

These are the minutes of the regular meeting of the Texas Transportation Commission held on January 28, 2016, in Austin, Texas. The meeting was called to order at 9:03 a.m. by Chairman Lewis with the following commissioners present:

Texas Transportation Commission:

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

Administrative Staff:

James Bass, 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 3:43 p.m. on January 28, 2016, 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 Randy Clawson.

ITEM 2. Approval of Minutes of the December 3, and December 16, 2015, special meetings, and the December 17, 2015, regular meeting of the Texas Transportation Commission

Commissioner Vandergriff made a motion, which was seconded by Commissioner Bugg, and the commission approved the minutes of the December 3, and December 16, 2015, special meetings, and the December 17, 2015, regular meeting by a vote of 5 - 0.

ITEM 3. Discussion Item

2016 Unified Transportation Program (UTP) February Updates (Presentation)

This item was presented by Transportation Planning and Programming Division Director James Koch. Chairman Lewis recognized Senator Juan "Chuy" Hinojosa who spoke to the commission and also introduced Cameron County Judge Pete Sepulveda, Bobby Villarreal from the Hidalgo County Judge's office, Ramon Garcia, McAllen International Bridge, Anzalduas Bridge, Supervisor Rigo Villarreal, El Paso Bridge Director Mathew McElroy, Jesse Hereford from the Border Trade Alliance, David Guerra and Gerry Scheukel from IBC Bank, Ryan Rapolye from the City of Del Rio, and City of McAllen Mayor Jim Darling. Chairman Lewis also recognized various other elected officials who spoke to and thanked the commission including Senator Don

Huffines, Senator Kirk Watson, Hays County Commissioner Will Conley, City of Houston Mayor Sylvester Turner, State Representative Charlie Geren, Brazoria County Judge Matt Sebesta, City of Fort Worth Mayor Betsy Price, Tarrant County Judge Glen Whitley, Dallas County Judge Clay Jenkins, City of Dallas Councilman Lee Kleinman, Houston-Galveston Area Council Director of Transportation Planning Alan Clark, Bexar County Judge Nelson Wolff, Senator John Cornyn's Legislative Assistant Landon Hairgrove, Border Trade Alliance Immediate Past Chairman Jesse Hereford, and City of San Antonio Councilman Ray Lopez. Private citizen and mechanical engineer Don Dixon also spoke. Chairman Lewis recognized Congressman Henry Cuellar, who did not speak before the commission.

The commission took a short recess from 10:45a.m. to 11:05 a.m.

ITEM 4. Border Trade Advisory Committee
Appoint members to the Border Trade Advisory Committee (MO)

Vice Chairman Moseley made a motion, which was seconded by Commissioner Austin, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Director of Transportation Planning and Programming James Koch.

114464
 TPP

Transportation Code, Section 201.114(b), requires the Texas Transportation Commission (commission) to appoint members to the Border Trade Advisory Committee (committee) to assist the commission in defining and developing a strategy and making recommendations for addressing the highest priority border trade transportation challenges.

The Texas Department of Transportation's administrative rules governing advisory committees, Title 43, Texas Administrative Code, Section 1.84, provide that the committee members serve staggered three-year terms expiring on August 31 of each year. The commission may establish terms of less than three years for some members in order to stagger terms.

The commission has determined that the individuals or positions listed below fulfill the statutory requirements to serve as members of the committee and shall serve the term specified:

- Terms expiring August 31, 2018
- The Honorable Veronica Escobar, El Paso County Judge, or designee
- The Honorable Ramsey English Cantu, Mayor, City of Eagle Pass
- The Honorable Oscar Leeser, Mayor, City of El Paso
- Robert Harrison, University of Texas, Center for Transportation Research
- Rafael Aldrete, Center for Intelligent Transportation Research, Texas Transportation Institute
- Gerardo (Gerry) Schwebel, International Bank of Commerce
- John B. Love III, Permian Basin Metropolitan Planning Organization
- Josue Garcia, Jr., Donna International Bridge

German Rico, Port of San Antonio
 John D. Esparza, Texas Trucking Association
 Julian Alvarez, Border Trade Alliance
 Paul A. Cristina, BNSF
 Art Dominguez, Kansas City Southern Railroad

IT IS THEREFORE ORDERED by the commission that the individuals or positions named above are appointed to the Border Trade Advisory Committee for the terms specified.

ITEM 5. Texas Freight Mobility Plan

Adopt the Texas Freight Mobility Plan (MO)

Commissioner Vandergriff made a motion, which was seconded by Commissioner Bugg, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Interim Director, Freight and International Trade Section Caroline Mays. Interim Deputy Executive Director Marc Williams also addressed the commission on this item. Dallas County Judge Clay Jenkins, NCTCOG and Regional Transportation Council Director of Transportation Michael Morris, Gulf Coast Rail District Executive Director Maureen Crocker, and citizen and engineer Don Dixon also spoke.

114465
 TPP

Section 1118 of the Moving Ahead for Progress in the 21st Century Act (MAP-21) directs the Secretary of Transportation to encourage each state to develop a comprehensive plan for immediate and long-range freight transportation needs. In response to the requirements of MAP-21, the Texas Department of Transportation (department) has developed the first comprehensive statewide multimodal Texas Freight Mobility Plan (TFMP).

The TFMP, which is attached as Exhibit A, has been developed with regular input and continuous review by the Texas Freight Advisory Committee, established in January of 2013 to advise and facilitate effective planning for freight transportation. The TFMP highlights freight mobility challenges and outlines statewide goals and objectives to improve the movement of goods. It evaluates the impact of freight movement on the Texas economy and identifies freight transportation facilities and investments critical to economic growth. The TFMP also defines freight policies, programs and projects and serves as an investment guide for freight transportation projects and improvements.

After a robust stakeholder engagement process which included multiple listening sessions across the state in 2013 and 2014, consultation with metropolitan planning organizations, and extensive input from the department's districts, divisions and offices, a draft plan was developed. The department's outreach efforts concluded with a 30-day public comment period from October 9, 2015 through November 9, 2015 whereby the draft plan was revised to include public feedback.

The final TFMP will be fully implemented and integrated into the department’s overall planning efforts to ensure the safe, reliable and efficient transportation of goods to support economic growth and global competitiveness.

IT IS THEREFORE ORDERED by the Texas Transportation Commission that the TFMP, which is attached as Exhibit A, is hereby adopted.

IT IS FURTHER ORDERED that the executive director, or his designee, submit the TFMP to the Federal Highway Administration for review for compliance with MAP-21 requirements.

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

ITEM 6. Toll Operations

a. Travis and Williamson Counties - Establish temporary toll rate tables on SH 130, Segments 1-4 and SH 45 Southeast to charge the two-axle rate for all vehicles during morning and afternoon peak periods, regardless of classification (MO)

Deferred

This item was not considered by the commission.

b. Authorize the department to enter into an agreement with other governmental entities related to the interoperability of toll collection systems (MO)

Commissioner Austin made a motion, which was seconded by Vice Chairman Moseley, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Toll Operations Division Director Rick Nelson.

114466
TPP

Pursuant to Transportation Code, §228.003, the Texas Department of Transportation (department) may, with the approval of the Texas Transportation Commission (commission), enter into an agreement with another governmental agency or entity to independently or jointly provide services, to study the feasibility of a toll project, or to finance, construct, operate, and maintain a toll project. The department must obtain the approval of the governor to enter into an agreement with an agency of another state.

