

These are the minutes of the regular meeting of the Texas Transportation Commission held on August 27, 2015, in Austin, Texas. The meeting was called to order at 9:01 a.m. by Chairman Lewis with the following commissioners present:

Texas Transportation Commission:

Tryon D. Lewis	Chairman
Jeff Moseley	Vice Chairman
Victor Vandergriff	Commissioner
J. Bruce Bugg	Commissioner

Commissioner Jeff Austin, III did not attend the meeting.

Administrative Staff:

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

A public notice of this meeting containing all items on the proposed agenda was filed in the Office of the Secretary of State at 4:47 p.m. on August 19, 2015, as required by Government Code, Chapter 551, referred to as "The Open Meetings Act."

ITEM 1. Safety Briefing

This item was presented by Occupational Safety Specialist Sidney Maloy.

ITEM 2. Approval of Minutes of the July 29, 2015, workshop meeting and the July 30, 2015 regular meeting of the Texas Transportation Commission

Vice Chairman Moseley made a motion, which was seconded by Commissioner Vandergriff, and the commission approved the minutes of the July 29, 2015, workshop meeting and the July 30, 2015, regular meeting by a vote of 4 - 0.

ITEM 3. Acknowledgment of Service

a. Recognize by resolution John F. Obr, P.E., Director of the Construction Division, for his 27 years of service to the department

This item was presented by Deputy Executive Director John Barton. The commission congratulated Director Obr. Director Obr spoke to the commission.

b. Recognize by resolution John A. Barton, P.E., Deputy Executive Director, for his 30 years of service to the department

This item was presented by Executive Director Joe Weber. Chief Financial Officer James Bass also presented Deputy Executive Director Barton with resolutions. The commission congratulated Deputy Executive Director Barton. Deputy Executive Director Barton spoke to the commission.

ITEM 4. Grand Parkway Association

Various Counties - Approve appointment of member to the Grand Parkway Association Board of Directors (MO)

Commissioner Vandergriff made a motion, which was seconded by Commissioner Bugg, and the commission approved the following minute order by a vote of 4 - 0. This item was presented by Director of Transportation Planning and Programming James Koch.

114334
TPP

Under Transportation Code, Chapter 431, the Texas Transportation Commission (commission) created the Grand Parkway Association (association), a transportation corporation, which is governed by a Board of Directors (board).

Pursuant to Title 43, Texas Administrative Code (TAC), §15.85, the board nominates members. Currently, nominations are subject to a pending review of the continuing need for the association and potential subsequent determination by the commission that the association should be dissolved within the next nine months.

The commission has determined that the individual listed below fulfills the statutory requirements to serve as a member of the association, subject to a pending review and potential subsequent determination by the commission that the association should be dissolved within nine months.

Victor Pierson

Based upon review and consideration of all relevant information as documented and filed with the commission, as well as the board's recommendation, it appears to the commission that the nominee is fully eligible and qualified to serve as a member of the board in accordance with Transportation Code, Chapter 431, and 43 TAC, Chapter 15, Subchapter H.

IT IS THEREFORE ORDERED by the commission that effective on the date of this order, Victor Pierson is appointed to serve as a member of the board for the Grand Parkway Association, subject to a pending review of the continuing need for the association and potential subsequent determination by the commission that the association should be dissolved within the next nine months.

ITEM 5. Unified Transportation Program (UTP)**Approve the 2016 UTP (MO)**

Commissioner Bugg made a motion, which was seconded by Vice Chairman Moseley, and the commission approved the following minute order by a vote of 4 - 0. This item was presented by Director of Transportation Planning and Programming James Koch.

114335
TPP

Transportation Code, §201.991 provides that the Texas Department of Transportation (department) shall develop a Unified Transportation Program (UTP) covering a period of 10 years to guide the development of and authorize construction of transportation projects. Transportation Code, §201.602 requires the Texas Transportation Commission (commission) to annually conduct a public hearing on its highway project selection process and the relative importance of the various criteria on which the commission bases its project selection decisions. The commission has adopted rules located in Title 43, Texas Administrative Code, Chapter 16, governing the planning and development of transportation projects, which include guidance regarding public involvement related to the project selection process and the development of the UTP. These rules also require the commission to adopt the UTP not later than August 31 of each year.

Transportation Code, §222.034 requires the commission to distribute federal aid transportation funds to various parts of the state for a funding cycle through the selection of highway projects in a manner that is consistent with federal formulas that determine the amount of federal aid the state of Texas receives, unless the commission issues a minute order or ruling identifying the variance and providing a particular justification for the variance.

The department conducted a public meeting across the state via WebEx on July 16, 2015, and a public hearing on August 6, 2015, to receive comments and testimony concerning the development of the 2016 UTP and the project selection process.

The 2016 UTP, which is attached as Exhibit A, authorizes funding for each of the twelve funding categories established by the rules and outlines the various project selection methods and usual funding participation. The 2016 UTP lists the projects that the department intends to develop and let during the 10-year period (with the exception of projects in category 1 – preventative maintenance and rehabilitation), and references for each listed project the funding category to which it is assigned. If a funding category is an allocation program, the listing is for informational purposes only and contains those projects reasonably expected to be selected for development or letting during the applicable period. Projects listed that have been authorized by previous legislative action or prior actions of the commission are still approved and their inclusion in the UTP in no way modifies that prior approval. The remaining funding levels and projects listed for aviation, public transportation, rail, and state waterways and coastal waters are authorized by separate minute orders and this UTP does not supersede those prior actions.

The 2016 UTP also contains an individual evaluation of each federal aid apportionment program, including particular justification for any variance from the federal aid formula and the proposed distribution of the transportation funds through the UTP.

