)

4 MR. LEWIS: Commissioner Bugg's motion passes.

5 MR. BUGG: I will -- I will note for the record
6 Mr. Chairman that the Commissioner of the Texas Department
7 of Banking called me after the last meeting --

8 (Laughter.)

9 MR. BUGG: -- to -- to thank -- to thank us
10 profusely, so --

11 (Laughter.)

12 MR. LEWIS: All right. Thank you. Thank you very
13 much.

14 GENERAL WEBER: Thanks, John.

15 MR. LEWIS: General.

16 GENERAL WEBER: Item 14 contains the routine
17 minute orders including donations to our Department, real
18 estate dispositions, reports, finance, transportation
19 planning, highway designations and speed zones.

20 MR. LEWIS: Sorry. Commissioners, are there any
21 questions concerning the routine minute orders? We don't
22 have any cards, do we? Commissioner Austin, do you move to
23 approve the routine minute orders including all -- all
24 matters contained therein?

25 MR. AUSTIN: So moved.

1 MR. LEWIS: And Vice Chair Moseley, do you --

2 MR. MOSELEY: Second.

3 MR. LEWIS: Second. We have a motion and a
4 second. All in favor, say aye.

5 (Chorus of "Ayes")

6 MR. LEWIS: Any opposed, no.

7 (No audible response.)

8 MR. LEWIS: the motion carries unanimously.

9 GENERAL WEBER: Mr. Chairman, last but certainly
10 not least we have Item 3 honoring our retiring District
11 Engineer Lonnie Gregorcyk. Deputy Executive Director John
12 Barton will present. John.

13 MR. BARTON: Thank you, General Weber, Chairman
14 Lewis, members of the Commission. I appreciate the
15 privilege and distinct honor of being able to present this
16 item on behalf of the Commission. I've had this honor over
17 the last several years on many occasions to recognize fine
18 men and women who have served this state admirably and with
19 distinction, none more special to me than this one.

20 Lonnie Gregorcyk is a dear friend, a trusted
21 colleague, a comrade that has been with many of us in our
22 darkest hours and in our moments of greatest happiness.
23 Lonnie is someone who brings a smile to everyone's face.
24 His personality is one that brings joy to the room, courage
25 to those who are faltering, strength to those that are weak

1 and happiness to those that are downtrodden. His family has
2 sacrificed tremendously over the past 31 years to allow
3 Lonnie to serve this great State of Texas through his
4 beloved Texas Department of Transportation. His
5 accomplishments are many honorable and have great
6 distinction.

7 I could stand before you for quite some time and
8 share with you many great things that Lonnie has done for me
9 personally and for this agency and for our state. Perhaps
10 to me the most important thing I can say is that above all
11 else he is a true friend.

12 So Lonnie, if you would come forward, I would like
13 to present to you and -- and present on the Commission's
14 behalf for resolution in Your Honor. Then , I'll let you
15 say a few words.

16 MR. GREGORCYK : All right.

17 MR. BARTON: All right. Commissioners, this is a
18 resolution that has been pinned on your behalf that you have
19 signed and are sharing with Lonnie to recognize him for his
20 tremendous accomplishments and contributions to our great
21 Texas Department of Transportation. And it reads as
22 follows. Whereas the Texas Transportation Commission takes
23 great pride in recognizing Lonnie J. Gregorcyk, PE, for his
24 outstanding service to the Texas Department of
25 Transportation after a distinguished career of 31 years most

1 recently as the Corpus Christi District Engineer.

2 And whereas Gregorcyk earned his bachelor's degree
3 in civil engineering from Texas A&M University in 1984 and
4 began his TxDOT career as an engineering assistant at
5 Victoria area office and after four years he was promoted to
6 project engineer.

7 And whereas he has held numerous positions
8 including advanced planning engineer and supervising
9 planning engineering in the Yoakum District before being
10 promoted to the Yoakum area engineer in 1995 where he was
11 responsible for the design, construction, administration and
12 planning operations for DeWitt, Lavaca and Gonzalez
13 Counties.

14 And whereas Gregorcyk served as the Yoakum
15 District Director of Transportation Planning and Development
16 from 1998 to 2003 and under his direction the district
17 earned a design excellence award. And whereas in 2003 he
18 was named Yoakum District Engineer and in 2012 Gregorcyk
19 became the Corpus Christi District Engineer.