The Moving Ahead for Progress in the 21st Century Act (MAP-21) requires that all toll facilities on federal-aid highways implement technologies or business practices that provide for the interoperability of electronic toll collection programs.

“Interoperability” means that all transponders can be read on all facilities and all facilities can read all transponders to provide a seamless process to all patrons on all facilities.

The department, the North Texas Tollway Authority (NTTA), Harris County, the Central Texas Regional Mobility Authority (CTRMA), the Fort Bend Grand Parkway Toll Road Authority (GPTRA), the Kansas Turnpike Authority (KTA) and the Oklahoma Turnpike Authority (OTA) have negotiated an agreement to ensure the interoperability of toll collection systems on turnpikes, toll roads, managed lanes, toll bridges and other tolled facilities which they manage, own or operate. The agreement will supersede and replace prior agreements related to interoperability between the department, NTTA, Harris County, CTRMA and GPTRA.

The services to be performed under the agreement include the formation and operation of an Interoperability Committee, as well as collaboration and coordination of efforts to promote and achieve interoperability. The agreement allows for the use of a data-transfer and communications architecture that processes and distributes shared interoperable information and provides for the sharing of costs associated with software maintenance and upgrades and hardware and database maintenance services. The agreement sets forth a basic fee schedule to compensate each party for processing toll transactions. The agreement also allows for the entry of additional toll entities, subject to certain conditions and approval by the Interoperability Committee.

The Interoperability Committee is a body consisting of one representative from each of the Providers and one representative from each of the Subscribers. "Provider" means a party that maintains a minimum of 200,000 active customer transponder accounts for the electronic collection of tolls. "Subscriber" means a party that does not maintain a minimum of 200,000 active customer transponder accounts.

The department, NTTA, Harris County, KTA and OTA are the current Providers. Alamo Regional Mobility Authority, Brazoria County Toll Road Authority, Cameron County Regional Mobility Authority, Camino Real Regional Mobility Authority, CTRMA, Chambers County Toll Road Authority, Collin County Toll Road Authority, Fort Bend Grand Parkway Toll Road Authority, Montgomery County Toll Road Authority, North East Texas Regional Mobility Authority, Hidalgo County Regional Mobility Authority, Waller County Toll Road Authority, and Webb County – City of Laredo Regional Mobility Authority are the current Subscribers.

IT IS THEREFORE ORDERED by the commission that the executive director of the department is hereby authorized to enter into an agreement with NTTA, Harris County, CTRMA, GPTRA, KTA, OTA and, potentially, other toll entities across the United States, to ensure the interoperability of electronic toll collection programs, as described above, contingent upon approval by the governor.

ITEM 7. Aviation

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

Commissioner Austin made a motion, which was seconded by Vice Chairman Moseley, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Director of Aviation Dave Fulton. Airport Concerned Citizens group members Hugh Norris, Wendy Dew, and John Milford spoke to the commission. In addition, City of Georgetown Assistant City Manager Jim Briggs also addressed the commission.

114467
AVN

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

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

On Friday, December 18, 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 \$8,723,460.

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

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

a. Final Adoption

(1) Chapter 9 - Contract and Grant Management

Amendments to §9.81, Definitions, §9.83, Notice and Letter of Interest, §9.85, Evaluation, §9.87, Selection, and §9.89, Qualification Requirements for Appraisers (Contracts for Scientific, Real Estate Appraisal, Right of Way Acquisition, and Landscape Architectural Services) (MO)

Commissioner Bugg made a motion, which was seconded by Commissioner Vandergriff, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Interim Right of Way Division Director Gus Cannon.

114468
ROW

The Texas Transportation Commission (commission) finds it necessary to adopt amendments to §§9.81, 9.83, 9.85, 9.87, and 9.89, relating to Contracts for Scientific, Real Estate Appraisal, Right of Way Acquisition, and Landscape Architectural Services, to be codified under Title 43, Texas Administrative Code, Part 1.

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

IT IS THEREFORE ORDERED by the commission that the amendments to §§9.81, 9.83, 9.85, 9.87 and 9.89 are adopted and are authorized for filing with the Office of Secretary of State.

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

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

(2) Chapter 30 - Aviation**New §§30.501-30.503 (Meteorological Evaluation Towers) (MO)**

Commissioner Vandergriff made a motion, which was seconded by Vice Chairman Moseley, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Aviation Division Director Dave Fulton.

114469
AVN

The Texas Transportation Commission (commission) finds it necessary to adopt new §§30.501-30.503, Meteorological Evaluation Towers, relating to Aviation, to be codified under Title 43, Texas Administrative Code, Part 1.

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

IT IS THEREFORE ORDERED by the commission that the new §§30.501-30.503 are adopted and are authorized for filing with the Office of Secretary of State.

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

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

b. Proposed Adoption**Chapter 9 - Contract and Grant Management****Amendments to §9.102, §9.107, §9.111, §9.113, and §9.114 (Highway Improvement Contract Sanctions) (MO)**

Vice Chairman Moseley made a motion, which was seconded by Commissioner Austin, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Construction Division Director Tracy Cain.

114470
CST

The Texas Transportation Commission (commission) finds it necessary to propose amendments to §9.102, §9.107, §9.111, §9.113, and §9.114, relating to Highway Improvement Contract Sanctions, 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 §9.102, §9.107, §9.111, §9.113, and §9.114 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 9. Financial Assistance for Projects

a. Accept the Quarterly Investment Report (MO)

Commissioner Austin made a motion, which was seconded by Commissioner Bugg, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Interim Chief Financial Officer Ben Asher.

114471
DMO

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

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

Pursuant to this legislation and as documented in Minute Order 108970, dated July 25, 2002, the commission approved and adopted a written investment policy and investment strategy applicable to funds of the commission held under the Indenture of Trust dated July 15, 2002, securing the outstanding bonds, notes, and other obligations issued by the commission to finance a portion of the cost of the initial phase of the Central Texas Turnpike System, also known as the 2002 Project. The commission has also approved and adopted a written investment policy and investment strategy applicable to funds in the prepaid TxTag custodial account under the Master Lockbox and Custodial Account Agreement by and between the Bank of New York Mellon Trust Company, N.A., as custodian, and the department.

The commission has designated the department's Chief Financial Officer and Innovative Financing/Debt Management Officer as investment officers. The Chief Financial Officer is primarily responsible for the execution of investment strategy and activities on a daily basis. However, in his/her absence, the Department's Innovative Financing/Debt Management Officer, or a designee of any of the investment officers (as evidenced in a delegation memorandum) shall perform these duties and responsibilities.

Pursuant to Government Code §2256.005(e) and Section 20 of the investment policy, the investment policy and investment strategies of the commission have been reviewed and revised annually by minute order since 2003, most recently by Minute Order 114360, dated August 27, 2015.

Government Code, §2256.023 requires the designated investment officer to prepare and submit to the commission and the executive director, not less than quarterly, a written report of investment transactions for all funds covered by the Public

Funds Investment Act for the preceding reporting period. The report must describe in detail the investment position of the department on the date of the report, and must be prepared jointly and signed by each investment officer.

Section 9.0 of the investment policy requires the investment officer to prepare and submit to each member of the commission and the executive director of the department an investment report on no less than a quarterly basis. The report must be prepared in accordance with the requirements of that section, including containing sufficient information to provide for a comprehensive review of investment activity and current investment instruments and performance for the reporting period. A quarterly investment report for the department for the period ending November 30, 2015, attached as Exhibit A, has been prepared in accordance with Government Code §2256.023 and Section 9.0 of the investment policy.

