

These are the minutes of the regular meeting of the Texas Transportation Commission held on February 25, 2016, in Austin, Texas. The meeting was called to order at 9:02 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 4:06 p.m. on February 17, 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 January 27, 2016, workshop meeting and the January 28, 2016, regular meeting of the Texas Transportation Commission**

Commissioner Bugg made a motion, which was seconded by Commissioner Vandergriff, and the commission approved the minutes of the January 27, 2016, workshop meeting and the January 28, 2016, regular meeting by a vote of 5 - 0.

**ITEM 3. Acknowledgment of Service**

Recognize by resolution Katharine "Katie" Nees, P.E., Director, Strategic Projects Division, for her 20 years of service to the state of Texas and the department

This item was presented by Deputy Executive Director Marc Williams. Ms. Nees then addressed and thanked the commission.

**ITEM 4. Unified Transportation Program**

Approve updates to the 2016 Unified Transportation Program (MO) (Presentation)

Commissioner Bugg 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 Programming Branch Manager for the Transportation Planning and Programming Division Jessica Butler. City of Dallas Mayor Mike

Rawlings, City of Austin Mayor Steve Adler, and Legislative Director for Senator Jane Nelson's office Travis Broussard also addressed the commission.

114491  
TPP

Transportation Code, §201.991 provides that the Texas Department of Transportation (department) shall develop a Unified Transportation Program (UTP) covering a period of 10 years to guide the development of and authorize construction of transportation projects.

The Texas Transportation Commission (commission) has adopted rules in Title 43, Texas Administrative Code, Chapter 16, governing the planning and development of transportation projects. The rules include guidance regarding the development of the UTP and any updates to the program, as well as public involvement requirements.

The 2016 UTP was approved by the commission on August 27, 2015 in Minute Order 114335 and revisions to the 2016 UTP were approved by the commission on November 19, 2015 in Minute Order 114417.

On January 21, 2016 the department conducted public meetings across the state via WebEx, and a public hearing was held on February 11, 2016 to receive comments and testimony concerning the proposed updates to the 2016 UTP.

The updates to the 2016 UTP, as shown in Exhibit A, include revised allocations based on revised state and federal funding levels and funding authorizations on priority projects. This update also authorizes funding initiatives to address statewide congestion relief, maintenance and energy sector, safety and connectivity, border infrastructure distribution, and the statewide ports program. In addition, this minute order addresses revisions to project specific program lists and includes other revisions or technical corrections. Exhibit B, which is included for informational purposes only, contains a report on current transportation development credit balances and all administrative revisions previously incorporated into the UTP.

IT IS THEREFORE ORDERED by the commission that the updates to the 2016 UTP, as shown in Exhibit A, are hereby approved.

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

**ITEM 5. Discussion Items**

**a. Update on HB 20 (Presentation)**

This item was presented by Deputy Executive Director Marc Williams.

**ITEM 12. Express Lanes Project**

**Dallas County - Consider the approval of the department's determination to exercise its option to develop, finance, construct, and operate interim upgrades to the I-635 East corridor, providing for the implementation of tolled express lanes on I-635 East along the existing high occupancy vehicle corridor from east of US 75 to I-30 (I-635 East Express Lanes Project), and designate the project as a toll project on the state highway system (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 Chief Engineer Bill Hale. Senator Bob Hall, City of Garland Mayor Douglas Athas, and Don Dixon also addressed the commission.

114492  
CE

The Texas Department of Transportation (department) and the North Texas Tollway Authority (NTTA), have been evaluating the financing, design, construction, and operation of a project to implement one express lane in each direction along Interstate Highway 635 from east of US 75 to I-30 (the I-635 East Express Lane Project) as a toll project.

Interstate Highway 635 is a major thoroughfare for commuters traveling to and from eastern and southeastern Dallas County, Rockwall County and Kaufman County to northern Dallas County. This corridor has experienced significant congestion issues for decades. While a more robust and permanent solution is being developed, there remains a significant need to address existing operational and capacity deficiencies in this mobility constrained corridor. Therefore, proposed interim upgrades to the I-635 East corridor include the implementation of express/high occupancy vehicle lanes along the existing high occupancy vehicle corridor in accordance with the regional transportation plan, which will improve mobility and help manage demand in the corridor, including additional projected near term growth. Improvements to this corridor are critical to the region's continued mobility and economic vitality, and this project will bridge that gap until a more permanent solution is developed.

Transportation Code, Chapter 373 establishes a process for providing local toll project entities, including the NTTA, with the first option to develop, finance, construct, and operate toll projects located within the boundaries of the local toll project entity. By resolution adopted on October 21, 2015, the NTTA Board of Directors elected to waive and decline to exercise the NTTA's option to develop, finance, construct, and operate the I-635 East Express Lane Project.

Transportation Code, §373.053 provides that if a local toll project entity fails or declines to exercise its option to develop, finance, construct, and operate a toll project, the department has 60 days after that date to decide whether it will exercise its option to develop, finance, construct, and operate that project. The department has determined that its option to develop, finance, construct, and operate the I-635 East Express Lane Project should be exercised.

Transportation Code, §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.

The I-635 East Express Lane Project has received the necessary environmental approvals through the department's receipt of a Categorical Exclusion (CE) with C-22 Classification on January 12, 2015.

**IT IS THEREFORE ORDERED** by the commission that the department's determination to exercise its option to develop, finance, construct, and operate the I-635 East Express Lane Project, pursuant to Transportation Code, §373.053, is approved. **IT IS FURTHER ORDERED** that the I-635 East Express Lane Project from east of US 75 to I-30 in Dallas County is designated as a toll project on the state highway system.

**ITEM 5. Discussion Items (continued)****b. TxDOT Bicycle Strategic Direction Report (Presentation)**

This item was introduced by Public Transportation Division Director Eric Gleason. Mr. Billy Hibbs, chairman of the Bicycle Advisory Committee, presented highlights from the report.

**ITEM 6. Adopt the department's strategic values, vision and mission statements, and goals and objectives (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 Director of Strategy and Innovation Darran Anderson.

114493  
ADM

Texas Government Code, Chapter 2056, requires that each state agency prepare a five-year strategic plan every biennium.

The Texas Department of Transportation (department) has developed proposed values, vision and mission statements, and goals and objectives (Exhibit A) as the primary strategic direction statements for the department.

The values, vision and mission statements, and goals and objectives present the department's strategic focus in simpler terms to encourage broader adoption by employees and partners.

IT IS THEREFORE ORDERED by the Texas Transportation Commission that the statements set forth in Exhibit A are adopted as the department's values, vision and mission statements, and goals and objectives.