IT IS THEREFORE ORDERED by the commission that the 2016 UTP, including the project selection process, as shown in Exhibit A, is hereby approved and supersedes the previously-approved 2015 UTP for fiscal years 2016-2024.

IT IS FURTHER ORDERED that the information contained in the 2016 UTP shall serve as the commission's identification and justification of variances, as required by Transportation Code, §222.034.

IT IS FURTHER ORDERED that the executive director is hereby authorized to develop the projects listed in the UTP to the level of authority indicated to include any necessary agreements, right of way acquisitions, utility adjustments, and relocation assistance, subject to the policies of the department and all applicable federal and state laws governing the acquisition of real property.

IT IS FURTHER ORDERED that pursuant to Transportation Code, §222.052, the commission may accept financial contributions from political subdivisions of the state for development of projects in the 2016 UTP.

ITEM 6. Advisory Committee Appointment (MO)

Appoint two members to the Aviation Advisory Committee (MO)

Vice Chairman Moseley made a motion, which was seconded by Commissioner Vandergriff, and the commission approved the following minute order by a vote of 4 - 0. This item was presented by Director of Aviation Dave Fulton. Nominee Mr. Jim Schwertner also addressed the commission.

114336
AVN

Transportation Code §21.003, requires the Texas Transportation Commission (commission) to appoint a six-member Aviation Advisory Committee (committee) to advise the commission and the Texas Department of Transportation (department) on aviation matters.

Transportation Code §21.003, further provides that each member of the committee must have five years of successful experience as an aircraft pilot, an aircraft facilities manager or a fixed-base operator.

The department's administrative rules governing advisory committees (Title 43, TAC, §§1.80-1.85) provide that committee members serve three-year terms.

The terms of two members expire on August 31, 2015; therefore, it is necessary for the commission to reappoint one member and appoint a new member for terms to expire on August 31, 2018.

The commission has determined that the individuals listed below fulfill the statutory requirements to serve as members of the committee:

John White
San Antonio, Texas

Jim Schwertner
Austin, Texas

IT IS THEREFORE ORDERED by the commission that the individuals identified above are hereby appointed for three-year terms as members of the Aviation Advisory Committee with terms effective September 1, 2015, and expiring on August 31, 2018.

ITEM 7. Aviation

a. Aviation Capital Improvement Program

Approve the Aviation Capital Improvement Program (MO)

Commissioner Bugg made a motion, which was seconded by Commissioner Vandergriff, and the commission approved the following minute order by a vote of 4 - 0. This item was presented by Director of Aviation Dave Fulton.

114337
AVN

Pursuant to Transportation Code, §§21.108-21.111 and Title 43, Texas Administrative Code, §30.209, the Texas Department of Transportation (department) prepares an Aviation Facilities Development Program identifying the aviation facility requirements, locations, timing, eligibility for funding, and the investment necessary for a statewide system of airports that will provide for the state's air transportation needs.

There continues to be a need for the construction, rehabilitation and upgrading of the state airport system.

As an element of the Aviation Facility Development Program, the department is required to prepare and update a multiyear Aviation Capital Improvement Program (CIP) at least annually. In July 2015, the draft FY 2016-2018 Aviation CIP was submitted to the sponsors of airports included in the Texas airport system for review.

The Texas Aviation Advisory Committee recommended approval of the FY 2016-2018 CIP at its August 2015 meeting.

Comments received have been evaluated and, when appropriate, have been addressed in the CIP.

IT IS THEREFORE ORDERED by the commission that the attached FY 2016-2018 Capital Improvement Program (Exhibit A) is hereby adopted and the executive director is authorized to proceed with the development of the airport facilities included in the Capital Improvement Program.

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

b. Routine Airport Maintenance Program

Approve the Routine Airport Maintenance Program (MO)

Vice Chairman Moseley made a motion, which was seconded by Commissioner Bugg, and the commission approved the following minute order by a vote of 4 - 0. This item was presented by Director of Aviation Dave Fulton.

114338
AVN

The Texas Department of Transportation (department) is authorized under Texas Transportation Code, Chapter 21 and Chapter 22, to assist in the development and maintenance of airports in the state.

The Routine Airport Maintenance Program (RAMP) provides financial assistance for publicly owned or operated general aviation, reliever and non-hub commercial service airports included in the Texas Airport System Plan.

Due to the success of this program, the department requests continuation of the program by providing funds for airport maintenance and small capital improvements on a 50-50 basis up to a maximum of \$50,000 in state funds for Fiscal Year 2016.

A public hearing regarding the funding of RAMP was held on July 31, 2015, and no comments were received.

IT IS THEREFORE ORDERED by the commission that the airports listed in Exhibit A be awarded grants in accordance with RAMP and that the executive director, or the director's designee, is authorized to enter into any necessary grant agreements with the appropriate local government agencies necessary to carry out the directives of this minute order.

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

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

Commissioner Bugg made a motion, which was seconded by Commissioner Vandergriff, and the commission approved the following minute order by a vote of 4 - 0. This item was presented by Director of Aviation Dave Fulton.

114339
AVN

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

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

On Thursday, July 31, 2015 a public hearing was held. No comments were received.

IT IS THEREFORE ORDERED by the commission that the executive director, or the director's designee, is authorized to enter into any necessary agreements to fund, through the Aviation Facilities Grant Program, the projects described in Exhibit A at an estimated cost of \$4,561,270.

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

ITEM 8. Public Transportation**a. Various Counties - Award transportation development credits to the City of Lubbock, El Paso Metropolitan Planning Organization, and VIA Metropolitan Transit (MO)**

Vice Chairman Moseley made a motion, which was seconded by Commissioner Vandergriff, and the commission approved the following minute order by a vote of 4 - 0. This item was presented by Director of Public Transportation Eric Gleason.