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

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

b. Hidalgo County - Hidalgo County Regional Mobility Authority - Consider final approval of an application from the Hidalgo County Regional Mobility Authority for a State Infrastructure Bank loan in the amount of up to \$42,210,000 to pay for costs of constructing Segments 1, 2, and the Border Safety Inspection Facility Connector (part of Segment 3) of the SH 365 project (MO)

Deferred

This item was not considered by the Commission.

c. Texas Mobility Fund Bonds

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

Vice Chairman Moseley made a motion, which was seconded by Commissioner Austin, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Interim Chief Financial Officer Ben Asher.

114472
DMO

Pursuant to Minute Order 110081, dated May 4, 2005, the Texas Transportation Commission (commission) approved a "Master Resolution Establishing the Texas Transportation Commission Mobility Fund Revenue Financing Program," as subsequently amended by the first amendment, second amendment and third amendment (master resolution), to establish a revenue financing program (mobility fund revenue financing program) pursuant to which the commission may issue obligations including bonds, notes and other public securities and execute credit agreements secured by and payable from a pledge of and lien on all or part of the

moneys in the Texas Mobility Fund (fund). Under such master resolution, the commission approved eleven supplemental resolutions to the master resolution which authorized the issuance of thirteen series of "Texas Transportation Commission State of Texas General Obligation Mobility Fund Bonds" which are still outstanding as follows: Series 2006, Series 2006-A, Series 2006-B, Series 2007, Series 2008, Taxable Series 2009A (Build America Bonds - Direct Payment), Series 2014, Series 2014-A, Series 2014-B, Series 2015-A and Series 2015-B (collectively, the "outstanding parity debt"). Any terms not otherwise defined herein have the meaning given in the twelfth supplement, as hereinafter defined.

Section 49-k, Article III of the Texas Constitution (constitutional provision) authorizes the commission to issue bonds and other obligations secured by all or part of the money in the fund to: 1) pay all or part of the costs of constructing, reconstructing, acquiring, and expanding state highways; 2) provide participation by the state in the payment of part of the costs of constructing and providing publicly owned toll roads and other public transportation projects that are determined by the commission to be in the best interests of the state in its major goal of improving the mobility of the residents of the state; 3) create debt service accounts; 4) pay interest on obligations for a period of not longer than two years; 5) refund or cancel outstanding obligations; and 6) pay the commission's costs of issuance.

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

The commission has determined it to be in the best interest of the state and the fund to issue additional obligations, on parity with the previously issued outstanding parity debt, secured by revenues and money dedicated to the fund and on deposit in the fund under the constitutional provision and by a pledge of the full faith and credit of the state to refund all or part of the outstanding parity debt for: (i) savings to the state; (ii) outstanding variable rate obligations; and/or (iii) to renew or replace credit agreements relating to variable rate obligations.

The master resolution, together with the "Twelfth Supplemental Resolution to the Master Resolution Establishing the Texas Transportation Commission Mobility Fund Revenue Financing Program" (twelfth supplement), prescribes the terms, provisions and covenants related to the issuance of additional bonds in one or more series of "State of Texas General Obligation Mobility Fund Obligations" (obligations) with such title and series designation as set forth in the twelfth supplement which may be issued for refunding purposes if the refunding results in any of the following: (i) provides a net present value debt service savings of not less than 3% of the outstanding parity debt refunded; (ii) provides long-term fixed rates for refunded variable rate bonds; (iii) other variable rate financing for refunded variable rate bonds; or (iv) any combination thereof.

Under the twelfth supplement, the department representative, as defined in the twelfth supplement, includes the chief financial officer of the Texas Department of

Transportation (department) and the innovative financing/debt management officer of the department, is authorized to determine the method of sale for each series of obligations as well as the price and other terms of each series of the obligations as prescribed in each award certificate.

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

The commission understands that a preliminary official statement and final official statement will be distributed in connection with the public offering of one or more series of the obligations, which preliminary official statement and official statement will include a description of the general obligation pledge of the state's full faith and credit in the event the revenue and money dedicated to and on deposit in the fund are insufficient for payments due on the obligations and any related credit agreements.

IT IS THEREFORE ORDERED by the commission that the chairman of the commission and the executive director of the department are authorized and directed to execute and deliver each series of the obligations and such other documents and certificates to carry out the intent of this order and the department representative, on behalf of the commission, is authorized and directed to execute and deliver the twelfth supplement, each purchase contract, if applicable, paying agent/registrar agreement and escrow agreement and similar agreements necessary for any series of the obligations (collectively, program documents), in the form approved by the department representative or in substantially the form previously approved by the commission in connection with the outstanding parity debt, as applicable, with such changes as the department representative, on behalf of the commission, executing the same may approve, such approval to be conclusively evidenced by execution of the program documents.

IT IS FURTHER ORDERED by the commission that the department representative, on behalf of the commission, is authorized and directed to execute and deliver any remarketing agreement, liquidity agreement, tender agent agreement and similar agreements necessary for any variable rate bonds (collectively, variable rate documents), and the variable rate documents and similar agreements in connection with any variable rate bonds are approved in substantially the form previously approved by the commission in connection with the outstanding parity debt, as defined in the twelfth supplement, with such changes as the department representative executing the same may approve, such approval to be conclusively evidenced by execution of the variable rate documents.

IT IS FURTHER ORDERED by the commission that the chief financial officer of the department is hereby designated an authorized representative for purposes of the master resolution.

IT IS FURTHER ORDERED by the commission that any necessary ancillary documents in connection with the issuance of a series of the obligations, the program

documents and the variable rate documents, if any, are hereby approved, and the department representative, on behalf of the commission, is authorized and directed to execute and deliver such documents.

IT IS FURTHER ORDERED by the commission that the preliminary official statement and the official statement are approved for distribution in connection with the public offering and sale of each series of refunding obligations in such form as a chief financial officer, on behalf of the commission, executing the same may approve, such approval to be conclusively evidenced by execution of such official statement. The chief financial officer, on behalf of the commission, is authorized to deem any preliminary official statement and official statement final for purposes of rule 15c2-12 of the Securities and Exchange Commission (rule) with such omissions as permitted by the rule.

IT IS FURTHER ORDERED by the commission that a pledge of the full faith and credit of the state be utilized in connection with each series of the obligations and the payment obligations of the commission under any credit agreements.

IT IS FURTHER ORDERED by the commission that each member of the commission, each department representative, the executive director of the department and general counsel of the department are authorized and directed to perform all such acts and execute such documents and notices, including execution of certifications to the underwriters or purchasers, the attorney general, the comptroller of public accounts, the bond review board and other parties, as may be necessary to carry out the intent of this order and other orders of the commission relating to the mobility fund revenue financing program, the program documents and the variable rate documents, if any.

d. State Highway Fund Revenue Bonds

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

Commissioner Bugg made a motion, which was seconded by Commissioner Vandergriff, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Interim Chief Financial Officer Ben Asher.

114473
DMO

Section 49-n, Article III, of the Texas Constitution (constitutional provision) provides that the Texas Legislature may authorize the Texas Transportation Commission (commission) to issue bonds and other public securities and enter into bond enhancement agreements that are payable from revenue deposited to the credit of the State Highway Fund (highway fund) to fund state highway improvement projects. The constitutional provision further provides for the appropriation of amounts from highway fund revenues that are sufficient to pay the principal of and interest on such

bonds or other public securities and any cost related to the bonds and other public securities, including payments under bond enhancement agreements.