IT IS FURTHER ORDERED that the executive director or his designee is directed to proceed with the development of the 2017-2021 Strategic Plan that meets the requirements of Government Code §2056.002 and §2056.0021 and present it to the commission for adoption at a later date.

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

**ITEM 7. Advisory Committee Appointment****Appoint members to the I-69 Corridor Advisory Committee (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 Interim Transportation Planning and Programming Division Director Lauren Garduno. Harrison County Judge Hugh Taylor, chairman of the I-69 Corridor Advisory Committee, also addressed the commission.

114494  
TPP

Pursuant to 43 TAC §1.86 and Minute Order 111294, dated March 27, 2008, the Texas Transportation Commission (commission) created an advisory committee to assist the Texas Department of Transportation (department) in the transportation planning process for the corridor planned as part of Interstate Highway 69 (I-69).

The purpose of the I-69 Corridor Advisory Committee (committee) is to facilitate and achieve support and consensus from affected communities, governmental entities, and other interested parties in the planning of transportation improvements in the I-69 corridor and in the establishment of development plans for that corridor. The committee's advice and recommendations will provide the department with an enhanced understanding of public, business, and private concerns about the I-69 corridor, facilitating the department's communications and project development objectives and resulting in greater cooperation between the department and all affected parties during project planning and development.

In Minute Order 113422, dated January 31, 2013, the commission appointed new members to the committee. A number of members are no longer in a position to serve, creating vacancies on the committee. In Minute Order 114443, dated December 17, 2015, the commission appointed Hugh Taylor as a member, filling the position vacated by Judy Hawley, the former chair of the committee. In accordance with 43 TAC §1.85(b)(3), the committee conducted an election during its January 5, 2016 meeting and selected Hugh Taylor as the new chair of the committee.

Under 43 TAC §1.86, the commission may appoint members of an advisory committee from the following groups as deemed appropriate by the commission: affected property owners and owners of business establishments; technical experts; representatives of local governmental entities; members of the general public; economic development officials; chambers of commerce officials; members of the environmental community; department staff; and professional consultants representing the department.

The individuals identified in Exhibit A as new members of the committee have been selected because they will ensure the committee represents a geographic distribution across the corridor area and reflects a diverse cross-section of the widely varying stakeholder groups needed to help the department identify and reach consensus on corridor needs and potential transportation solutions.

IT IS THEREFORE ORDERED by the commission that the individuals identified in Exhibit A are appointed as members of the I-69 Corridor Advisory Committee.

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

#### **ITEM 8. County Toll Authorities**

**Harris County** - Authorize the executive director of the department to enter into an agreement with Harris County pursuant to Transportation Code, §373.006 and §373.103 for the use of state owned right of way by Harris County to develop, construct, operate, and maintain a toll project in the median of SH 249 between Brown Road and Spring Creek, as part of the Harris County road system and, pursuant to Transportation Code, §284.008(d), approve Harris County's request that the toll project not become part of the state highway system (MO)

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

114495  
TPP

Transportation Code, Chapter 373 gives Harris County (County) the primary responsibility to develop, construct, and operate toll projects located within its jurisdiction.

Transportation Code, Chapter 373 requires the Texas Department of Transportation (department) to assist the County in the financing, construction, and operation of a toll project by allowing the County to use state highway right of way owned by the department and to access the state highway system, provided that the County pay an amount to reimburse the state's actual costs to acquire the right of way. Transportation Code, §373.006 authorizes the department and the County to enter into a toll project agreement that identifies the responsibilities of each party for project-related activities, and that may provide an alternative to the primacy determination process under Chapter 373 for toll project development.

Transportation Code, §373.103 requires the department and the County to enter into an agreement for any toll project for which the County intends to use state highway right of way. The agreement must ensure that the County's construction, maintenance, and operation of the project complies with the requirements of applicable state and federal law, and protects the interests of the Texas Transportation Commission (commission) and the department in the use of right of way for operations of the department.

On December 13, 2007, by Minute Order 111168, the commission designated the mainlanes on the segment of SH 249 from north of Spring Cypress Road to FM 1774 in Pinehurst as a toll project on the state highway system.

The County proposes to reconstruct the SH 249 corridor on existing state highway right of way from just south of Brown Road to Spring Creek to include a three-lane, toll-free frontage road in each direction, and up to eight toll lanes (Project). The County will be responsible for the development plans for the Project, but shall coordinate the development of those plans with the department. The County will be responsible for the design and construction of the Project, and for the maintenance of the toll lanes. The maintenance of the frontage roads shall be the responsibility of the department.

The County has committed to fund the Project and to reimburse the department in the amount of \$1,922,576 as reimbursement of the department's actual costs to acquire the right of way to be used by the County for the Project.

Transportation Code, §284.008 provides that a project becomes a part of the state highway system and the commission shall maintain the project without tolls once the bonds issued to finance the project are paid, unless the commission approves a request that the project will not become part of the state highway system. The County has proposed to operate and maintain the toll lanes that are part of the Project as part of the Harris County road system and, pursuant to Transportation Code, §284.008(d), has requested that this portion of the Project not become part of the state highway system.

The County's request that the toll lanes that are part of the Project not become part of the state highway system complies with the requirements of 43 TAC §27.75. As required by that section, the commission has determined that permanent operation and ownership of the toll lanes as a county road will be an efficient and effective method to

provide transportation services in the region, and the County has the ability to provide, and a past record of providing, safe and effective highway facilities without department oversight or regulation.

IT IS THEREFORE ORDERED by the commission that the executive director of the department is hereby authorized to enter into an agreement with Harris County pursuant to Transportation Code, §373.006 and §373.103, for the use of state owned right of way by the County to develop and construct the SH 249 toll project, including the frontage roads, from just south of Brown Road to Spring Creek, and to operate and maintain the toll lanes that are part of the project as part of the county road system. The request that the toll lanes not become part of the state highway system is approved.

IT IS FURTHER ORDERED that the agreement shall require Harris County to reimburse the department's actual costs to acquire the right of way needed for the Project, in the amount of \$1,922,576.

### **ITEM 9. Public Transportation**

**a. Various Counties - Rescind Minute Order 114310, dated July 30, 2015, and award federal §5304 Statewide and Nonmetropolitan Transportation Planning Program funds and state matching funds, federal §5311 Formula Grants for Rural Areas Program funds, federal §5311(f) Formula Grants for Rural Areas Intercity Bus Transportation Program funds, federal §5311(b)(3) Rural Transit Assistance Program funds, and state grant funds for the FY 2015 coordinated call for projects, and award transportation development credits (MO) (Presentation)**

Commissioner Bugg 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 Public Transportation Eric Gleason.