114340
PTN

The Texas Transportation Commission (commission) desires to award 408,983 transportation development credits (TDC) to El Paso Metropolitan Planning Organization, the City of Lubbock, and VIA Metropolitan Transit to be used as the local match for federally funded capital projects.

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

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

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

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

IT IS THEREFORE ORDERED by the commission that the executive director or the director's designee is directed to proceed with the awards as shown in Exhibit A and enter into the necessary contracts in accordance with the priorities established in this minute order.

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

b. Galveston County - Award Surface Transportation Program - Metropolitan Mobility funds through the §5311 grant program to the City of Galveston for a transit preventative maintenance project (MO)

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

114341
PTN

The Texas Transportation Commission (commission) desires to award \$500,000 in federal funds under the Federal Transit Administration (FTA) grant program, Formula Grants for Rural Areas (49 U.S.C. §5311), and further acknowledges that federal program regulations require the Texas Department of Transportation

(department) to ensure that grant funds are distributed fairly and equitably within the state.

The Houston-Galveston Area Council has authorized the transfer of \$500,000 in Surface Transportation Program - Metropolitan Mobility funding from the Federal Highway Administration to the FTA grant program, Formula Grants for Rural Areas (49 U.S.C. §5311) for preventative maintenance.

The commission finds that preventative maintenance is eligible for funding and desires to award \$500,000 in §5311 funds to the City of Galveston.

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

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

IT IS THEREFORE ORDERED by the commission that the executive director or the director's designee is directed to submit the necessary state application to the FTA and enter into the necessary contracts with the City of Galveston upon completion of all application requirements.

c. Various Counties - Award transportation development credits for the Alamo Area Commute Solutions program to the Alamo Area Council of Governments, which is funded by the Surface Transportation Program - Metropolitan Mobility

Commissioner Bugg made a motion, which was seconded by Vice Chairman Moseley, and the commission approved the following minute order by a vote of 4 - 0. This item was presented by Director of Public Transportation Eric Gleason.

114342
PTN

The Texas Transportation Commission (commission) desires to award up to 427,000 transportation development credits (TDC) for use through FY 2022 to the Alamo Area Council of Governments (AACOG) to support the Alamo Area Commute Solutions Program as local match for this federally funded project.

The Alamo Area Metropolitan Planning Organization (AAMPO) has requested 427,000 TDC to support the Alamo Area Commute Solutions Program, which will be administered by AACOG.

Transportation Code, Chapter 455 assigns a broad spectrum of public transportation roles and missions to the Texas Department of Transportation. Transportation Code, Chapter 456 authorizes the commission to administer funds appropriated for public transportation.

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

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

IT IS THEREFORE ORDERED by the commission that the executive director or the director's designee is directed to proceed with the award as described above and enter into the necessary contracts in accordance with the priorities established in this minute order.

ITEM 9. Promulgation of Administrative Rules Under Title 43, Texas Administrative Code, and the Administrative Procedure Act, Government Code, Chapter 2001:
Proposed Adoption

a. Chapter 1 - Management

Amendments to §1.82, §§1.85 - 1.87 (Advisory Committees) (MO)

Vice Chairman Moseley made a motion, which was seconded by Commissioner Vandergriff, and the commission approved the following minute order by a vote of 4 - 0. This item was presented by Chief of Staff Rich McMonagle.

114343
OGC

The Texas Transportation Commission (commission) finds it necessary to propose amendments to §1.82, and §§1.85 - 1.87, relating to advisory committees, to be codified under Title 43, Texas Administrative Code, Part 1.

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

IT IS THEREFORE ORDERED by the commission that the amendments to §1.82, and §§1.85 - 1.87 are proposed for adoption and are authorized for publication in the Texas Register for the purpose of receiving public comments.

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

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

b. Chapter 25 - Traffic Operations

Amendments to §25.9 - Naming of Memorial Highways and Historical Routes (General) (MO)

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

114344
TRF

The Texas Transportation Commission (commission) finds it necessary to propose amendments to §25.9, relating to Naming of Memorial Highways and Historical Routes, to be codified under Title 43, Texas Administrative Code, Part 1.

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

IT IS THEREFORE ORDERED by the commission that the amendments to §25.9 are proposed for adoption and are authorized for publication in the Texas Register for the purpose of receiving public comments.

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

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

c. Chapter 25 - Traffic Operations

Amendments to §25.601, §25.602, and new §25.605 (Restrictions on Use of State Highways) (MO)

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

114345
TRF

The Texas Transportation Commission (commission) finds it necessary to propose amendments to §25.601, Purpose, §25.602, Definitions, and new §25.605, Department Initiated Lane Restrictions in Construction or Maintenance Work Zones, relating to Restrictions on Use of State Highways, to be codified under Title 43, Texas Administrative Code, Part 1.

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

IT IS THEREFORE ORDERED by the commission that the amendments to §25.601, §25.602, and new §25.605, are proposed for adoption and are authorized for publication in the Texas Register for the purpose of receiving public comments.

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

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

ITEM 10. Compliance Office
Compliance Office Report

This item was presented by Director of Compliance Kristin Alexander. No action was taken on this item.

ITEM 11. Finance**Adopt the Fiscal Year 2016 Budget (MO)**

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

114346
FIN

The General Appropriations Act of the 84th Legislature, Regular Session, has appropriated funds for the operations of the Texas Department of Transportation (department) for Fiscal Year 2016.

The funds appropriated are necessary to effectively operate the activities of the department in accordance with the guidelines set forth in the General Appropriations Act.