Pursuant to the constitutional provision, the Texas Legislature enacted Section 222.003, Texas Transportation Code, as amended (enabling act), which authorizes the commission to issue bonds and other public securities secured by a pledge of and payable from revenue deposited to the credit of the highway fund.

The enabling act provides that: (i) the aggregate principal amount of such bonds and other public securities may not exceed \$6 billion; (ii) the commission may issue bonds or other public securities in an aggregate principal amount of not more than \$1.5 billion each year; (iii) \$1.2 billion of the aggregate principal amount of such bonds or other public securities must be issued to fund projects (safety projects) that reduce accidents or correct or improve hazardous locations on the state highway system; and (iv) bonds and other public securities and credit agreements may not have a principal amount or terms that are expected to cause annual expenditures with respect thereto to exceed 10 percent (10%) of the amount deposited to the credit of the highway fund in the immediately preceding year.

The enabling act further provides that the Comptroller of Public Accounts (comptroller) shall withdraw from the highway fund amounts determined by the commission to permit timely payment of the principal of and interest on the bonds and other public securities and any cost related to the bonds and other public securities, including payments under credit agreements.

Pursuant to the enabling act, the commission has adopted rules, codified at 43 TAC §§15.170-15.174, that prescribe criteria for selecting projects (including safety projects) eligible for funding under the enabling act.

Pursuant to Minute Order No. 110472, dated March 30, 2006, the commission approved a master resolution, as amended (master resolution), establishing a financing program for bonds, other public securities and credit agreements secured by and payable from revenue deposited to the credit of the highway fund to provide a financing structure to facilitate the commission's exercise of the powers and authority conferred by the enabling act and pursuant to which the commission is authorized to issue obligations (senior obligations), including bonds, notes and other public securities, and execute credit agreements, secured by and payable from a pledge of and lien on revenues deposited to the credit of the highway fund, as provided by the master resolution. Under the master resolution, the commission has approved seven supplemental resolutions that authorized the issuance of nine series of Texas Transportation Commission State Highway Fund First Tier Revenue Bonds, designated as Series 2006, Series 2006-A, Series 2006-B, Series 2007, Series 2008, Taxable Series 2010 (Build America Bonds - Direct Payment), Series 2014-A, Series 2014-B, and Series 2015 (collectively, the "outstanding senior obligations").

There currently remains authority to issue up to \$700,148,786.56 principal amount (remaining authorization) of additional bonds and other public securities pursuant to the enabling act.

The commission has determined that it is in the best interest of the state to approve an eighth supplemental resolution to the master resolution (eighth supplement) to authorize the issuance of additional senior obligations in an amount not to exceed the

remaining authorization (additional senior obligations), in one or more series, to fund state highway improvement projects (new money bonds) and to authorize the issuance of additional senior obligations, in one or more series, to refund certain outstanding senior obligations (refunding bonds) and to prescribe the terms, provisions and covenants related to the additional senior obligations. As provided by the eighth supplement, additional senior obligations may be issued at prices and in principal amounts, bearing interest at rates and maturing on dates, subject to the limitations contained in the eighth supplement, and additional senior obligations issued to refund outstanding senior obligations shall provide any of the following: (i) net present value debt service savings of not less than 3% of the principal amount of the refunded senior obligations; (ii) long-term fixed rates for refunded variable rate bonds; (iii) alternative variable rate financing for refunded variable rate bonds; or (iv) any combination thereof.

Under the eighth supplement, the department representative, defined in the eighth supplement to include the chief financial officer of the department and the innovative financing/debt management officer, is authorized to determine the timing and method of sale for each series of additional senior obligations as well as the price and other terms of each series of additional senior obligations, as prescribed in each award certificate for additional senior obligations.

Under the eighth supplement, the department representative is authorized to price all or a portion of the additional senior obligations as variable rate bonds, including variable rate demand bonds, index bonds, and put bonds, and bonds with other interest rate structures, which may require the use of liquidity provider(s), remarketing agent(s), calculation agent(s), tender agent(s) and other entities to perform various functions in connection with any such bonds and structures.

The commission has determined that it is in the best interest of the state to authorize the department representative to enter into any memoranda and agreements (collectively, management agreements) as are deemed necessary or appropriate by the department representative to permit timely payment of obligations issued or incurred pursuant to the master resolution and the eighth supplement and to provide for the management and administration of the highway fund and any other funds and accounts established and maintained in connection with or related to such obligations.

In connection with the administration of the outstanding senior obligations issued as variable rate bonds and any related credit agreements, the commission has determined that it is in the best interest of the state to ratify and confirm the authority of the department representative, as defined in the eighth supplement, to take such actions as the department representative shall deem to be necessary or appropriate for the administration of such senior obligations, including actions as are necessary or appropriate (i) to obtain, amend or extend the term of any liquidity agreements therefor; (ii) to remarket, refinance or refund such outstanding senior obligations; (iii) to convert such outstanding senior obligations to an alternative variable rate mode under the supplemental resolution(s) therefor, including any amendments thereto; or (iv) any combination thereof.

The commission understands that an official statement or other offering document (collectively, official statement) will be distributed in connection with the

public offering and sale of each series of additional senior obligations or remarketed variable rate bonds, which official statement will include a description of the revenues deposited to the credit of the highway fund and other security and payment provisions related to the additional senior obligations or remarketed variable rate bonds.

IT IS THEREFORE ORDERED by the commission that the chairman and each member of the commission and the executive director of the department are authorized and directed to execute and deliver each series of additional senior obligations and such other documents and certificates as are necessary or appropriate to effect the intent of this order, and the department representative is authorized and directed to execute and deliver the eighth supplement, each purchase contract, if applicable, paying agent/registrars agreement, escrow agreement and similar agreement necessary or appropriate for any series of additional senior obligations (collectively, financing documents) in the form approved by the department representative or in substantially the form previously approved by the commission in connection with previously issued senior obligations, as applicable, with such changes as the department representative executing each such financing document may approve, such approval to be conclusively evidenced by the execution of such financing document; and, the department representative is authorized and directed to take any and all actions necessary or appropriate to effect the delivery of additional senior obligations in accordance with the terms and conditions of the financing documents.

IT IS FURTHER ORDERED by the commission that the department representative is authorized and directed to execute and deliver any liquidity agreement, remarketing agreement, purchase agreement, tender agent agreement, calculation agent agreement, and similar agreement necessary or appropriate for any additional senior obligations issued as variable rate bonds or bonds with other interest rate structures permitted by the eighth supplement or for outstanding senior obligations issued as variable rate bonds (collectively, variable rate documents), and the variable rate documents, in the form approved by the department representative or in substantially the form previously approved by the commission in connection with previously issued senior obligations, as applicable, are approved, with such changes as the department representative executing such variable rate document may approve, such approval to be conclusively evidenced by execution of such variable rate document. The department representative's authority to take such actions as are contemplated by the commission's prior delegation of continuing authority under the supplemental resolutions for the outstanding variable rate bonds, including authority to establish, alter, or consent to changes in interest rates, interest rate modes, and interest rate periods and to execute and enter into agreements, is hereby ratified, confirmed and approved.

IT IS FURTHER ORDERED by the commission that the department representative is authorized to execute and deliver such management agreements as are deemed necessary or appropriate to permit timely payment of obligations issued or incurred pursuant to the eighth supplement or the cash defeasance or redemption of a portion of the outstanding senior obligations and to provide for the management and administration of the highway fund and any other funds and accounts established and maintained in connection with or related to such obligations.