114496  
PTN

The Texas Transportation Commission (commission) desires to award \$7,258,898 in Federal Transit Administration (FTA) grant program and state match funds and 233,200 transportation development credits (TDC), and further acknowledges that federal program regulations require the Texas Department of Transportation (department) to ensure that these grant funds are distributed fairly and equitably within the state.

Title 43, Texas Administrative Code (TAC), Sections 31.22, 31.36, and 31.37 establish the process by which program proposals shall be evaluated and funds distributed. On November 7, 2014, the department published a Notice of Call for Projects in the Texas Register. Project criteria included project planning and coordination, demonstration of need and benefits of the project, and project management.

In July 2015, the commission passed Minute Order 114310, awarding funds and TDC to various transit providers for projects selected from the Call for Projects. Subsequently, in October 2015, the Federal Transit Administration announced that Texas would receive an award as part of the Transportation Investment Generating Economic Recovery (TIGER) competitive grant program for two projects included in Minute Order 114310. The award of TIGER funds precludes the need for the previous

award to these two projects. To clarify the public record, the commission rescinds and withdraws Minute Order 114310, dated July 30, 2015.

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

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

The commission finds that the projects in Exhibit A are eligible for funding and awards a total of \$7,258,898 in federal and state program funds and 233,200 in TDC.

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

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

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

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

**b. Various Counties - Award federal and state funds and transportation development credits to rural transportation providers to purchase public transportation vehicles and construct four transit facilities (MO)**

Vice Chairman Moseley made a motion, which was seconded by Commissioner Bugg, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Director of Public Transportation Eric Gleason. REAL, Inc., Director Martin Ornelas, Midland Odessa Transit District General Manager Rob Stephens, Texas Transit Association President John Hendrickson, and CARTS General Manager David Marsh also spoke to the commission.

114497  
PTN

The Texas Transportation Commission (commission) desires to award \$35,035,000 of Federal Transit Administration (FTA) grant program and state funds and up to 2,027,500 million transportation development credits (TDC), and further acknowledges that federal program regulations require the Texas Department of Transportation (department) to ensure that these grant funds are distributed fairly and equitably within the state.

The department submitted a project application and was awarded \$20,802,400 in federal funds through the United States Department of Transportation's (USDOT) Transportation Investment Generating Economic Recovery (TIGER) competitive grant program. Additional funds necessary for the projects include \$9,032,000 in Surface Transportation Program – Statewide program funds flexed to the federal §5339 Bus and

Bus Facilities program with up to 2,027,500 million transportation development credits as match and \$5,200,600 in state funds.

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

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

The commission finds that the projects in Exhibits A and B are eligible for funding and awards a total of \$35,035,000 in federal and state program funds and up to 2,027,500 in TDC.

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

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

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

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

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

Commissioner Vandergriff 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 Public Transportation Eric Gleason.

114498  
PTN

The Texas Transportation Commission (commission) desires to award 548,450 transportation development credits (TDC) to the City of McAllen, the City of Tyler, the City of Wichita Falls, and VIA Metropolitan Transit to be used as the local match for federally funded capital projects.

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

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

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

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

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

**d. Various Counties - Award federal and state funds to designated lead agencies to support continuation of coordinated regional public transportation planning for FY 2016 and FY 2017 (MO)**

Commissioner Austin 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 Director of Public Transportation Eric Gleason. Midland Odessa Transit District General Manager Rob Stephens also spoke to the commission.

114499  
PTN

The Texas Transportation Commission (commission) desires to award \$22,563 of Federal Transit Administration (FTA) §5304 Statewide and Nonmetropolitan Transportation Planning grant program funds and state matching funds to South Plains Association of Governments to support regional planning. The commission further acknowledges that federal program regulations require the Texas Department of Transportation (department) to ensure that these grant funds are distributed and utilized in accordance with the guidance from FTA.

Under §5304 of Title 49 of the United States Code, FTA provides the department with funds to be used for planning and coordination projects.

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

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

IT IS THEREFORE ORDERED by the commission that the executive director or the director's designee is directed to proceed with this award in accordance with the state application to the FTA and enter into the necessary contract.

**e. McLennan County - Award §5311(b)(3) Rural Transit Assistance Program funds to the City of Waco to offset expenses for the 2016 Texas Transit Association Bus Roadeo, Conference, and Expo (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 Public Transportation Eric Gleason. Texas Transit Association Executive Director Meredith Greene also addressed the commission.

114500  
PTN

The Texas Transportation Commission (commission) desires to award up to \$40,000 in state funds to the City of Waco in support of the 2016 Texas Transit Association Bus Roadeo and Exposition. The award is provided to the City of Waco for their specific role in this event to provide technical assistance and logistical support.

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

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

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

**ITEM 10. Promulgation of Administrative Rules Under Title 43, Texas Administrative Code, and the Administrative Procedure Act, Government Code, Chapter 2001:**

**Proposed Adoption**

**a. Chapter 1 - Management**

Amendments to §1.29, Notice of Hearing, §1.37, Notification of Decision, and §1.38, Motions for Rehearing (Procedures in Contested Case) (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 General Counsel Jeff Graham.

114501  
ADM

The Texas Transportation Commission (commission) finds it necessary to propose amendments to §1.29, Notice of Hearing, §1.37, Notification of Decision, and §1.38, Motions for Rehearing, relating to Procedures in Contested Case, to be codified under Title 43, Texas Administrative Code, Part 1.

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

IT IS THEREFORE ORDERED by the commission that the amendments to §§1.29, 1.37, and 1.38 are proposed for adoption and are authorized for publication in the Texas Register for the purpose of receiving public comments.

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

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

**b. Chapter 15 - Financing and Construction of Transportation Projects**

Amendments to §15.52, Agreements (Federal, State, and Local Participation) (MO) (MO)

Commissioner Vandergriff 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 Contract Services Office Director Ken Stewart.

114502  
C&P

The Texas Transportation Commission (commission) finds it necessary to propose amendments to §15.52, Agreements, relating to Federal, State, and Local Participation, 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 §15.52 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 11. State Infrastructure Bank**

**a. Nueces County - Nueces County - Consider final approval of a request from Nueces County for a State Infrastructure Bank loan in the amount of up to \$12,000,000 to pay for the county's cost participation in the Harbor Bridge Project (MO)**

Commissioner Austin 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 Project Finance and Debt Management Officer Ben Asher. Deputy Executive Director Marc Williams also answered questions from the commission.

