

1 TEXAS DEPARTMENT OF TRANSPORTATION
2 COMMISSION MEETING
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8 Ric Williamson Hearing Room
9 Dewitt Greer Building
10 125 East 11th Street
11 Austin, Texas
12

13 Thursday

14 April 28th, 2016

15 9:00 a.m.
16

17 COMMISSION MEMBERS:

18 Tryon D. Lewis, Chair

Jeff Moseley, Vice Chair

19 Jeff Austin, III

Victor Vandergriff

20 J. Bruce Bugg, Jr.

21 STAFF:

22 James Bass, Executive Director

Robin Carter, Commission Chief Clerk
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P R O C E E D I N G S

CHAIRMAN LEWIS: Okay. If everyone will please, take a seat; and you've all been very good about it. Thank you. My name is Tryon Lewis. We're about to start our meeting.

It is 9:04 a.m. I'm going to call to order the April 28th, 2016 meeting of the Texas Transportation Commission in Austin, Texas. I'll note for the record that public notice of this meeting containing all items on the agenda was filed with the Secretary of State's Office at 2:45 p.m. on April 20th, 2016, which is seven days prior to the meeting and meets the requirements of Government Code Section 551.044.

As we begin I'm going to ask all of you to check your cell phones. I know every single one of you has one, so every single one of you should be checking, as I am; and make sure it's on silent mode or it's off so that we're not disturbed during our meeting.

The second thing is: We have cards for you. If you wish to address the Commission during today's meeting, I'm going to ask you to complete a speaker's card. They have them out there at the registration table; and you can bring them up to Ms. Carter, if you have not already done so, so she will have those.

1 If you wish to speak on an agenda item,
2 we have a yellow card. Fill out the yellow card. It's
3 got a place for your name, what your title is -- if
4 you're representing someone, what your title is, and
5 kind of whichever agenda item it is. If you wish to
6 speak on an item that's not an agenda item, then you may
7 do that at the end of the meeting.

8 And the process on both instances is you
9 come up here to this dais. There's a microphone there.
10 Just speak into it. Be fairly close to it, but it will
11 pick up your voice fine. State your name, if you're
12 representing a group or something, who you're
13 representing, and then give us the benefit of your
14 thoughts.

15 And if it's an agenda item, you'll be
16 called up here at that time. If it's not an agenda
17 item, when we're through with all the rest of the
18 business, we'll ask you to come forward. If it's not an
19 agenda item, please be aware that we cannot discuss
20 matters with you. If you have a point to make on what
21 we call open comment time, it's not an agenda item, and
22 you've made your point, please, we're not being rude
23 when we don't talk back to you, don't address your
24 questions and that sort of thing; but by reason of the
25 law and the requirements of having an open meeting and

1 having the things that we're going to consider be
2 posted, we cannot give feedback to anyone in open
3 comment time.

4 So you're welcome to make those comments,
5 but we are barred from responding to any comments. I
6 usually forget that and Commissioner Austin or somebody
7 will quickly correct me; but that's the rule, so please
8 bear that in mind.

9 Now, regardless of whether you're
10 speaking on an agenda item or it's Open Comment Period,
11 please confine your remarks to three minutes and respect
12 us on that so we can get through with all of our agenda
13 items.

14 At this time I'm going to turn the
15 microphone over to our Executive Director James Bass to
16 begin.

17 EXEC. DIRECTOR BASS: Thank you,
18 Chairman.

19 At this time I would like to ask Safety
20 Officer Jessica Smith to come forward and provide a
21 quick safety briefing.

22 MS. SMITH: Good morning, Mr. Bass,
23 Mr. Chairman, Commissioners, Ms. Carter.

24 For the record my name is Jessica Smith,
25 Safety Officer for the Transportation Planning and

1 Programming Division.

2 For medical emergencies, please call 911.
3 We are located at 125 East 11th Street in the Greer
4 Building.

5 The AED unit is located here on Level 1
6 in the lobby at the security booth. First-aid kits are
7 marked and located on each floor.