IT IS THEREFORE ORDERED by the Texas Transportation Commission that a cash budget of \$12,005,741,587 be authorized for the operations of the department for Fiscal Year 2016; and the executive director is hereby ordered to administer this cash budget in the most feasible and economical manner within the guidelines prescribed by the 84th Legislature, Regular Session.

IT IS FURTHER ORDERED that the executive director is hereby authorized to make necessary adjustments to spending levels in accordance with the General Appropriations Act or other legislation as may be necessary in the operations of the department.

ITEM 12. Signature Authority**Delegation of contract approval and signature authority (MO)**

Commissioner Vandergriff made a motion, which was seconded by Commissioner Bugg, and the commission approved the following minute order by a vote of 4 - 0. This item was presented by Director of Contract Services Ken Stewart.

114347
CSO

Senate Bill 20, 84th Legislature, 2015, added Government Code, Section 2261.254 to require the Texas Transportation Commission (commission) to approve and the presiding officer of the commission to sign contracts for the purchase of certain goods or services with a value exceeding \$1 million. The legislation further allows the commission to delegate that approval and signature authority to the executive director.

Senate Bill 20 provides an exception for highway construction, engineering services, or maintenance contracts other than emergency contracts, comprehensive development agreements, and design-build contracts.

IT IS THEREFORE ORDERED by the commission that the authority to approve and sign contracts under Government Code, Section 2261.254 is delegated to the executive director.

ITEM 13. Design-Build Contracts

Montgomery and Grimes Counties - Authorize the department to issue a request for proposals for the development, design, construction, and maintenance of the SH 249 Extension, a new location facility from FM 1774 in Pinehurst, Texas to SH 105 near Navasota, Texas, and approve stipulated amounts as payment for the work product of unsuccessful proposers (MO)

Commissioner Vandergriff made a motion, which was seconded by Commissioner Bugg, and the commission approved the following minute order by a vote of 4 - 0. This item was presented by Central/South Texas Strategic Projects Office Director Frank Holzmann. Ms. Amy Nobles and Mr. Chad Nobles also spoke to the commission.

114348
SPD

Subchapter F, Chapter 223, Transportation Code prescribes the process by which the Texas Department of Transportation (department) may enter into a design-build contract with a private entity that provides for the design, construction, expansion, extension, related capital maintenance, rehabilitation, alteration, or repair of a highway project. Pursuant to the General Appropriations Act and House Bill 20, 84th Legislative Session, 2015, the department is authorized to enter into, in each fiscal year, up to three design-build contracts for highway projects with estimated construction costs of \$250 million or more.

On April 14, 2015, the Grimes County Commissioners Court passed a resolution that supports the SH 249 Extension (Project), contingent upon the department providing an additional \$8 to \$10 million for infrastructure, in the form of \$4 million for access roads and an estimated \$4 to \$6 million for an additional exchange.

On April 30, 2015, by Minute Order 114242, the Texas Transportation Commission (commission) authorized the department to issue a request for qualifications (RFQ) for the development, design, construction, and maintenance of the Project in Montgomery and Grimes counties. The SH 249 Extension in Montgomery and Grimes counties provides for the addition of a new location tolled facility from FM 1774 in Pinehurst, Texas to SH 105 near Navasota, Texas.

The department issued the RFQ on May 15, 2015. Seven proposer teams responded to the RFQ. Following the department's evaluation of the qualifications statements, five teams were determined to be best qualified to be on the short list of proposer teams that will be requested to submit detailed proposals to develop, design, construct, and maintain the project.

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

Transportation Code § 223.249(a) and 43 TAC § 9.153(f) require the department to pay an unsuccessful private entity that submits a detailed proposal that is responsive to the requirements of the RFP a stipulated amount in exchange for the work product contained in the proposal. The stipulated amount must be stated in the RFP and

may not exceed the value of any work product contained in the proposal that can, as determined by the department, be used by the department in the performance of its functions. Payment for this work product would allow the department to use the work product for the benefit of the SH 249 Extension or other department projects without further payment to the unsuccessful proposer. Transportation Code § 223.249(b) and 43 TAC § 9.153(f) require the department to pay a partial stipend in the event that a procurement is terminated before the execution of a design-build contract.

IT IS THEREFORE ORDERED that the department is authorized to issue an RFP to develop, design, construct, and maintain the SH 249 Extension from FM 1774 in Pinehurst, Texas to SH 105 near Navasota Texas.

IT IS FURTHER ORDERED that, after consideration of the criteria in 43 TAC § 9.153(f), the department is authorized to pay each proposer that submits a responsive, but unsuccessful, proposal for the SH 249 Extension an amount based upon the value of the work product provided in the proposal that can, as determined by the department, be used by the department in the performance of its functions, up to a maximum amount per proposer of 0.25% of the successful proposer's price for all work under the design-build agreement.

IT IS FURTHER ORDERED that in the event the procurement is terminated prior to the execution of the design-build agreement, and after consideration of the criteria in 43 TAC § 9.153(f), the department is authorized to pay each proposer a partial stipend based upon the value of the work product that can, as determined by the department, be used by the department in the performance of its functions, up to a maximum amount per proposer of \$359,000.

IT IS FURTHER ORDERED that payment for work product may only be paid to the extent that the work product submitted meets the minimum criteria and the proposer satisfies the conditions for payment identified by the department in the SH 249 Extension procurement documents.

ITEM 14. Contracts

Award or reject contracts for maintenance, highway and building construction

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

Commissioner Bugg made a motion, which was seconded by Vice Chairman Moseley, and the commission approved the following minute order by a vote of 4 - 0. This item was presented by Deputy Director of Construction Darren Hazlett.