114503  
DMO

The Texas Department of Transportation (department) and Nueces County have entered into an Advance Funding Agreement whereby Nueces County will provide cost participation in the amount of \$12,000,000 for the US 181 Harbor Bridge Replacement Project (project). The project includes the construction of the new Harbor Bridge and portions of US Highway 181 (US 181), Interstate Highway 37 (I-37), Crosstown Expressway (SH 286), the connection of Upper and Lower Broadway Street to I-37 and the demolition of the existing Harbor Bridge in Corpus Christi, Texas. The project limits extend both north-south along US 181 and the Crosstown Expressway and east-west along I-37 and include: US 181 at Beach Avenue on the north; Crosstown Expressway at Laredo Street on the south; I-37 and Nueces Bay Boulevard on the west; and I-37 and Mesquite Street on the east side with a total length of 6.44 miles.

Pursuant to Transportation Code, Chapter 222, Subchapter D, the commission adopted Title 43 Texas Administrative Code (TAC) §§6.1-6.45 (SIB rules) to prescribe conditions for the commission's financial assistance from the State Infrastructure Bank (SIB).

In accordance with the SIB rules, Nueces County has submitted an application for a State Infrastructure Bank loan of up to \$12,000,000 for its cost participation in the project.

The SIB rules provide for both preliminary and final approval by the commission of any SIB loan in the principal amount of more than \$10 million, unless the commission waives the preliminary approval requirement for that application. The intended use of the financial assistance conforms to the purposes of the SIB. The present and projected financial condition of the SIB is sufficient to cover the requested financial assistance for the project. Under the SIB rules, the executive director or his designee determined that the requirement to submit any information or data that was not submitted by Nueces County is waived as permitted by the rules either because the information or data is not relevant or the department already possesses the information or data.

In Minute Order 114398, dated October 29, 2015, the commission granted preliminary approval of the application. In accordance with 43 TAC §6.32(c), the commission found that: (1) the project is consistent with the Statewide Long-Range Transportation Plan and the metropolitan transportation plan developed by the applicable metropolitan planning organization; (2) the project is not in a Clean Air Act non-attainment area; (3) the project will improve the efficiency of the state's transportation systems; (4) the project will expand the availability of funding for transportation projects or reduce direct state costs; and (5) the application shows that San Patricio County is likely to have sufficient revenues to assure repayment of the financial assistance.

In accordance with 43 TAC §6.41, the executive director has negotiated all the terms of an agreement as necessary to comply with the requirements of preliminary approval, to protect the public's safety, and to prudently provide for the protection of public funds while furthering the purposes of the SIB.

The executive director or his designee implemented actions authorized and required by the SIB rules for final approval. The executive director affirms that the necessary social, economic, and environmental impact studies have been completed and approved by the department. The executive director recommends that the commission grant final approval of San Patricio County's application for financial assistance from the SIB.

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

**IT IS THEREFORE DETERMINED AND ORDERED** that the application submitted by Nueces County for financial assistance in the form of a loan meets the applicable requirements of the SIB rules and, in accordance with those provisions, the

commission grants final approval of San Patricio County's application for a SIB loan in an amount not to exceed \$12,000,000 for San Patricio County's cost participation in the project.

IT IS FURTHER ORDERED that the executive director or his designee is directed and authorized to negotiate and enter into a financial assistance agreement which complies with the commission's rules and which contains the following terms:

1. The loan will be repaid over a period of no more than 25 years after the date of the first scheduled payment at 3.47 percent interest per annum.
2. The loan must be closed and all loan funds must be drawn by December 31, 2018. The loans may be funded in one or more draws and may have a separate payment schedule for each draw.
3. Repayment of the loan may be deferred up to the third anniversary of the date of the initial funding of the loan.
4. The Borrower will pledge ad valorem tax revenues as security for repayment of the loan.

**b. San Patricio County - San Patricio County - Consider final approval of a request from San Patricio County for a State Infrastructure Bank loan in the amount of up to \$12,000,000 to pay for the county's cost participation in the Harbor Bridge Project (MO)**

Vice Chairman Moseley made a motion, which was seconded by Commissioner Bugg, and the commission approved the following minute order by a vote of 5 - 0. This item was presented by Project Finance and Debt Management Officer Ben Asher.

114504  
DMO

The Texas Department of Transportation (department) and San Patricio County have entered into an Advance Funding Agreement whereby San Patricio County will provide cost participation in the amount of \$12,000,000 for the US 181 Harbor Bridge Replacement Project (project). The project includes the construction of the new Harbor Bridge and portions of US Highway 181 (US 181), Interstate Highway 37 (I-37), Crosstown Expressway (SH 286), the connection of Upper and Lower Broadway Street to I-37 and the demolition of the existing Harbor Bridge in Corpus Christi, Texas. The project limits extend both north-south along US 181 and the Crosstown Expressway and east-west along I-37 and include: US 181 at Beach Avenue on the north; Crosstown Expressway at Laredo Street on the south; I-37 and Nueces Bay Boulevard on the west; and I-37 and Mesquite Street on the east side with a total length of 6.44 miles.

Pursuant to Transportation Code, Chapter 222, Subchapter D, the commission adopted Title 43 Texas Administrative Code (TAC) §§6.1-6.45 (SIB rules) to prescribe conditions for the commission's financial assistance from the State Infrastructure Bank (SIB).

In accordance with the SIB rules, San Patricio County has submitted an application for a State Infrastructure Bank loan of up to \$12,000,000 for its cost participation in the project.

The SIB rules provide for both preliminary and final approval by the commission of any SIB loan in the principal amount of more than \$10 million, unless

the commission waives the preliminary approval requirement for that application. The intended use of the financial assistance conforms to the purposes of the SIB. The present and projected financial condition of the SIB is sufficient to cover the requested financial assistance for the project. Under the SIB rules, the executive director or his designee determined that the requirement to submit any information or data that was not submitted by San Patricio County is waived as permitted by the rules either because the information or data is not relevant or the department already possesses the information or data.

In Minute Order 114399, dated October 29, 2015, the commission granted preliminary approval of the application. In accordance with 43 TAC §6.32(c), the commission found that: (1) the project is consistent with the Statewide Long-Range Transportation Plan and the metropolitan transportation plan developed by the applicable metropolitan planning organization; (2) the project is not in a Clean Air Act non-attainment area; (3) the project will improve the efficiency of the state's transportation systems; (4) the project will expand the availability of funding for transportation projects or reduce direct state costs; and (5) the application shows that San Patricio County is likely to have sufficient revenues to assure repayment of the financial assistance.

In accordance with 43 TAC §6.41, the executive director has negotiated all the terms of an agreement as necessary to comply with the requirements of preliminary approval, to protect the public's safety, and to prudently provide for the protection of public funds while furthering the purposes of the SIB.

The executive director or his designee implemented actions authorized and required by the SIB rules for final approval. The executive director affirms that the necessary social, economic, and environmental impact studies have been completed and approved by the department. The executive director recommends that the commission grant final approval of San Patricio County's application for financial assistance from the SIB.