8 In case of fire or other need to evacuate
9 the building -- fire extinguishers are marked and
10 located on each floor -- we will evacuate and exit the
11 front door of this building, facing 11th Street, and
12 proceed across the street to the Capitol lawn.

13 In case of tornado or other inclement
14 weather, stay inside. Move away from exterior walls and
15 windows. Shelters are stairwells, the basement,
16 interior hallways, and centrally located restrooms.

17 In case of an active shooter or a bomb
18 threat, follow instructions from the public address
19 system and onsite security personnel.

20 Thank you for your time. Have a safe and
21 productive meeting.

22 EXEC. DIRECTOR BASS: Thank you.

23 With the safety briefing completed,
24 Chairman, I'll hand the gavel back to you to complete
25 opening remarks.

1 VICE-CHAIR MOSELEY: Chairman, just one
2 comment on Jessica's presentation. I think that was her
3 first time to present, and we usually like to kind of
4 harass people that are here for the first time.

5 (Laughter.)

6 VICE-CHAIR MOSELEY: Any questions on the
7 safety briefing?

8 (Laughter.)

9 VICE-CHAIR MOSELEY: Thank you, Jessica.

10 CHAIRMAN LEWIS: Thank you, Mr. Vice-
11 Chair.

12 It is our custom to begin our meetings --
13 before we get to the agenda items themselves, to begin
14 our meetings with comments from our Commissioners.

15 After that and before we get on the
16 agenda items, we have a visiting dignitary. Senator
17 Huffines is here, and I will be calling on him to get
18 his remarks. And then we'll proceed with our agenda
19 items.

20 So let's begin with Commissioner Bugg.

21 COMMISSIONER BUGG: Thank you,
22 Mr. Chairman.

23 And welcome, Senator Huffines. It's good
24 to see you again.

25 Chairman, I wanted to share with you and

1 my fellow Commissioners just kind of a quick update on
2 the Congestion Relief Initiative. A couple of things I
3 want to share with you, Number 1, is: I first want to
4 thank all the men and women at TxDOT that are working so
5 diligently and so focused on executing the plan that
6 y'all approved at the February Commission meeting. And
7 to that end, we are now adopting a protocol where we're
8 having monthly meetings of the top executives at TxDOT,
9 led by James Bass and Marc Williams; and I want to call
10 out Randy.

11 Randy, you're our General Patton --

12 (Laughter.)

13 COMMISSIONER BUGG: -- on making sure
14 that all these things get done.

15 But I did want to share with y'all that
16 we are adopting a protocol and a process of having
17 monthly meetings so that we can stay on top of
18 execution, the timelines on how the projects are coming.

19 And then at our meeting Tuesday we also
20 adopted a protocol that we're going to basically
21 inventory all the congestion projects that each of the
22 five district engineers in the five major metropolitan
23 areas that are covered by this Congestion Relief
24 Initiative and we're going to do kind of a roll-forward,
25 ten-year plan and start trying to cycle what projects

1 are coming up next and get a very focused process in
2 place.

3 So I want to thank James and Marc and
4 Randy and all the other men and women that are helping
5 with this, and I want to share with you just how much
6 focus and how much hard work is going into this.

7 CHAIRMAN LEWIS: Thank you very much,
8 Commissioner.

9 Commissioner Vandergriff.

10 COMMISSIONER VANDERGRIFF: Well, I'd be
11 remiss if I didn't note the panels along the wall here,
12 the path forward for TxDOT about people, accountability,
13 trust and honesty and values, mission -- or vision and
14 mission, goals and objectives. Through that I want to
15 acknowledge the tremendous work of what I would call the
16 mid-management and the entire staff of TxDOT. Probably,
17 all told, at least a quarter of the workforce was
18 touched through this process to really stress test, if
19 you will, what this department stands for and how we
20 want to be accountable and productive going forward.