IT IS FURTHER ORDERED by the commission that any other agreements, instruments or ancillary documents necessary or appropriate in connection with the issuance of the additional senior obligations, the conversion or remarketing of outstanding senior obligations issues as variable rate bonds, and the performance of the terms and conditions of any financing document or variable rate document are hereby approved; and, the department representative is authorized and directed to execute and deliver such agreements, instruments and documents.

IT IS FURTHER ORDERED by the commission that an official statement is approved for distribution in connection with the public offering and sale of each series of additional senior obligations or remarketed variable rate bonds in such form as the department representative may approve, and the department representative is authorized to execute the official statement for each series of additional senior obligations or remarketed variable rate bonds and to deem final the preliminary form of the official statement for purposes of Rule 15c2-12 of the Securities and Exchange Commission (rule) with such omissions as are permitted by the rule.

IT IS FURTHER ORDERED by the commission that each member of the commission, the executive director, each department representative and the general counsel are authorized and directed to perform such acts and execute such documents, notices and other instruments, including certifications to underwriters, purchasers or remarketing agents, the attorney general, the comptroller, the Texas Bond Review Board and other parties, as may be necessary or appropriate to carry out the intent and purpose of this order and other orders of the commission relating to the state highway fund revenue financing program, the financing documents, and the variable rate documents.

e. Texas Highway Improvement General Obligation Bonds

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

Commissioner Vandergriff made a motion, which was seconded by Vice Chairman Moseley, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Interim Chief Financial Officer Ben Asher.

114474
DMO

Section 49-p, Article III of the Texas Constitution (constitutional provision) and Transportation Code, Section 222.004 (section 222.004), and other applicable law, including Government Code, Chapter 1371, authorize the Texas Transportation Commission (commission) to issue general obligation bonds, notes and other public securities (bonds) and to enter into credit agreements. The commission may issue general obligation bonds for one or more of the following purposes: 1) to pay, or

reimburse the State Highway Fund for payment of, all or part of the costs of highway improvement projects including loans for highway improvement projects; 2) to pay (a) the costs of administering projects authorized under section 222.004, (b) the costs or expense of the issuance of the bonds or (c) all or part of a payment owed or to be owed under a credit agreement; and 3) refunding outstanding bonds.

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

There currently remains \$1,442,008,139.56 authorized but unissued general obligation bonds pursuant to the constitutional provision.

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

The master resolution, together with the "Fourth Supplemental Resolution to the Master Resolution Establishing the Texas Transportation Commission Highway Improvement General Obligation Financing Program" (fourth supplement), prescribes the terms, provision and covenants related to the issuance of additional general obligations bonds in one or more series with such title and series designation as set forth in the fourth supplement and any series of bonds may be issued for refunding purposes if the refunding results in a net present value debt service savings of not less than 3% of the outstanding bonds refunded.

Under the fourth supplement, the department representative, as defined in the fourth supplement, includes the chief financial officer of the Texas Department of Transportation (department), and the innovative financing/debt management officer of the department, is authorized to determine the method of sale for the bonds, and shall further determine such price, interest rate or rates and such terms of the bonds, as prescribed in each award certificate in accordance with the fourth supplement.

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

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

IT IS THEREFORE ORDERED by the commission that the chairman of the commission and the executive director of the department are authorized and directed to

execute and deliver the bonds and such other documents and certificates necessary to carry out the intent of this order and the department representative, on behalf of the commission, is authorized and directed to execute and deliver the fourth supplement, any bond purchase contract, award certificate and paying agent agreement (collectively, program documents), and the program documents are approved in substantially the form presented to the commission with such changes as the department representative executing the same may approve, such approval to be conclusively evidenced by execution of the program documents.

IT IS FURTHER ORDERED by the commission that the department representative, on behalf of the commission, is authorized and directed to execute and deliver any remarketing agreement, liquidity agreement, tender agent agreement and similar agreements necessary for any variable rate bonds (collectively, variable rate documents), and the variable rate documents and similar agreements in connection with any variable rate bonds are approved in substantially the form previously approved by the commission in connection with the outstanding mobility fund debt with such changes as the department representative executing the same may approve, such approval to be conclusively evidenced by execution of the variable rate documents, if any.

IT IS FURTHER ORDERED by the commission that any necessary ancillary documents in connection with the issuance of the bonds, the program documents and the variable rate documents, if any, are hereby approved, and the department representative, on behalf of the commission, is authorized and directed to execute and deliver such documents, including the application and submission to the board, as necessary.

IT IS FURTHER ORDERED by the commission that the preliminary official statement and the official statement are approved for distribution in connection with the public offering and sale of each series of refunding obligations in such form as a chief financial officer, on behalf of the commission, executing the same may approve, such approval to be conclusively evidenced by execution of such official statement. A chief financial officer, on behalf of the commission, is authorized to deem any preliminary official statement and official statement final for purposes of rule 15c2-12 of the Securities and Exchange Commission (rule) with such omissions as permitted by the rule.

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

IT IS FURTHER ORDERED by the commission that each member of the commission, each department representative, the executive director of the department and general counsel of the department are authorized and directed to perform all such acts and execute such documents, certificates, notices and applications, including volume cap allocation requests, if necessary, and execution of certifications to the underwriters, the attorney general, the comptroller of public accounts, the bond review board and other parties, as may be necessary to carry out the intent of this order and other orders of the commission relating to the general obligation financing program

established by the master resolution, the fourth supplement, the program documents and the variable rate documents, if any.

f. Central Texas Turnpike System Revenue Bonds

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

Commissioner Vandergriff made a motion, which was seconded by Vice Chairman Moseley, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Interim Chief Financial Officer Ben Asher.

114475
DMO

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

By Minute Order 108873, dated April 25, 2002, SH 130 was designated as a toll project and a controlled access state highway from I-35 north of Georgetown to the intersection of US 183 and SH 130 at SH 45 Southeast (SH 130) as part of the Central Texas Turnpike System (system).

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

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

By Minute Order 109729 dated July 29, 2004 SH 45 Southeast was designated as a toll project and a controlled access state highway from I-35 at FM 1327 south of Austin to the SH 130/US 183 interchange (SH 45 SE) and by Minute Order 113243 dated August 30, 2012 SH 45 SE was designated as part of the system.

The commission has outstanding \$2,402,352,411 in aggregate principal amount of system obligations (including First Tier Revenue Bonds, Series 2002-A; First Tier Revenue Refunding Bonds Series 2012-A, First Tier Revenue Refunding Put Bonds, Series 2015-A, First Tier Revenue Refunding Bonds, Series 2015-B and Second Tier Revenue Refunding Bonds, Series 2015-C (collectively, the system obligations) issued to finance or refinance a portion of the costs of the system, composed of the SH 130, SH 45 N, Loop 1 and SH 45 SE project elements, described above, pursuant to an indenture and seven supplemental indentures. Any terms not otherwise defined in this order have the meaning given in the indenture.

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

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

The indenture, together with the "Eighth Supplemental Indenture of Trust" (eighth supplement), prescribes the terms, provisions and covenants related to the proposed issuance of refunding obligations in one or more series with such name, series designation and other terms and provisions as provided in the eighth supplement and each related award certificate so long as the issuance of such refunding obligations results in any of the following: (i) a net present value debt service savings of not less than 3% of the obligations refunded; (ii) provides long-term fixed rates for refunded variable rate obligations; (iii) other variable rate financing for refunded variable rate obligations; or (iv) any combination thereof.