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

**IT IS THEREFORE DETERMINED AND ORDERED** that the application submitted by San Patricio County for financial assistance in the form of a loan meets the applicable requirements of the SIB rules and, in accordance with those provisions, the commission grants final approval of San Patricio County's application for a SIB loan in an amount not to exceed \$12,000,000 for San Patricio County's cost participation in the project.

**IT IS FURTHER ORDERED** that the executive director or his designee is directed and authorized to negotiate and enter into a financial assistance agreement which complies with the commission's rules and which contains the following terms:

1. The loan will be repaid over a period of no more than 25 years after the date of the first scheduled payment at 2.57 percent interest per annum.

2. The loan must be closed and all loan funds must be drawn by December 31, 2018. The loans may be funded in one or more draws and may have a separate payment schedule for each draw.
3. Repayment of the loan may be deferred up to the third anniversary of the date of the initial funding of the loan.
4. The Borrower will pledge ad valorem tax revenues as security for repayment of the loan.

**ITEM 13. Toll Operations**

**Dallas and Tarrant Counties - In accordance with Regional Transportation Council policy, establish toll rates for the I-30 Managed Lanes Project from west of Center Street in Tarrant County to east of Sylvan Avenue in Dallas County (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.

114505  
TOD

Title 43, Texas Administrative Code, §27.82(d) provides that the Texas Transportation Commission (commission) will establish toll rates for the use of a toll project on the state highway system. In setting toll rates, the commission is required to consider: (1) the results of traffic and revenue studies and any schedule of toll rates established in a traffic and revenue report; (2) the requirements of project bond covenants, if applicable; and (3) vehicle classifications, type and location of the facility, and similar criteria that apply to a specific project.

In Minute Order 113710, dated September 26, 2013, the commission designated a controlled access facility along I-30 from west of North Fielder Road in Tarrant County to Sylvan Avenue in Dallas County (I-30 Managed Lanes Project) as a toll project on the state highway system. The I-30 Managed Lanes Project includes one concurrent flow managed tolled lane in each direction from west of Center Street to west of SH 161 and two reversible managed tolled lanes from west of SH 161 to east of Sylvan Avenue. The I-30 Managed Lanes Project is an all-electronic, open road tolling managed lane facility.

The Tolled Managed Lane Policy adopted by the Regional Transportation Council (RTC) on June 13, 2013 provides that a fixed pricing schedule will be applied during the first six months of operation, and a dynamic pricing schedule will be applied thereafter. The Texas Department of Transportation (department) desires to establish toll rate tables for the I-30 Managed Lanes Project, in accordance with the RTC Tolled Managed Lane Policy, at each tolling point as set forth in Exhibit A.

IT IS THEREFORE ORDERED that the department is authorized to charge tolls on the I-30 Managed Lanes Project along I-30 from west of Center Street in Tarrant County to east of Sylvan Avenue in Dallas County, based on a fixed pricing schedule, in the amounts stated in Exhibit A, beginning on April 1, 2016 or at such time thereafter when all toll systems have been tested and are functioning.

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

**ITEM 14. Contested Cases****a. Galveston County - OAD Outdoor Advertising Display, Inc. v. Texas Department of Transportation - Consider action on proposal for decision by administrative law judge concerning cancellation of outdoor advertising permits, final order**

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 Associate General Counsel Rich O'Connell.

114506  
OGC

On February 25, 2016, the Texas Transportation Commission (commission) considered the staff's proposed cancellation of Outdoor Advertising Permit Numbers 84267 and 84268, held by OAD Outdoor Advertising Display, Inc. (OAD). The permits concern two signs on Interstate Highway 45 near La Marque, Texas. OAD requested a contested case hearing and the matter was referred to the State Office of Administrative Hearings. The Administrative Law Judge concluded in the proposal for decision that the enforcement action is moot and that the case should be dismissed. Under the Administrative Procedure Act and the commission's rules, the matter is now appropriate for entry of a final order by the commission.

IT IS THEREFORE ORDERED that the commission issues the attached order in the case of OAD Outdoor Advertising Display, Inc. v. Texas Department of Transportation, Docket No. 601-08-3259, and directs the executive director to take the necessary steps to implement this order.

**b. Cameron County - Texas Department of Transportation v. Whalen's Furniture, Inc. - Consider action on proposal for decision by administrative law judge concerning cancellation of an outdoor advertising permit, final order (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 Associate General Counsel Rich O'Connell.

114507  
OGC

On February 25, 2016, the Texas Transportation Commission (commission) considered the staff's proposed cancellation of Outdoor Advertising Permit Number 44760, held by Whalen's Furniture, Inc. (Whalen). The permit concerned a sign on State Highway 83 in Cameron County near Harlingen, Texas. Whalen requested a contested case hearing and the matter was referred to the State Office of Administrative Hearings. The Administrative Law Judge concluded in the proposal for decision that the permit should be canceled. Under the Administrative Procedure Act and the commission's rules, the matter is now appropriate for entry of a final order by the commission.

IT IS THEREFORE ORDERED that the commission issues the attached order in the case of Texas Department of Transportation v. Whalen's Furniture, Inc., Docket No. 601-14-5045, and directs the executive director to take the necessary steps to implement this order.





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 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 Director of Construction Tracy Cain.

114511  
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 February 9 and 10, 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.

**(c) Highway and Transportation Enhancement Building Construction**

Rescind award of and reject Brazos County Project ITS 2001(537), previously awarded January 28, 2016 by Minute Order 114477, and Bell County Projects, C 398-4-59 and NH 2015(598), previously awarded June 25, 2015 by Minute Order 114292 (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 Construction Tracy Cain. General Counsel Jeff Graham also answered questions from the commission.

114512  
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 June 3 and 4, 2015 and January 5 and 6, 2016, as shown on Exhibit A.

Pursuant to Title 43, Texas Administrative Code Section 9.17(h), the Commission may rescind the award of any contract prior to contract execution upon a determination that it is in the best interest of the state.

The department recommends that the Texas Transportation Commission (commission) respectively rescind the award to the lowest bidder for contract awarded on June 25, 2016, by Minute Order 114292 and January 28, 2016, by Minute Order 114477, as indicated, those highway and transportation enhancement building construction contracts identified on attached Exhibit A to this order.

The Commission finds that it is in the best interest of the State to rescind the award of the referenced contracts.

IT IS THEREFORE ORDERED by the commission that the award of the contracts described in Exhibit A, be and are hereby respectively canceled as indicated therein.

IT IS FURTHER ORDERED that all bids on the contracts described in Exhibit A be rejected and that the projects be advertised for bids at the earliest possible date.

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

**ITEM 17. 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 Austin 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 Director Gus Cannon.