114349
MNT

Pursuant to Transportation Code, Chapter 223, Subchapter A, and Title 43, Texas Administrative Code, Chapter 9, Subchapter B, the Texas Department of Transportation (department) solicited and received sealed competitive bid proposals for maintenance of the State Highway System, which were publicly opened and read on August 4 and 5, 2015, as shown on Exhibit A.

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

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

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

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

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

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

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

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

Vice Chairman Moseley made a motion, which was seconded by Commissioner Vandergriff, and the commission approved the following minute order by a vote of 4 - 0. This item was presented by Deputy Director of Construction Darren Hazlett.

114350
CST

Pursuant to Transportation Code, Chapter 223, Subchapter A, and Title 43, Texas Administrative Code, Chapter 9, Subchapter B, the Texas Department of Transportation (department) solicited and received sealed competitive bid proposals for improvement of the State Highway System, which were publicly opened and read on August 4 and 5, 2015, as shown on Exhibit A.

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

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

The department recommends that the Texas Transportation Commission (commission) respectively award to the lowest bidder or reject, as indicated, those

highway and transportation enhancement building construction contracts identified on attached Exhibit A to this order.

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

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

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

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

ITEM 15. Eminent Domain Proceedings

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

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

114351
ROW

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

As provided for by Transportation Code, Chapter 203, Subchapter D, including Sections 203.051, 203.052, and 203.054, the commission finds and determines that each of the parcels of land listed below, and more particularly described in the attached Exhibits (parcels), are necessary or convenient as a part of the highway system to be

constructed, reconstructed, maintained, widened, straightened, or extended (constructed or improved) and it is necessary to acquire fee simple title in the parcels or such lesser property interests as set forth in the attached Exhibits.

The commission finds and determines that the highway facilities to be constructed or improved on the parcels identified and listed below under "CONTROLLED ACCESS" are designated as a Controlled-Access Highway in accordance with Transportation Code, Section 203.031; and where there is adjoining real property remaining after acquisition of a parcel, the roads are to be constructed or improved as a part of the highway facility with the right of ingress and egress to or from the remaining real property adjoining the highway facility to be permitted or denied, as designated and set forth on each of the attached Exhibits A - G. Where there is adjoining real property remaining after acquisition of a parcel with respect to the highway facilities to be constructed or improved on the parcels identified as listed below under "NON-CONTROLLED ACCESS," roads are to be constructed or improved as a part of the highway facility with the right of ingress and egress to or from the remaining real property adjoining the highway facility to be permitted or denied, as designated and set forth on each of the attached Exhibits 1 - 33, in accordance with Transportation Code, Sections 203.002 and 203.003.

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

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

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

NON-CONTROLLED ACCESS

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Bexar	FM 1516	33	1477-01-041	1
Burleson	FM 60	1	0648-03-063	44
Burleson	FM 60	3	0648-03-063	46
Burleson	FM 60	4	0648-03-063	45
Cameron	FM 803	17	1138-02-016	2M
Collin	US 75	12	0047-14-072	60
Collin	US 75	20	0047-14-072	13A
Collin	FM 546	13	1013-01-031	9
Collin	FM 546	14	1013-01-031	15
Collin	FM 546	26	1013-01-031	10

NON-CONTROLLED ACCESS (continued)

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Collin	FM 546	27	1013-01-031	7, 7E
Collin	FM 546	28	1013-01-031	12, 12E
Collin	FM 546	29	1013-01-031	5, 5E
Collin	FM 546	30	1013-01-031	8
Collin	FM 546	31	1013-01-031	11
Collin	FM 2514	5	2679-02-009	20
Collin	FM 2514	6	2679-02-009	9
Collin	FM 2514	11	2679-02-009	11
Collin	FM 2514	16	2679-02-009	52
Collin	FM 2514	25	2679-02-009	27
Collin	FM 2514	19	2679-02-009	28
Fort Bend	FM 2234	2	2105-01-036	29
Fort Bend	FM 2234	8	2105-01-036	17
Fort Bend	FM 2234	9	2105-01-036	32
Fort Bend	FM 2234	10	2105-01-036	14
Harris	US 290	7	0050-06-077	1004A
Harris	Hempstead Hwy	32	8170-12-002	15TCE
Hidalgo	US 83	21	0039-17-161	28
Hidalgo	US 83	22	0039-17-161	32
Hidalgo	US 83	23	0039-17-161	22
Hidalgo	US 83	24	0039-17-161	27
Hidalgo	US 83	18	0039-17-161	24
Mills	FM 45	15	0480-07-011	13

CONTROLLED ACCESS

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Harris	IH 45	F	0500-03-566	5
Harris	IH 45	G	0500-03-579	1
McLennan	IH 35	A	0015-01-234	246
McLennan	IH 35	B	0015-01-234	79
McLennan	IH 35	C	0015-01-234	105
McLennan	IH 35	D	0015-01-234	200, 200AC
McLennan	IH 35	E	0015-01-234	192

Note: Exhibits A - G and 1 - 33 are on file with the commission chief clerk.

ITEM 16. Routine Minute Orders

Commissioner Vandergriff made a motion, which was seconded by Vice Chairman Moseley, and the commission approved the following minute orders by a vote of 4 - 0. This item was presented by Executive Director General Joe Weber.

a. Donations to the Department

Various Districts - Consider the acceptance of donations made to the department to include: (a) donations in any form, including realty, personalty, money, materials, or services, which are made to the department for the purpose of carrying out its functions and duties; and (b) donations from landowners, with land adjacent to a highway that is part of the state highway system, to construct an improvement on the highway right-of-way that is directly related to improving access to or from the owner's land (See attached itemized list) (MO)

114352
CSO

Transportation Code, §201.206, authorizes the Texas Department of Transportation (department) to accept a donation in any form, including realty, personalty, money, materials, and services, for the purpose of carrying out its functions and duties. Government Code, Chapter 575, requires the governing board of a state agency to acknowledge the acceptance of a donation valued at \$500 or more by majority vote at an open meeting, not later than the 90th day after the date the donation is accepted. It also prohibits a state agency from accepting a donation from a person who is a party to a contested case before the agency until the 30th day after the date the decision in the case becomes final.