Under the eighth supplement, a chief financial officer, as defined in the eighth supplement, includes the chief financial officer of the department and the innovative financing/debt management officer of the department who is authorized to determine the method of sale for each series of refunding obligations as well as the price, lien status and other terms of each series of the refunding obligations as prescribed in each award certificate.

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

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

IT IS THEREFORE ORDERED by the commission that the chairman of the commission and executive director of the department are authorized and directed to execute and deliver each series of the refunding obligations and such other documents and certificates to carry out the intent of this order and a chief financial officer, on behalf of the commission, is authorized and directed to execute and deliver the eighth supplement, each bond purchase agreement, as applicable, escrow agreement, if necessary, paying agent agreement, award certificate and similar agreements necessary for any series of the refunding obligations (collectively, program documents), in the form approved by a chief financial officer or in substantially the form previously approved by the commission in connection with the outstanding system obligations, as applicable, with such changes as a chief financial officer, on behalf of the commission,

executing the same may approve, such approval to be conclusively evidenced by execution of the program documents.

IT IS FURTHER ORDERED by the commission that a chief financial officer, on behalf of the commission, is authorized and directed to execute and deliver any remarketing agreement, liquidity agreement, tender agent agreement and other agreements necessary for any variable rate refunding obligations (collectively, variable rate documents), and the variable rate documents and similar agreements in connection with any variable rate refunding obligations are authorized in such form approved by a chief financial officer executing the same may approve, such approval to be conclusively evidenced by execution of the variable rate documents.

IT IS FURTHER ORDERED by the commission that any necessary ancillary documents in connection with the issuance of the refunding obligations, the program documents, the variable rate documents, if any, are hereby approved, and a chief financial officer, on behalf of the commission, is authorized and directed to execute and deliver such documents.

IT IS FURTHER ORDERED by the commission that the preliminary official statement and the official statement are approved for distribution in connection with the public offering and sale of each series of refunding obligations in such form as a chief financial officer, on behalf of the commission, executing the same may approve, such approval to be conclusively evidenced by execution of such official statement. The chief financial officer, on behalf of the commission, is authorized to deem any preliminary official statement and official statement final for purposes of rule 15c2-12 of the Securities and Exchange Commission (rule) with such omissions as permitted by the rule.

IT IS FURTHER ORDERED by the commission that each member of the commission, each chief financial officer, the executive director of the department and general counsel of the department are authorized and directed to perform all such acts and execute such documents and notices, including execution of certifications to any underwriters or purchasers, the attorney general, the comptroller of public accounts, the bond review board and other parties, as may be necessary to carry out the intent of this order and other orders of the commission relating to the system, the program documents and the variable rate documents, if any.

ITEM 10. Contracts

Award or reject contracts for maintenance, highway and building construction

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

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

114476
MNT

Pursuant to Transportation Code, Chapter 223, Subchapter A, and Title 43, Texas Administrative Code, Chapter 9, Subchapter B, the Texas Department of

Transportation (department) solicited and received sealed competitive bid proposals for maintenance of the State Highway System, which were publicly opened and read on January 5 and 6, 2016, 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)

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

114477
CST

Pursuant to Transportation Code, Chapter 223, Subchapter A, and Title 43, Texas Administrative Code, Chapter 9, Subchapter B, the Texas Department of Transportation (department) solicited and received sealed competitive bid proposals for improvement of the State Highway System, which were publicly opened and read on January 5 and 6, 2016, 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 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.

ITEM 11. 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 Austin, Vice Chairman Moseley, Commissioner Vandergriff, and Commissioner Bugg (a vote of 5 - 0). This item was presented by Right of Way Division Interim Director Gus Cannon.

114478
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 -Y. 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 - 53, 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>
Bell	FM 1123	48	1308-01-031	1
Bell	FM 1123	49	1308-01-031	2
Bell	FM 1123	50	1308-01-031	3,3TE
Burleson	FM 60	40	0648-03-064	37

NON-CONTROLLED ACCESS (continued)

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Collin	US 75	5	0047-14-060	18,18TE
Collin	US 75	13	0047-14-060	20,20E
Collin	US 75	27	0047-14-060	19
Collin	US 75	38	0047-14-060	17
Collin	FM 6	11	0619-01-024	2
Dawson	SH 349	1	0380-19-002	11
Dawson	SH 349	28	0380-19-002	12
Denton	SH 114	2	0353-02-068	21
Denton	FM 720	15	1567-01-038	2
Denton	FM 720	17	1567-01-038	14
Denton	FM 720	18	1567-01-038	6
Denton	FM 720	19	1567-01-038	25
Denton	FM 720	46	1567-01-038	7
Ellis	US 287	3	0172-08-098	33
Ellis	US 287	4	0172-08-098	6
Ellis	US 287	6	0172-08-098	2,2E
Ellis	US 287	7	0172-08-098	3
Ellis	US 287	8	0172-08-098	5
Ellis	US 287	16	0172-08-098	26
Ellis	FM 66	45	0596-02-050	8
Ellis	FM 66	47	0596-02-050	9
Ellis	FM 664	20	1051-01-043	55
Ellis	FM 664	24	1051-01-043	5
Ellis	FM 664	25	1051-01-043	23
Ellis	FM 664	26	1051-01-043	48,48E
Ellis	FM 664	33	1051-01-043	61
Ellis	FM 664	34	1051-01-043	59
Ellis	FM 664	43	1051-01-043	4
Ellis	FM 664	44	1051-01-043	3,3E
Fort Bend	FM 2234	35	2105-01-036	12A
Fort Bend	FM 2234	36	2105-01-036	26
Fort Bend	FM 2234	37	2105-01-036	20
Grayson	FM 121	9	0729-01-042	2
Grayson	FM 121	10	0729-01-042	3
Harris	SH 99	14	3187-01-012	1B
Hidalgo	US 83	29	0039-02-059	14
Hidalgo	US 83	30	0039-02-059	13
Hidalgo	US 83	31	0039-02-059	17
Hidalgo	US 83	39	0039-02-059	10
Hidalgo	US 83	42	0039-02-059	1
Hidalgo	US 83	32	0039-17-161	30
Hidalgo	US 83	41	0039-17-161	29
Hidalgo	US 83	51	0039-17-161	31

NON-CONTROLLED ACCESS (continued)

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Tarrant	SH 183	52	0364-05-038	42B
Tarrant	SH 183	53	0364-05-038	68
Tarrant	SH 360	12	2266-02-129	34B
Wharton	US 59	21	0089-07-150	33
Wharton	US 59	22	0089-07-150	31
Wharton	US 59	23	0089-07-150	32

CONTROLLED ACCESS

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Collin	SH 121	G	0549-03-026	7
Dallas	IH 30	B	1068-04-137	19
Dallas	IH 30	C	1068-04-137	11
Dallas	IH 30	N	1068-04-167	2
Dallas	IH 30	O	1068-04-167	1
Dallas	IH 20	Q	2374-03-082	2,2E
Dallas	IH 20	R	2374-02-082	3,3E
Denton	IH 35W	J	0081-13-055	3
Denton	IH 35W	K	0081-13-055	6
Denton	IH 35W	L	0081-13-055	5
El Paso	IH 10	A	2121-02-154	14
El Paso	SL 375	W	2552-04-041	35
Ellis	US 287	H	0172-08-098	1,1E
Ellis	US 287	I	0172-08-098	4,4E
Ellis	US 287	M	0172-08-098	10,10E
Hill	SH 31	S	0162-02-036	21
Hill	SH 31	T	0162-02-036	67
McLennan	IH 35	D	0015-01-234	130,130AC
McLennan	IH 35	E	0015-01-234	32
McLennan	IH 35	F	0015-01-234	8
McLennan	IH 35	U	0015-01-234	33
McLennan	IH 35	V	0015-01-234	235
Tarrant	SH 183	X	0364-05-038	23
Tarrant	SH 183	Y	0364-05-038	72
Tarrant	IH 30	P	1068-02-123	8,8TE

Note: Exhibits A - Y and 1 - 53 are on file with the commission chief clerk.