114513  
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 - K. 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 - 19, 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>
Denton	US 377	6	0081-03-057	16,16TE
Denton	US 377	7	0081-03-057	19,19TE
Denton	US 377	8	0081-03-057	18,18TE
Denton	US 377	9	0081-03-057	31,31TE
Denton	US 377	15	0081-03-057	9
Denton	US 377	16	0081-03-057	20,20TE
Denton	US 377	17	0081-03-057	12,12TE
Ellis	FM 66	11	0596-02-051	1TE
Ellis	FM 664	3	1051-01-043	13
Ellis	FM 664	4	1051-01-043	8,8E
Ellis	FM 664	5	1051-01-043	44
Ellis	FM 664	13	1051-01-043	45
Grayson	FM 121	2	0729-01-042	1,1TE
Navarro	SH 31	14	0162-11-002	59
Smith	Spur 248	1	2558-01-016	7
Tarrant	SH 183	12	0364-05-038	66
Tarrant	SH 360	10	2266-02-129	41
Wharton	US 59	18	0089-06-084	19
Wharton	US 59	19	0089-06-084	16

**CONTROLLED ACCESS**

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Dallas	IH 30	C	1068-04-137	14
McLennan	IH 35	B	0015-01-234	124
McLennan	IH 35	G	0015-01-234	231,231AC
Tarrant	SH 183	H	0364-05-038	69
Tarrant	IH 30	A	1068-02-123	3,3AC
Tarrant	IH 30	D	1068-02-123	10,10TE
Tarrant	IH 30	E	1068-02-123	4B
Tarrant	IH 30	F	1068-02-123	18,18E
Tarrant	IH 30	I	1068-02-123	4A
Tarrant	IH 30	J	1068-02-123	20
Tarrant	IH 30	K	1068-02-123	21

Note: Exhibits A - K and 1 - 19 are on file with the commission chief clerk.

**ITEM 18. Routine Minute Orders**

Vice Chairman Moseley made a motion, which was seconded by Commissioner Vandergriff, and the commission approved the following minute orders by a vote of 5 - 0. This item was presented by Executive Director James Bass.

**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)

114514  
CSO

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

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

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

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

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

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

**b. Real Estate Donations**

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

114515  
ROW

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

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

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

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, §223.049, and §224.001. The donation agreement has been executed and accepted by the department under Title 43, Texas Administrative Code, §1.504.

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

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

**c. Real Estate Dispositions**

**(1) Dallas County - FM 1382 at Pleasant Run Road in Cedar Hill - Consider the sale of right of way to an abutting landowner (MO)**

114516  
ROW

In the city of Cedar Hill (city), DALLAS COUNTY, on FARM TO MARKET ROAD 1382, the state of Texas acquired certain land for highway purposes by instruments recorded in Volume 4411, Page 20, and Volume 4443, Page 415, Deed Records of Dallas County, Texas, and the state used certain land for highway purposes to which there is no record title.

Portions of the state-owned land (Tracts 1 and 3), described in Exhibit A, and the no-title 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 there is no record title to the property, the quitclaim of any interest that might have accrued to the state by use of the property to abutting property owners at the request of the county or municipality.

Hillcrest Baptist Church, a Texas corporation, is an abutting landowner and has requested to purchase Tracts 1 and 3 for \$30,407.

The city has requested that Tract 2 be quitclaimed to Hillcrest Baptist Church, a Texas corporation.

The commission finds \$30,407 to be a fair and reasonable value for the state's right, title, and interest in Tracts 1 and 3.

IT IS THEREFORE ORDERED by the commission that Tracts 1, 2, and 3 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 Tracts 1 and 3 to Hillcrest Baptist Church, a Texas corporation, for \$30,407; 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 Hillcrest Baptist Church, a Texas corporation.

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

**(2) Dallas County - SH 66, east of N. Country Club Road in Garland - Consider the sale of a former maintenance site and improvements (MO)**

114517  
ROW

In the city of Garland, DALLAS COUNTY, on STATE HIGHWAY 66, the state of Texas acquired certain real property for highway maintenance purposes by instrument recorded in Volume 2005-172, Page 340, Deed Records of Dallas County, Texas.

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

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

The City of Garland has requested to purchase Tract 1 for \$1,524,600.

The commission finds \$1,524,600 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 Garland, Texas, for \$1,524,600; 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.

**(3) Eastland County - SH 6 at FM 8 in Gorman - Consider the sale of right of way to the Gorman Economic Development Corporation (MO)**

114518  
ROW

In the city of Gorman, EASTLAND COUNTY, on STATE HIGHWAY 6, the state of Texas acquired certain land for highway purposes by instrument recorded in Volume 328, Page 551, Deed Records of Eastland 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.

Gorman Economic Development Corporation is a part of the City of Gorman, a governmental entity with the authority to condemn the property, and has requested to purchase Tract 1 for \$2,500.

The commission finds \$2,500 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 Gorman Economic Development Corporation for \$2,500; 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.

**(4) Fort Bend County - I-69 at University Boulevard in Sugar Land - Consider the sale of right of way to the city of Sugar Land (MO)**

114519  
ROW

In the city of Sugar Land, FORT BEND COUNTY, on INTERSTATE 69, the state of Texas acquired certain land for highway purposes by instrument recorded in Volume 460, Page 73, Deed Records of Fort Bend County.

A portion of the land (Tract 121), described in Exhibit A, is no longer needed for a state highway purpose.

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

The City of Sugar Land has requested to purchase Tract 121 for \$9,388,352.

The commission finds \$9,388,352 to be a fair and reasonable value of the state's right, title, and interest in Tract 121.

IT IS THEREFORE ORDERED by the commission that Tract 121 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 121 to the City of Sugar Land, Texas, for \$9,388,352; 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 - US 290, north side, east of Polo Club Drive - Consider the exchange of drainage easements (MO)**

114520  
ROW

In HAYS COUNTY, on US 290, the state of Texas acquired an easement interest in certain land for highway drainage purposes by instrument recorded in Volume 170, Page 578, Deed Records of Hays County, Texas.

The easement (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 exchange of an interest in real property acquired but not needed for a highway purpose as whole or partial consideration for another interest in land needed for a state highway purpose.

Lasco Polo Club Partners, Ltd., (Lasco) has granted to the state an easement interest in certain land (Parcels 1 and 2), described in Exhibit B, needed for a state highway purpose. Lasco is the owner of the fee in the property and has requested that Tract 1 be released in exchange for Parcels 1 and 2.

V.T.C.A., Transportation Code, Chapter 201, Subchapter D, authorizes the Texas Department of Transportation (department) to accept donations of real property for the purpose of carrying out its functions and duties.

V.T.C.A., Government Code, Chapter 575, requires the commission to acknowledge the acceptance of a gift or donation valued at over \$500 by majority vote at an open meeting not later than the 90th day after the date the donation is accepted.