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

The Texas Transportation Commission (commission) has adopted 43 TAC §§1.500-1.506, which relate to the department's acceptance of donations. Section 1.503 authorizes the executive director to approve acceptance of donations to the department and requires that donations valued at \$500 or more must be acknowledged by order of the commission not later than the 90th day after the date the donation is accepted by the department. It further prohibits acceptance of a gift or donation when the donor is subject to department regulation or oversight or when the donor is interested in or likely to become interested in any contract, purchase, payment, or claim with or against the department, except as provided by that section. It also provides that the executive director may approve the acceptance of a donation, notwithstanding the foregoing proscriptions in the rules, if the executive director determines that acceptance would provide a significant public benefit and would not influence or reasonably appear to influence the department in the performance of its duties.

The executive director found that the donations identified on the attached Exhibit A were in compliance with the provisions of 43 TAC §§1.500-1.506, Government Code, Chapter 575, Transportation Code, §201.206, and Transportation Code, §223.049.

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

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

b. Real Estate Donations

Various Districts - Consider for acknowledgement of the acquisition by gift/donation of required right of way accepted by the department for purposes of constructing, maintaining, widening, straightening, or extending the state highway system. (See attached itemized list) (MO)

114353
ROW

The Texas Department of Transportation (department) is acquiring the right of way for highway improvement projects by donations.

This minute order considers acknowledgement of acceptance of donations of real property to the State of Texas by the department. The department has determined that acceptance of these donations is in the best interest and welfare of the traveling public and will provide a significant public benefit.

Transportation Code, §201.206, authorizes the department to accept a donation in any form, including realty, personalty, money, materials, and services, for the purpose of carrying out its functions and duties. Government Code, Chapter 575, requires the governing board of a state agency to acknowledge the acceptance of a donation valued at \$500 or more by majority vote at an open meeting, not later than the 90th day after the date the donation is accepted. It also prohibits a state agency from accepting a donation from a person who is a party to a contested case before the agency until the 30th day after the date the decision in the case becomes final.

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The executive director found that the donations identified on the attached Exhibit A were in compliance with the provisions of 43 TAC §§1.500-1.506, Government Code, Chapter 575, Transportation Code, §201.206, §223.049, and §224.001. The donation agreement has been executed and accepted by the department under Title 43, Texas Administrative Code, §1.504.

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

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

c. Real Estate Dispositions

(1) Denton County - FM 3040, south side, west of Valley Parkway in Lewisville - Consider the sale of a drainage easement (MO)

114354
ROW

In the city of Lewisville, DENTON COUNTY, on FARM TO MARKET ROAD 3040, the state of Texas acquired an easement interest for highway drainage purposes by instrument recorded in Volume 630, Page 373, Deed Records of Denton County, Texas.

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

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

Hawkeye Realty West Lewisville, L.P., a Texas limited partnership; Payne-Johnston Management, Inc., a Texas corporation; The Payne Family Partnership, Ltd., a Texas limited partnership; David Lee Johnston, Trustee of the David L. Johnston Family Trust #1 U/A dated the 30th day of December, 1992 and the David L. Johnston Family Trust #2 U/A dated the 30th day of December, 1992; Douglas Alan Johnston, Trustee of the Douglas A. Johnston Family Trust #1 U/A dated the 30th day of December, 1992 and the Douglas A. Johnston Family Trust #2 U/A dated the 30th day of December 1992; and Laura Ann Johnston, Trustee of the Laura A. Johnston Family Trust #1 U/A dated the 30th day of December, 1992 and the Laura A. Johnston Family Trust #2 U/A dated the 30th day of December, 1992; are the owners of the fee in the property and have requested to purchase Tract 1E for \$81,675.

The commission finds \$81,675 to be a fair and reasonable value for the state's right and interest in Tract 1E.

IT IS THEREFORE ORDERED by the commission that Tract 1E is no longer needed for a state highway purpose. The commission recommends, subject to approval of the attorney general, that the governor of Texas execute a proper instrument releasing all of the state's right and interest in Tract 1E to Hawkeye Realty West Lewisville, L.P., a Texas limited partnership; Payne-Johnston Management, Inc., a Texas corporation; The Payne Family Partnership, Ltd., a Texas limited partnership; David Lee Johnston, Trustee of the David L. Johnston Family Trust #1 U/A dated the 30th day of December, 1992 and the David L. Johnston Family Trust #2 U/A dated the 30th day of December, 1992; Douglas Alan Johnston, Trustee of the Douglas A. Johnston Family Trust #1 U/A dated the 30th day of December, 1992 and the Douglas A. Johnston Family Trust #2 U/A dated the 30th day of December 1992; and Laura Ann Johnston, Trustee of the Laura A. Johnston Family Trust #1 U/A dated the 30th day of December, 1992 and the Laura A. Johnston Family Trust #2 U/A dated the 30th day of December, 1992, for \$81,675.

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

(2) **Hardeman County** - SH 6, east side, old alignment at Nelson Street in Quanah - Consider the quitclaim of right of way to the county (MO)

114355
ROW

In the city of Quanah, HARDEMAN COUNTY, on STATE HIGHWAY 6, the state of Texas used certain land for highway purposes which was acquired in the name of the county.