21 I will tell you that we also are
22 continuing to work through the process of HB 20 and some
23 of the things that are called for there. I feel very
24 good that we will come to a great place with respect to
25 performance measures that matter that not only are at a

1 high level for the Commission but also at a granular
2 level for the business community and interest to make
3 sure we get projects out, which will certainly help
4 Texas Clear Lanes; and I think the project
5 prioritization selection is welcome news. That's part
6 of what we're responsible for, to be taking a long-term,
7 ten-year-plus view of fixing congestion in the state.
8 That certainly aligns with, I think, where the project
9 prioritization selection criteria that we will come up
10 with for consideration by this Commission is. So it's a
11 delight to hear that.

12 But first and foremost, just to continue
13 to thank the people inside of TxDOT who work on somewhat
14 of a thankless task; but you're starting to see the
15 fruits of that in the way that we're reacting going
16 forward. So I appreciate all of those great efforts.
17 And It's nice to see these. They're words at the
18 moment, but they really do mean something to the people
19 here. So thank you for that.

20 CHAIRMAN LEWIS: Thank you very much.

21 Vice-Chair Moseley.

22 COMMISSIONER VANDERGRIFF: Thank you,
23 Chairman, Members. Senator, it's good to see you.

24 Chairman, Members, Mr. Bass, the week of
25 April 11th was National Work Zone Awareness Week; and

1 our agency was out in full force talking about the
2 importance of slowing down motor vehicles and being
3 careful when passing through our work zones. Events
4 took place all over the state and the nation to drive
5 awareness about work zone safety.

6 These events and outreach have resulted
7 in the following: Nearly 200 news stories, which equal
8 \$90,000 in ad equivalency; more than 993,000 impressions
9 in traditional media; and in social media Facebook
10 followers viewed the post more than 1.5 million times.
11 Facebook followers actually put videos about our
12 employees involved in work zone incidents 42,475 times.
13 And on Twitter there were 7,000 posts mentioning the
14 work zone awareness campaign, resulting in 1.2 million
15 impressions.

16 So all in all, if you follow TxDOT on
17 Facebook or Twitter, more than likely, you did see
18 something about this initiative of work zone safety. So
19 I wanted to say thanks to everybody that participated in
20 this.

21 And, of course, our goal, Chairman, is to
22 continue to protect our employees that are working in
23 these very dangerous assignments along our roadways and
24 to help the motorists appreciate that they should be
25 slowing down as they pass through these zones.

1 Chairman and Members, if I may, I'd like
2 to shift gears and talk a little bit about the 240
3 billion gallons of rainwater that fell down over greater
4 Houston and Harris County. This was nothing short of an
5 epic deluge that came down, more than 20 inches in some
6 places over a matter of hours.

7 Governor Abbot, of course, declared a
8 state of disaster in nine counties in and around the
9 Houston area. And in talking with the Chairman, and I
10 had an occasion to talk with the Governor, may I tell
11 you how deeply concerned he is for this region and also
12 that we take a look at some of our roadways that are
13 subject to flooding because of their design and maybe of
14 being in low-lying areas. So we're very pleased to
15 begin working with the County, with the City, and with
16 other governmental entities to begin identifying where
17 these areas are.

18 You know, approximately 1700 homes were
19 confirmed flooded and more than 1,200 high-water rescues
20 were performed from Sunday into Monday and, of course,
21 the area is still continuing to recover as the two
22 reservoirs that were designed to keep floodwaters out of
23 the downtown area are at capacity. And so there's
24 probably no surprise that our roadways would have been
25 impacted and inundated and the pump stations on our

1 low-lying areas would have been overwhelmed.

2 But TxDOT is committed to joining forces
3 and resources with our regional partners; and, as I
4 stated, we're working with Harris County and with the
5 City of Houston and local, state, and law enforcement
6 officials to investigate. We want to look at what
7 technology can be enhanced, what barriers maybe can be
8 enhanced. We've had motorists moving around our
9 barriers in dangerous areas.

10 And, Chairman, you might be interested to
11 know that in the state of Ohio they'll actually go when
12 there's a dangerous section and dump a load of sand into
13 the roadway to prevent motorists from going into these
14 areas. So I think all the options are on the table to
15 look at new options for how we can protect the motoring
16 public from low-lying areas that are impacted by
17 flooding.