An Agreement Concerning the Donation of Property to the Texas Department of Transportation (donation agreement) has been executed by owner and tendered to the department for acceptance under the provisions of Title 43, Texas Administrative Code, Chapter 1, Subchapter M, since the value of Parcels 1 and 2, which is \$76,073, exceeds the value of Tract 1, which is \$74,100, resulting in a difference in value of \$1,973.

Lasco has executed and delivered an easement document under the terms of the donation agreement to grant Parcels 1 and 2 to the state and has requested that the state's right and interest in Tract 1 be released to Lasco.

It is the opinion of the commission that it is proper and correct that the state release its interest in Tract 1 in exchange and as consideration for the partial donation and the conveyance of Parcels 1 and 2 to the state.

**IT IS THEREFORE ORDERED** by the commission that it acknowledges the acceptance of the donation of \$1,973 in accordance with Title 43, Texas Administrative Code, Chapter 1, Subchapter M.

**FURTHER**, in consideration of the foregoing premises and in accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the commission finds that Tract 1 is no longer needed for a state highway purpose and recommends, subject to approval by the attorney general, that the governor of Texas execute a proper instrument releasing the state's right and interest in Tract 1 to Lasco Polo Club Partners, Ltd., in exchange and as consideration for Parcels 1 and 2 and partial donation to the state.

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

**(6) Rusk County - Farm to Market Road 2658**

Supersedes prior Minute Order 113687, dated August 29, 2013, to allow the department to accept a performance bond or alternative security in order to release surplus property to donor and allow for conveyance of deed to donor (MO)

114521  
CSO

Luminant Mining Company, LLC (donor) would like to donate sufficient funding, property and services to provide for land acquisition and exchange of right of way, utility relocation, environmental assessments, schematics, plan specifications and estimates, and construction and construction engineering necessary to construct a new segment of replacement highway parallel to Farm to Market 2658 in Rusk County, approximately 2.54 miles in length, as more particularly described in Exhibit A (new right of way). The estimated donation is \$7,134,000. The donor has further agreed that upon completion of the realignment and construction of the new replacement highway facility for a portion of FM 2658, it will convey to the state the new right of way. Upon acceptance of the new right of way or provision of sufficient security by donor to guarantee completion of the final work items, the Texas Department of Transportation (department) will abandon an approximately 2.82 mile length of highway currently designated as FM 2658 as more particularly described in Exhibit B (existing right of way). In essence, this series of transactions will provide for the construction of a new segment of highway on property owned by the donor and the ultimate exchange of that segment for a parallel segment of highway currently owned by the department. As a result, the department will receive a new highway segment meeting all current specifications, and the donor will be able to pursue mining operations under the existing highway segment.

Transportation Code, §201.206, authorizes the department to accept a donation in any form, including realty, personalty, money materials, and services, for the purpose of carrying out its functions and duties.

Government Code, Chapter 575, requires the governing board of a state agency to acknowledge the acceptance of a donation valued at \$500 or more by majority vote at an open meeting, not later than the 60th 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.

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 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 commission may approve the acceptance of a donation, notwithstanding the foregoing proscriptions in the rules, if it 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.

In accordance with Transportation Code, Chapter 202, Subchapter B, the commission may recommend the exchange of surplus land as partial or full consideration for other land needed by the state for highway purposes.

This donation has been examined by department personnel. The department recommends issuance of this minute order on the ground that acceptance of the donation and exchange is in the best interest and welfare of the traveling public.

The commission finds that the donation will further the department's responsibilities and that the donor is not a party to a contested case before the department and has not been a party to a contested case before the department during the last 30 days.

The commission finds that the donor is not interested in or likely to become interested in a contract, purchase, payment, or claim with or against the department. The commission has determined that acceptance of the donation would provide significant public benefits and would not influence or reasonably appear to influence the department in the performance of its duties.

It is the opinion of the commission that upon completion and acceptance of the new right of way or provision to the state of sufficient security to guarantee completion of the final work items, the existing right of way described in Exhibit B (surplus land) will no longer be needed for highway purposes, will be surplus, and should be removed from the state system of highways. It would then be proper and correct that the state convey and release its rights, title, and interest in the surplus land including all coal and lignite rights, title, and interest to the donor in exchange and as consideration for the conveyance of the new right of way to the state.

**IT IS THEREFORE ORDERED** by the commission that the donation by Luminant Mining Company, LLC, is accepted. The executive director or the executive director's designee is authorized to execute all necessary documents under 43 TAC §1.504 to effect the acceptance of the donation and completion of the exchange.

**IT IS FURTHER ORDERED** by the commission that the executive director is authorized to tender the following proposal to donor.

Provided that the donor at its sole expense completes construction of the new right of way to the satisfaction of the department or provides to the state sufficient security to guarantee completion of the final work items, conveys the new right of way described in Exhibit A to the state, and pays the cash difference between the value of the existing right of way and the value of the new right of way, if any, then the commission will recommend the conveyance of the existing right of way to the donor in accordance with Transportation Code, Chapter 202, Subchapter B.

**IT IS FURTHER ORDERED**, in consideration of the foregoing premises and in accordance with Transportation Code, Chapter 202, Subchapter B, the commission hereby finds that if and when the donor satisfactorily complies with all the conditions of this minute order, the designation of the surplus land as part of the state system is then cancelled and the surplus land is no longer needed for highway or public transportation purposes and recommends, subject to approval by the attorney general, that the governor of Texas execute proper instruments conveying and releasing all of the state's rights, title and interest in the surplus land described in Exhibit B, including all coal and

lignite rights, title, and interest to the donor in exchange and as consideration for the conveyance to the state of the new right of way.

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

**d. Finance**

**(1) Accept the annual continuing disclosure report for the State Highway Fund revenue bonds (MO)**

114522  
DMO

Article III, Section 49-n of the Texas Constitution authorized the Legislature to authorize the Texas Transportation Commission (commission) to issue bonds and other public securities to: (i) finance state highway improvement projects that are eligible for funding with revenues dedicated or appropriated to the state highway fund; and (ii) pay the costs of issuing the bonds. The bonds are payable from and secured by a prior lien on certain revenues deposited to the credit of the State Highway Fund held in the treasury of the state of Texas.

Pursuant to a Second Amended and Restated Master Resolution dated April 23, 2010, and First, Second, Third, Fourth, Fifth, Sixth, Seventh, and Eighth Supplemental Resolutions, the commission issued nine series of bonds under Transportation Code, Section 222.003 and other applicable law.

Under provisions of the resolutions, the commission has covenanted to provide annually, within 180 days after the end of each fiscal year, financial information and operating data with respect to the State Highway Fund of the general type in the attached State Highway Fund Annual Continuing Disclosure Report.