20 And whereas Gregorcyk's leadership was
21 instrumental in developing and delivering an innovative
22 design build contract for the \$900,000,000 Harbor Bridge
23 Project for the Corpus Christi community. And whereas,
24 Gregorcyk represents the best and brightest characteristics
25 and values of the Texas Department of Transportation and its

1 employees. And he has been a great example of leadership,
2 commitment, dedication, integrity, character and loyalty.

3 Now therefore be it resolved that the Texas
4 Transportation Commission does hereby extend its sincerest
5 best wishes to Lonnie J. Gregorcyk, PE, in recognition of
6 his professional achievements and a career of loyal service
7 on behalf of the State of Texas and its citizens presented
8 proudly this day Thursday the 30th of July, 2015.

9 (Applause.)

10 MR. GREGORCYK: Thank you. Thank you, Chairman
11 Lewis, Commissioners, General Weber, Mr. Barton. Thank you
12 for those kind words. I'm Lonnie Gregorcyk. I'm the
13 District Engineer in Corpus Christi, Texas until the end of
14 this month and it's been a true honor.

15 I've been honored to work for this great state
16 and, you know, I -- I wrote some notes and I probably
17 fumbled through this. But the -- the opportunity to come
18 here and -- I love your comments on we can always get better
19 on customer service. The heart of this agency, the service
20 that the men and women want to provide, try to provide, what
21 -- and I've seen it over and over again and it doesn't take
22 very long that they have that dedication and loyalty. As a
23 young area engineer, you call them out at 2:00 in the
24 morning and it was yes, sir, and they did an admirable job
25 whether it was working in ice storm or a -- a hurricane or a

1 -- a tragic accident.

2 So I -- I my -- my thoughts really are with the
3 employees a lot today. I've had great leaders. General
4 Weber, it's been an honor to work for you, sir. It's really
5 a -- a top of the -- top thing in my mind was to get to work
6 with you. Mike Behrens took a chance on me many years ago
7 as a -- as a planning engineer. He took several chances. I
8 kind of always thought I probably would -- I couldn't do any
9 of the jobs very well. But I just want to say thanks.

10 You know, I've been in -- I worked in 21 of the
11 districts I believe on various assignments. I've served in
12 -- as district engineer in three of them. I was -- I was
13 Pharr District Engineer for a short time. I was a Yoakum
14 District Engineer for nine years and the past three and a
15 half in Corpus Christi. But worked on the DFW connector
16 with Mr. Castile. El Paso projects , I spent six months out
17 there. It's been a -- everywhere I went I found great men
18 and women. So I think we're leaving it with good hands.

19 And I -- I just thank y'all. Thank you for the
20 recognition. Have a great one. And may God bless each of
21 you and our employees and the great State of Texas.

22 (Applause.)

23 MR. LEWIS: And before you -- don't leave the hot
24 seat yet. We have -- we have a couple of comments I think
25 up here, but also do you have any family members that would

1 like to --

2 MR. GREGORCYK: Oh, my goodness.

3 MR. LEWIS: -- maybe join --

4 MR. GREGORCYK: That's what --

5 (Laughter.)

6 MR. GREGORCYK: Chairman Lewis, I'm going to need

7 --

8 MR. LEWIS: Maybe -- maybe join you in the podium
9 and then we may have a couple questions.

10 MR. GREGORCYK: Ann come up -- I'm going to need
11 a ride home.

12 (Laughter.)

13 MR. GREGORCYK: The pride of my life is Andrea
14 Gregorcyk, my wife of 33 years. They did a -- she's a very
15 patient lady. She put up with me bouncing around and
16 staying in hotels and leaving out early on late on Sundays
17 and coming in late on Fridays. But thank you for that. You
18 saved -- you saved my bacon, sir.

19 (Laughter.)