ITEM 12. Routine Minute Orders

Commissioner Vandergriff made a motion, which was seconded by Vice Chairman Moseley, and the commission approved the following minute order items 12a - 12b6 and items 12c1 - 12f, by a vote of 5 - 0. This item was presented by

Executive Director James Bass. City of Dripping Springs Councilman John Kroll addressed the commission regarding Item 12b5. Item 12b7 was considered separately.

a. Donations to the Department

Various Districts - Consider the acknowledgment 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)

114479
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 Dispositions**(1) Collin County - SH 78, northwest corner at S. Birmingham Street in Wylie - Consider the sale of right of way to the abutting landowner (MO)**114480
ROW

In the city of Wylie, COLLIN COUNTY, on STATE HIGHWAY 78, the state of Texas acquired certain land for highway purposes by instrument recorded in Volume 5140, Page 2534, Land Records of Collin County, Texas.

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

In accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (commission) may recommend the sale of any interest in real property acquired and no longer needed for a state highway purpose. Wylie Industrial Court Development, Ltd., is the abutting landowner and has requested to purchase Tract 1 for \$128,925.

The commission finds \$128,925 to be a fair and reasonable value of the state's right, title, and interest in Tract 1.

IT IS THEREFORE ORDERED by the commission that Tract 1 is no longer needed for a state highway purpose. The commission recommends, subject to approval by the attorney general, that the governor of Texas execute a proper instrument conveying all of the state's right, title, and interest in Tract 1 to Wylie Industrial Court Development, Ltd., for \$128,925; SAVE AND EXCEPT, however, there is excepted and reserved herefrom all of the state's right, title, and interest, if any, in and to all of the oil, gas, sulphur, and other minerals, of every kind and character, in, on, under, and that may be produced from the land.

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

(2) Cooke County - I-35, northeast corner at SH 82 in Gainesville - Consider the sale of right of way to the abutting landowner (MO)114481
ROW

In the city of Gainesville (city), COOKE COUNTY, on INTERSTATE 35, the state of Texas acquired certain land for highway purposes by instrument recorded in Volume 431, Page 610, Deed Records of Cooke County, Texas, and the state used certain land for highway purposes acquired in the city's name.

A portion of the state-owned land (Tract 1), described in Exhibit A, and the city-owned land (Tract 2), described in Exhibit B, 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 sale of any interest in real property acquired and no longer needed for a state highway purpose. The commission also may recommend, if the interest in the property was acquired and held by a county or municipality in its own name for use by the state, the quitclaim to the county or municipality of any interest that might have accrued to the state by use of the property.

Clear Creek Retail, LLC, is the abutting landowner to Tract 1 and has requested to purchase Tract 1 for \$21,431.

The city has requested that Tract 2 be quitclaimed to the city.

The commission finds \$21,431 to be a fair and reasonable value for the state's right, title, and interest in Tract 1.

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 conveying all of the state's right, title, and interest in Tract 1 to Clear Creek Retail, LLC, for \$21,431; 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.

FURTHER, the commission recommends, subject to approval by the attorney general, that the governor of Texas execute a proper instrument quitclaiming all of the state's right and interest in Tract 2 to the city of Gainesville.

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

(3) Harris County - I-10, northeast corner at Barker Cypress Road in Houston - Consider the sale of right of way to the city of Houston (MO)

114482
ROW

In the city of Houston, HARRIS COUNTY, on INTERSTATE HIGHWAY 10, the state of Texas acquired certain land for highway purposes by instruments recorded in File No. B892813 and File No. C028448, Deed Records of Harris County, Texas.

A portion of the land (Tract 1) is no longer needed for state highway purposes. In accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (commission) may recommend the sale of any interest in real property acquired and no longer needed for a state highway purpose.

The city of Houston has requested to purchase Tract 1 for \$2.3 million.

The commission finds \$2.3 million to be a fair and reasonable value of the state's right, title, and interest in Tract 1.

IT IS THEREFORE ORDERED by the commission that Tract 1 is no longer needed for a state highway purpose. The commission recommends, subject to approval by the attorney general, that the governor of Texas execute a proper instrument conveying all of the state's right, title, and interest in Tract 1 to the city of Houston, Texas, for \$2.3 million; SAVE AND EXCEPT, however, there is excepted and reserved herefrom all of the state's right, title, and interest, if any, in and to all of the oil, gas, sulphur, and other minerals, of every kind and character, in, on, under, and that may be produced from the land.

(4) Hidalgo County - US 281, northeast corner at Owassa Road in Edinburg - Consider the sale of right of way to the abutting landowner (MO)

114483
ROW

In the city of Edinburg, HIDALGO COUNTY, on US 281, the state of Texas acquired certain land for highway purposes by instrument recorded in Volume 1334, Page 698, Official Records of Hidalgo County, Texas.

A portion of the land (Tract 3), 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.

Victor Daniec is the abutting landowner and has requested to purchase Tract 3 for \$19,058.

The commission finds \$19,058 to be a fair and reasonable value of the state's right, title, and interest in Tract 3.

IT IS THEREFORE ORDERED by the commission that Tract 3 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 3 to Victor Daniec for \$19,058; SAVE AND EXCEPT, however, there is excepted and reserved herefrom all of the state's right, title, and interest, if any, in and to all of the oil, gas, sulphur, and other minerals, of every kind and character, in, on, under, and that may be produced from the land.

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

(5) Hays County - Consider the release of a deed restriction on Hays County Road 320 in the City of Dripping Springs (formerly part of US 290) (MO)

114484
ROW

In HAYS COUNTY on former US 290 (now known as Hays County Road 320), the State of Texas conveyed a portion of said road to Hays County by instrument recorded in Vol. 4741, Page 377 of the Official Public Records of Hays County, Texas.

As required by statute, the deed included a restriction on the use of the land with a reversionary clause in favor of the State of Texas if the land ceased to be used for roadway purposes. HB 1738, passed in the 84th session of the Texas Legislature (2015) provides a means for this reversionary clause to be released.

The right of way described in Exhibit A is the property for which the City of Dripping Springs has requested a release of the reversionary clause.

In accordance with V.T.C.A., Transportation Code, Section 202.021 (e-2), the Texas Transportation Commission may recommend a release of the restriction on the use of the right of way.

The City of Dripping Springs has provided the necessary documentation to meet the requirements for the release of restriction and has requested that such action be carried forward.

IT IS THEREFORE ORDERED by the commission that the restriction on the use of the property described in Exhibit A be released. The commission recommends, subject to approval by the attorney general, that the governor of Texas execute a proper instrument releasing the state's interest in favor of the City of Dripping Springs.

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

(6) Lee County - US 77, east of Middle School Road in Giddings - Consider the sale of a former maintenance site and improvements (MO)

114485
ROW

In the city of Giddings, LEE COUNTY, on US 77, the state of Texas acquired certain land for highway maintenance purposes by instrument recorded in Volume 121, Page 166, Deed Records of Lee County, Texas.