IT IS THEREFORE ORDERED by the commission that the annual report of financial information and operating data for the fiscal year ended August 31, 2015, attached as the State Highway Fund Annual Continuing Disclosure Report, is accepted.

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

**(2) Accept the annual continuing disclosure report for the Texas Mobility Fund (MO)**

114523  
DMO

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.

Pursuant to a Master Resolution, a First Supplemental Resolution and a Second Supplemental Resolution each adopted on May 4, 2005, a Third Supplemental Resolution adopted on May 25, 2006, a Fourth Supplemental Resolution and Fifth Supplemental Resolution each adopted on September 28, 2006, a Sixth Supplemental Resolution adopted on May 24, 2007, a Seventh Supplemental Resolution adopted on

September 27, 2007, an Eighth Supplemental Resolution adopted on December 18, 2008, and amended, restated and adopted on April 30, 2009, a Ninth Supplemental Resolution adopted on January 30, 2014, a Tenth Supplemental Resolution adopted on October 30, 2014, an Eleventh Supplemental Resolution adopted on January 29, 2015, and a Twelfth Supplemental Resolution adopted on January 28, 2016, the commission has issued thirteen series of bonds under Transportation Code, Chapter 201 and other applicable law. The bonds are secured by and payable from a pledge of and lien on all or part of the moneys in the Mobility Fund, and a full faith and credit pledge of the state, and which bonds were issued in the name and on behalf of the state to: (i) 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, or not less than 10 years; (ii) 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; and (iii) pay the costs of issuance. Under provisions of the First, Third, Fourth, Sixth, Seventh, Eighth, Ninth, Tenth, Eleventh, and Twelfth Supplemental Resolutions, the commission has covenanted to provide annually, within six months after the end of each fiscal year, financial information and operating data with respect to the Mobility Fund.

IT IS THEREFORE ORDERED by the commission that the annual report of financial information and operating data for the fiscal year ended August 31, 2015, attached as the Texas Mobility Fund Annual Continuing Disclosure Report, is accepted.

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

**(3) Travis and Williamson Counties - Accept the annual continuing disclosure report for the Central Texas Turnpike System (MO)**

114524  
DMO

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

The commission issued turnpike revenue bonds and other obligations to finance a portion of the costs of the Central Texas Turnpike System (System), a turnpike project composed of the State Highway 130 (Segments 1 through 4), State Highway 45 North, State Highway 45 SE and Loop 1 project elements. The commission has also authorized the execution of an indenture of trust and eight supplemental indentures to secure revenue bonds and other obligations issued for the System. The Indenture of Trust dated July 15, 2002 as supplemented by the amended and restated eighth supplemental indenture (indenture), prescribes the terms, provisions and covenants related to the issuance of turnpike revenue bonds and obligations to finance a portion of the costs of the System.

Section 716 of the indenture requires the commission to provide annually, within 6 months after the end of each fiscal year, updated financial information and operating data with respect to the commission and the System of the general type included in specified sections of the final official statements relating to the First Tier Obligations issued for the System.

IT IS THEREFORE ORDERED by the commission that the annual report of financial information and operating data for the fiscal year ended August 31, 2015 with respect to the commission and the System, attached as the Central Texas Turnpike System Annual Continuing Disclosure Report, is accepted.

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

**e. Reports**

**(1) Compliance Office report**

Note: Confidential report to commission.

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

114525  
TOD

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

The commission has previously issued bonds and obligations, with approximately \$2,149,548,463 outstanding, to finance or refinance a portion of the costs of the Central Texas Turnpike System (system), pursuant to an Indenture of Trust and seven supplemental indentures. The Indenture of Trust dated July 15, 2002 (Indenture), prescribes the terms, provisions and covenants related to the issuance of turnpike revenue bonds and obligations to finance a portion of the costs of the system.

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

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

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

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

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

**(3) Grand Parkway Transportation Corporation**

**Annual report on the status of projects and activities undertaken by the Grand Parkway Transportation Corporation (Report)**

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

**f. Transportation Planning**

**Various Counties - Approve the Fiscal Year 2015 Annual Report on the Economically Disadvantaged Counties Program (MO)**

114526  
TPP

Section 222.053(a), Transportation Code, defines an “economically disadvantaged county” as a county that has, in comparison to other counties in the state: (1) below average per capita taxable property value; (2) below average per capita income; and (3) above average unemployment.

Section 222.053(c) directs the Texas Transportation Commission (commission), when evaluating a proposal for a highway project in a political subdivision that consists of all or a portion of an economically disadvantaged county, to adjust the minimum local matching funds requirement after evaluating the political subdivision's effort and ability to meet the requirement.

Section 222.053(e) further directs the commission to report annually to the governor, the lieutenant governor, and the speaker of the house of representatives on the use of matching funds and local incentives and the ability of the commission to ensure that political subdivisions located in economically disadvantaged counties have equal ability to compete for highway funding with political subdivisions in counties that are not economically disadvantaged.

The Texas Department of Transportation has completed the Fiscal Year 2015 Annual Report on the Economically Disadvantaged Counties Program, which is attached as Exhibit A.

IT IS THEREFORE ORDERED that the Fiscal Year 2015 Annual Report on the Economically Disadvantaged Counties Program, as shown in Exhibit A, is approved by the commission and shall be presented to the governor, the lieutenant governor, and the speaker of the house of representatives as required by Section 222.053(e), Transportation Code.

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

**g. Speed Zones**

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

114527  
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 environmental speed limits on the segments of highways established by Minute Order 108409, dated January 25, 2001 and listed in Exhibit D, are 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.

**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 Amy Nobles, Sandra Nobles, Robert Nobles, Don Dixon, and James von Walske.

**ITEM 19. 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.

**b. Section 551.072** - Discuss the purchase, exchange, lease, or value of real property for the relocation of the department's Austin facilities.

**c. Section 551.076** - Deliberate on the use of security personnel or devices on department property and at meetings held by the commission or department personnel.

The commission recessed to executive session only under §551.071 and §551.076 at 12:38 p.m. and returned from executive session at 1:42 p.m.

Commissioner Austin motioned adjournment and Vice Chairman Moseley seconded the motion. The commission voted 5 - 0 to adjourn. The regular meeting of the Texas Transportation Commission was adjourned at 1:43 p.m.

APPROVED:



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Tryon D. Lewis, Chairman  
Texas Transportation Commission

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I hereby certify that the above and foregoing pages constitute the full, true, and correct record of all proceedings and official records of the Texas Transportation Commission at its regular meeting on February 25, 2016, in Austin, Texas.



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Robin Carter, Commission Chief Clerk  
Texas Department of Transportation