20 MR. LEWIS: I think -- and General Weber, do you
21 have any comments?

22 GENERAL WEBER: Yeah, Lonnie, I -- I just want to
23 say there's a lot of different types of leaders and
24 leadership. And you can have all the technical knowledge
25 you -- you want and it's not going to be effective or put to

1 good use unless you can lead. And you've lead with
2 humility, you've led up front. You've taken care of your
3 people, but you've also held them accountable. And I think
4 your legacy is -- is all those young men and women that you
5 did lead over the years and make a difference in their
6 lives.

7 And I would also like to comment on the fact that
8 so many people in public office and -- and the legislature
9 and the local communities have said so many good things
10 about you. And the -- it's well deserved and we're going to
11 miss you and we wish you both good luck in the future.

12 Thank you.

13 MR. GREGORCYK: Thank you, General.

14 MR. LEWIS: Thank you, General and Commissioner
15 Austin.

16 MR. AUSTIN: Lonnie, congratulations on a great
17 career. And thank you for everything you've done for the
18 state. I know before I came on to the Commission we had the
19 opportunity to work together on some things down in The
20 Valley. And also after being on visiting with you down
21 there and you brought -- I remember we had our Commission
22 meeting in Corpus. And that's when the announcement was
23 made that you were going to be the new DE. You brought a
24 lot of stability to -- to the Corpus area.

25 And I want to say -- and we've had just a little

1 project going on down there with the Harbor Bridge. And,
2 you know, one thing that I can say, you know, there's Larry
3 the Cable Guy and then there's our go-to guy. You have been
4 our go-to person in a lot of respects looking at The Valley,
5 the Corpus, especially on the Harbor Bridge of bringing
6 everybody together and facilitating that, because you've
7 been right in the thick of economic development of an energy
8 sector, the ports for Texas. And thank you. We're going to
9 miss you. Thank you.

10 MR. GREGORCYK: Thank you, Commissioner Austin.

11 MR. LEWIS: Yes. Vice Chair Moseley.

12 MR. MOSELEY: Lonnie, congratulations. I really
13 am so please that I had a chance to work with you and get to
14 know you. And I want to just say thank you on behalf of the
15 Commission for your dedicated service. Texas no doubt is a
16 greater state -- a better state because of your service.
17 And I just want to say a heartfelt thank you and a thank you
18 to Mrs. Gregorcyk for sharing your husband with -- with our
19 agency and with the state. We know you really have made
20 some sacrifices. So to both of you, congratulations. God
21 bless you in your next chapter.

22 And I thought we had a deal that maybe you
23 wouldn't be leaving until Harbor Bridge was completed, but
24 -- but maybe we can call you from time to time and get some
25 coaching and guidance along the way. But God bless you.

1 MR. GREGORCYK: Thank you.

2 MR. MOSELEY: Congratulations.

3 MR. LEWIS: On -- on behalf of all of us, we're
4 honored to have you here. Please remain with us. We're
5 about to adjourn in a moment and we would like to have the
6 honor of having our pictures taken with y'all. So --

7 MR. GREGORCYK: Thank you, Chairman.

8 MR. LEWIS: -- thank you very much. General, any
9 other thing? Okay. We -- we -- do not have any matters for
10 Executive Session and there appears to be no further
11 business to come before the Commission. Is there anything
12 further to come before the Commission? We -- do we have any
13 open comment cards? We do not.

14 Therefore, Mr. Bugg, would you care to make a
15 motion that we adjourn our meeting? And --

16 MR. BUGG: I so move.

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

18 MR. VANDERGRIFF: Second.

19 MR. LEWIS: -- second that motion? We have a
20 motion and a second to adjourn. There will be no
21 discussion, then we'll call for a vote. All in favor, say
22 aye.

23 (Chorus of "Ayes")

24 MR. LEWIS: Any opposed, no.

25 (No audible response.)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

MR. LEWIS: and it is 11:46 and we are in
adjournment and let's get our pictures taken. Thank you.
(Proceedings concluded at 11:46 a.m.)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

C E R T I F I C A T E

I, Kimberly C. McCright, CET, do hereby certify that the foregoing pages 1 through 140, constitute a full, true, and accurate transcript from electronic recording of the Commission Meeting, held at the Ric Williamson Hearing Room, 125 East 11th Street, Austin, Texas, on Thursday, July 30, 2015 at 9:00 a.m. DATED this 14th day of August, 2015.



Kimberly C. McCright, CET