Portions of the land (Tracts 1 and 2), described in Exhibit A, are no longer needed for a state highway purpose.

In accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (commission) may recommend the quitclaim to a county or municipality any interest in property acquired and held by the county or municipality in its own name for use by the state.

It is the opinion of the commission that it is proper and correct that the state quitclaim its right and interest in Tracts 1 and 2 to the county.

IT IS THEREFORE ORDERED by the commission that Tracts 1 and 2 are no longer needed for a state highway purpose. The commission recommends, subject to approval by the attorney general, that the governor of Texas execute a proper instrument quitclaiming the state's right and interest in Tracts 1 and 2 to Hardeman County, Texas.

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

(3) **Lubbock County** - US 82 at 3rd Street in Lubbock - Consider the sale of former railroad right of way to the city of Lubbock (MO)

114356
ROW

In the city of Lubbock, LUBBOCK COUNTY, on US 82, the state of Texas acquired certain land for highway purposes by instrument recorded in Volume 6729, Page 1, Real Property Records, Lubbock County, Texas.

A portion of the land (Tract 2RR), described in Exhibit A, is no longer needed for highway purposes.

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

The city of Lubbock has requested to purchase Tract 2RR for \$132,843.

The commission finds \$132,843 to be a fair and reasonable value for the state's right, title, and interest in Tract 2RR.

IT IS THEREFORE ORDERED by the commission that Tract 2RR is no longer needed for a state highway purpose. The commission recommends, subject to approval by the attorney general, that the governor of Texas execute a proper instrument conveying all of the state's right, title, and interest in

Tract 2RR to the city of Lubbock, Texas, for \$132,843; SAVE AND EXCEPT, however, there is excepted and reserved herefrom all of the state's rights, titles, and interests, if any, in and to all of the oil, gas, sulphur, and other minerals, of every kind and character, in, on, under, and that may be produced from the land.

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

(4) McLennan County - FM 1695 in Hewitt - Consider the transfer of right of way to the city of Hewitt (MO)

114357
ROW

In the city of Hewitt, McLENNAN COUNTY, on FARM TO MARKET ROAD1695, the state of Texas acquired certain land for highway purposes by instrument recorded as Instrument No. 2015018275, Official Public Records of McLennan County, Texas.

The land (tracts), described in Exhibit A, is no longer needed for state highway purposes.

In accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (commission) may recommend the transfer of highway right of way to a governmental entity that will assume jurisdiction, control, and maintenance of the right of way for public road purposes.

The city of Hewitt will assume jurisdiction, control, and maintenance of the tracts for public road purposes and has requested that the tracts be transferred to the city.

IT IS THEREFORE ORDERED by the commission that the tracts are no longer needed for a state highway purpose. The commission recommends, subject to approval by the attorney general, that the governor of Texas execute a proper instrument transferring all of the state's right, title, and interest in the tracts to the city of Hewitt, Texas.

IT IS FURTHER ORDERED that if the tracts cease to be used for public road purposes, the land shall immediately and automatically revert to the state.

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

(5) Panola County - SH 315 at West Holland Street in Carthage - Consider the sale of a drainage easement to Panola College (MO)

114358
ROW

In the city of Carthage, PANOLA COUNTY, on STATE HIGHWAY 315, the state of Texas acquired an easement interest for highway drainage purposes by instrument recorded in Volume 444, Page 307, Deed Records of Panola County, Texas.

The easement (Tract 21E), shown on Exhibit A, is no longer needed for a state highway purpose.

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

Panola College is the owner of the fee in the property and has requested to purchase Tract 21E for \$6,322.

The commission finds \$6,322 to be a fair and reasonable value for the state's right and interest in Tract 21E.

IT IS THEREFORE ORDERED by the commission that Tract 21E is no longer needed for a state highway purpose and that the value is less than \$10,000. The commission authorizes the executive director to execute a proper instrument releasing all of the state's right and interest in Tract 21E to Panola College for \$6,322.

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

d. Finance**Travis and Williamson Counties - Approval of the Central Texas Turnpike System (CTTS) annual operating, maintenance and capital budgets (MO)**114359
TOD

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

In TRAVIS AND WILLIAMSON COUNTIES, pursuant to Minute Order 108873, dated April 25, 2002, STATE HIGHWAY 130 has been designated as a toll project and a controlled access state highway from I-35 North of Georgetown to the intersection of US 183 and SH 130 at SH 45 Southeast.

In TRAVIS AND WILLIAMSON COUNTIES, pursuant to Minute Order 108896, dated May 30, 2002, STATE HIGHWAY 45 NORTH has been designated as a toll project and a controlled access state highway from west of US 183 to SH 130 / SH45 North interchange.

In TRAVIS AND WILLIAMSON COUNTIES, pursuant to Minute Order 108896, dated May 30, 2002, LOOP 1 has been designated as a toll project and a controlled access state highway from the intersection of existing Loop 1 and FM 734 (Parmer Lane) in Austin to the Loop 1 / SH 45 North interchange.

In TRAVIS COUNTY, pursuant to Minute Order 113243, dated August 30, 2012, STATE HIGHWAY 45 SOUTHEAST has been designated as a turnpike project and a controlled access state highway from I-35 at FM 1327 south of Austin to the SH 130 / US 183 interchange.