The land, with improvements (Tract 1), described in Exhibit A, is no longer needed for highway purposes.

In accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (commission) may recommend the sale of any interest in real property acquired and no longer needed for a state highway purpose. Giddings Independent School District has requested to purchase Tract 1 for \$245,000.

The commission finds \$245,000 to be a fair and reasonable value of the state's right, title, and interest in Tract 1.

IT IS THEREFORE ORDERED by the commission that Tract 1 is no longer needed for a state highway purpose. The commission recommends, subject to approval by the attorney general, that the governor of Texas execute a proper instrument conveying all of the state's right, title, and interest in Tract 1 to Giddings Independent School District for \$245,000; SAVE AND EXCEPT, however, there is excepted and reserved herefrom all of the state's right, title, and interest, if any, in and to all of the oil, gas, sulphur, and other minerals, of every kind and character, in, on, under, and that may be produced from the land.

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

d. Finance

(1) Obligation Limit Report

Quarterly status report on the FY 2016 Obligation Limit, the actual obligations utilized through the current month, proposed remaining highway maintenance and construction contract letting for the fiscal year and an update on motor fuel tax receipts (Report)

Note: The Report is on file with the commission chief clerk.

(2) Quarterly report on FY 2016 State Highway Fund 6 cash status (Report)

Note: The Report is on file with the commission chief clerk.

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

114486
FIN

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

The commission issued toll project revenue bonds and other obligations to finance a portion of the costs of the Central Texas Turnpike System (system), a toll project composed initially of SH 130 (Segments 1 through 4), SH 45 North, and Loop 1 project elements. SH 45SE was added to the system in fiscal year 2013. The commission also authorized the execution of an indenture of trust dated July 15, 2002 (indenture) and eight supplemental indentures to secure revenue bonds and other obligations issued for the system. The indenture prescribes the terms, provisions and covenants related to the issuance of toll project revenue bonds and obligations to finance a portion of the costs of the system.

Under Section 712 of the indenture, the commission covenants to prepare, or cause to be prepared, no more than 120 days after the last day of each fiscal year, a financial report of the results of operations of the system for such fiscal year. The financial report is required to be certified by a certified public accountant and to contain an audited balance sheet, an audited statement of operations, and an audited statement of cash flows for such fiscal year. Audited financial statements, contained in the attached Exhibit A, have been prepared for the fiscal year ended August 31, 2015.

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

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

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

114487
FIN

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

Transportation Code, Chapter 201 and other applicable law authorized the commission to issue obligations secured by and payable from a pledge of and lien on all or part of the moneys in the Mobility Fund in the name and on behalf of the state and the Texas Department of Transportation (department) in multiple series and issues from time to time for one or more of the following purposes: (i) to pay all or part of the costs of constructing, reconstructing, acquiring, and expanding state highways, including any necessary design and acquisition of rights of way, in the manner and locations determined by the commission that, according to conclusive findings of the commission, have an expected useful life, without material repair, of not less than 10 years; (ii) to provide participation by the state in the payment of part of the costs of constructing and providing publicly owned toll roads and other public transportation projects that are determined by the commission to be in the best interests of the state in

its major goal of improving the mobility of the residents of the state; (iii) to create debt service reserve accounts; (iv) to pay interest on obligations for a period of not longer than two years; (v) to refund or cancel outstanding obligations; and (vi) to pay the commission's costs of issuance. The commission also authorized the execution of a master resolution (Resolution), an amendment to the Resolution and eleven supplemental resolutions (resolutions) to authorize bonds for the Mobility Fund revenue financing program. The resolutions pledge a variety of dedicated statutory fees and other revenues as security and sources of payment for the Mobility Fund bonds and additionally pledge the general revenue of the state. The resolutions also prescribe the terms, provisions and covenants related to the general obligation Mobility Fund bonds.

Under Section 5 (j) of the Resolution, the commission covenants to prepare, or cause to be prepared, no more than 120 days after the last day of each fiscal year, a financial report of the Mobility Fund. The financial report is required to be prepared in accordance with generally accepted accounting principles and certified by a certified public accountant. Audited financial statements, contained in the attached Exhibit A, have been prepared for the fiscal year ended August 31, 2015.

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

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

d. Reports

(1) Compliance Office report

Note: The Report is on file with the commission chief clerk.

e. Highway Designation

Hunt County - Designate State Highway Spur 1570 on a new location west of the city of Greenville (MO)

114488
TPP

In Hunt County, the Paris District has requested the designation of State Highway Spur 1570 on a new location on the state highway system from SH 66 at FM 1570 northward to US 380, a distance of approximately 2.0 miles.

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

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

IT IS THEREFORE ORDERED by the commission that State Highway Spur 1570 is designated on a new location on the state highway system from SH 66 at FM 1570 northward to US 380, a distance of approximately 2.0 miles, as shown in Exhibit A.

Note: Exhibit A is 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)**

114489
TRF

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

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

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

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

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

It has also been determined that the speed limits on the segments of the state highway system, previously established by the commission by minute order and listed in Exhibit C, are no longer necessary or have been incorporated by the city which has the authority to set the speed limits on these sections of the highway.

The department, in consultation with the Texas Commission on Environmental Quality, has also determined that the environmental speed limit on the segment of highway established by Minute Order 109064, dated October 31, 2002 and listed in Exhibit D, is no longer necessary.

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 portions of minute orders establishing speed zones shown on the attached Exhibits C and D are canceled.

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

ITEM 12. Routine Minute Orders (continued)

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. Commissioner Austin recused himself from this vote. This item was presented by Executive Director James Bass.

b. Real Estate Dispositions (continued)

(7) Smith County - SH 64, west of Old Chandler Highway in Tyler - Consider the sale of right of way to the abutting landowner (MO)

114490
ROW

In the city of Tyler, SMITH COUNTY, on STATE HIGHWAY 64, the state of Texas acquired certain land for highway purposes by instrument recorded in Volume 327, Page 421, Deed Records of Smith County, Texas.

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

In accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (commission) may recommend the sale of any interest in real property acquired and no longer needed for a state highway purpose. Willow Brook Country Club is the abutting landowner and has requested to purchase Tract 1 for \$7,500.

The commission finds \$7,500 to be a fair and reasonable value of the state's right, title, and interest in Tract 1.

IT IS THEREFORE ORDERED by the commission that Tract 1 is no longer needed for a state highway purpose and that the value is less than \$10,000. The commission authorizes the executive director to execute a proper instrument conveying all of the state's right, title, and interest in Tract 1 to Willow Brook Country Club for \$7,500; SAVE AND EXCEPT, however, there is excepted and reserved herefrom all of the state's rights, titles, and interests, if any, in and to all of the oil, gas, sulphur, and other minerals, of every kind and character, in, on, under, and that may be produced from the surplus land.

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

ITEM 13. 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 comments from Chad Nobles, Amy Nobles, Robert Nobles, and Sandra Nobles, all concerning SH 249 tollroad; and REAL Director Martin Ornelas, concerning Alice Multimodal Transit Facility.

Commissioner Bugg motioned adjournment and Commissioner Vandergriff seconded the motion. The commission voted 5 - 0 to adjourn. The regular meeting of the Texas Transportation Commission was adjourned at 12:53 p.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 January 28, 2016, in Austin, Texas.



Robin Carter, Commission Chief Clerk
Texas Department of Transportation