In 2002 the commission issued \$2,199,993,782 in obligations to finance a portion of the costs of the Central Texas Turnpike System (system), a toll project composed initially of the SH 130, SH 45, and Loop 1 project elements (2002 Project), pursuant to an Indenture of Trust, dated July 15, 2002 (indenture), and four supplemental indentures. The indenture prescribes the terms, provisions and covenants related to the issuance of toll revenue bonds and obligations to finance a portion of the costs of the 2002 Project. Subsequent bond refundings occurred in 2009, 2012 and 2015, pursuant to the indenture and supplemental indentures. The 2015 bond refinancing significantly reduced the long term interest expense of the project. Pursuant to Section 702 of the indenture, the commission has covenanted that on or before August 31 in each fiscal year, it will adopt an annual operating, maintenance and capital budget for the system for the ensuing fiscal year and provide copies of such budgets to the Trustee and the U.S. Department of Transportation.

The Texas Department of Transportation has completed these budgets including SH 45 North, Loop 1, SH 130 and SH 45 Southeast and they are attached as Exhibit A. In accordance with Section 702 of the indenture, the budgets were provided to the general engineering consultant for review and comment prior to adoption by the commission.

IT IS THEREFORE ORDERED by the commission that the annual operating, maintenance and capital budgets for the system are adopted for FY 2016.

IT IS FURTHER ORDERED that the executive director is hereby authorized to make necessary adjustments to spending levels in accordance with the indenture as may be necessary in the operations of the system.

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

e. Debt Management

(1) Annual review and approval of the investment policy and investment strategies applicable to all funds of the commission not otherwise required to be invested by the comptroller (MO)

114360
DMO

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

Government Code §2256.005 requires the commission to adopt a written investment policy regarding the investment of its funds and funds under its control, including a separate written investment strategy for each of the funds or group of funds.

In Minute Order 108970, dated July 25, 2002, the commission approved and adopted a written investment policy applicable to funds of the commission relating to the Central Texas Turnpike System held by Bank One, N.A., (in such capacity with its successors, currently Bank of New York Mellon), as Trustee under the Indenture of Trust dated July 15, 2002, between the commission and the trustee.

Government Code §2256.005(e) and Section 17.0 of the investment policy require the commission to review the investment policy and investment strategy on an annual basis, and to approve by order any modifications to the investment policy and investment strategy. The investment policy and investment strategies of the commission have been reviewed and revised annually by minute order since 2003, to update the investment policy and strategies and to make them applicable to all funds under the control of the commission and not otherwise required to be invested by the Comptroller of Public Accounts (comptroller).

The investment policy and investment strategies are attached as Exhibit A.1 - A.5.

IT IS THEREFORE ORDERED by the commission that the investment policy and investment strategies applicable to all funds of the commission not otherwise required to be invested by the comptroller, attached as Exhibit A.1 - A.5, have been reviewed and are hereby approved in accordance with Government Code §2256.005(e) and Section 17.0 of the investment policy.

Note: Exhibit A.1 - A.5 is on file with the commission chief clerk.

(2) Annual review of debt management policy and derivative management policy for financing programs of the department (MO)

114361
DMO

Pursuant to various provisions of Texas law, the Texas Transportation Commission (commission) is authorized to issue and incur obligations for transportation and other projects.

To ensure that all financings undertaken by the commission and/or the Texas Department of Transportation (department) are effected in accordance with the highest standards of industry, law, and government practice, and to confirm the intent of the commission and the department to adhere to sound financial management practices, the commission initially reviewed and adopted a Debt Management Policy through Minute Order 110656 on August 24, 2006. The policy requires an annual review and, if necessary, amendment. The amended policy is attached hereto as Exhibit A for consideration.

The Debt Management Policy establishes parameters within which to administer the commission's financing programs, and such parameters focus on acceptable levels of risk, minimizing interest costs, optimizing future flexibility, and achieving and maintaining the best possible credit ratings.

Pursuant to Chapter 1371, Texas Government Code, and other applicable Texas law, the commission is authorized to execute credit agreements including interest rate swap and other similar agreements.

To establish responsibilities, objectives, and guidelines for the use of interest rate swap and other similar products in order to efficiently and prudently manage the commission's asset/liability profile for each financing program the commission initially reviewed and adopted a Derivative Management Policy, also pursuant to Minute Order 110656 on August 24, 2006. The policy also requires annual review and, if necessary, amendment. The amended policy is attached hereto as Exhibit B for consideration.

IT IS THEREFORE ORDERED by the commission that the Debt Management Policy and Derivative Management Policy have been reviewed and are hereby approved.

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

f. Speed Zones

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

114362
TRF

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

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

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

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

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

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

IT IS THEREFORE ORDERED by the commission that the reasonable and safe prima facie maximum speed limits determined in accordance with the department's "Procedures for Establishing Speed Zones" and shown on the attached Exhibits A and B are declared as tabulated in those Exhibits. The executive director is directed to implement this order for control and enforcement purposes by the erection of appropriate signs showing the prima facie maximum speed limits.

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

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

ITEM 17. Executive Session Pursuant to Government Code, Chapter 551

a. Section 551.071 - Consultation with and advice from legal counsel regarding any item on this agenda, pending or contemplated litigation, or other legal matters.

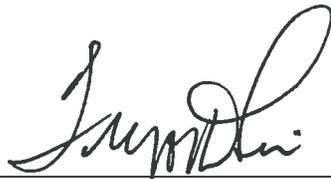
The commission did not meet in executive session.

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

The commission received no further comments.

Vice Chairman Moseley motioned adjournment and Commissioner Vandergriff seconded the motion. The commission voted 4 - 0 to adjourn. The regular meeting of the Texas Transportation Commission was adjourned at 11:19 a.m.

APPROVED:



Tryon D. Lewis, Chairman
Texas Transportation Commission

I hereby certify that the above and foregoing pages constitute the full, true, and correct record of all proceedings and official records of the Texas Transportation Commission at its regular meeting on August 27, 2015, in Austin, Texas.



Robin Carter, Commission Chief Clerk
Texas Department of Transportation