18 Our Houston District Engineer Quincy
19 Allen has already had several high-level meetings and
20 convened a working group to explore immediate,
21 near-term, and long-term remedies. There's a laser
22 focus on addressing issues in the vicinity of I-610 West
23 Loop, I-69 South interchange, and the Westpark Tollway.

24 I may also tell you, Members, there have
25 been concerns expressed about how this extreme flooding

1 has resulted in closures along some of the newest
2 segments of the Grand Parkway. And there's a photograph
3 here that just shows that while the Grand Parkway was
4 impacted, in many cases it was the highest and driest
5 ground in the area; but I think we're going to go back
6 and look at the hydrology and see what we can do to make
7 sure that this roadway does not have that kind of impact
8 in the future. So Quincy's confirmed that a study is
9 underway, and we'll report back to you.

10 And, Chairman, I think, also, the spirit
11 of this is we wouldn't just look at the roadways
12 impacted in the Houston region but statewide. There's a
13 concern -- this has raised the awareness -- that if
14 roadways typically impacted by flooding, that we look at
15 the technology and how to alert the motoring public
16 about how to avoid those areas and have more effective
17 barricades.

18 CHAIRMAN LEWIS: Thank you.

19 Commissioner Austin.

20 COMMISSIONER AUSTIN: Good morning
21 everyone.

22 First, I want to say thank you to
23 Director Bass. We were together right after the last
24 Commission Meeting at the opening of U.S. 183 here in
25 Austin, and I'm really excited about that project. We

1 were given a little commemorative shovel with this, but
2 I'm going to talk about the shovel and why he needed it
3 in just a minute.

4 But this project is going to be another
5 north-and-south route that is really outstanding to add
6 capacity and bike lanes and really just some
7 beautification over here on the east side of town. I'm
8 really excited about that project. And congratulations
9 to the Central Texas RMA for having another
10 groundbreaking launch.

11 This shovel, I was on the way into Austin
12 and I'd stopped and I checked my phone and Bass had sent
13 me a picture. And there were a couple -- I've already
14 talked to the DPS officers. A couple of their horses
15 were backed up in my parking spot over there, and they
16 dropped a load.

17 (Laughter.)

18 COMMISSIONER AUSTIN: So I just wanted to
19 say, I don't know what kind of messaging that was and I
20 don't know if you're the one that cleaned it up.

21 (Laughter.)

22 COMMISSIONER AUSTIN: But I just wanted
23 to say thank you.

24 (Laughter.)

25 COMMISSIONER AUSTIN: I wanted to talk

1 just for a second about the "Don't Mess With Texas"
2 campaign. First, I want to say Brenda-Flores Dollar, I
3 know she's here -- Brenda, would you stand up? I wanted
4 to say thank you to Brenda because what you're about to
5 hear, what she and her team in the Communication
6 Division have done, they manage one of the -- I think
7 the best brand in the country is "Don't Mess With
8 Texas." And, you know, TxDOT owns that brand.

9 It started out as a litter campaign, and
10 I'd like to share just a couple of facts and some the
11 events: We just kicked off the 30th anniversary. To
12 celebrate the third decade, we launched this year's
13 campaign in Dallas, Senator Huffines, in your district,
14 with the Boy Scouts. Did y'all know the National Boy
15 Scout Council is headquartered in Dallas? And we did a
16 partnership with the Scouts statewide across Texas to
17 help kick off the "Don't Mess With Texas" campaign.

18 Well, why the Scouts? One, there's an
19 environmental merit badge, a lot of community service
20 events, they're all across the state; and this is
21 something that we really needed to help impact
22 youngsters because it's the young -- the teenagers up to
23 their early to mid-twenties are the ones that are the
24 most likely to throw out trash, based on studies.

25 And as part of this kickoff, there were

1 several media events across the state; and I want to say
2 thank you to Senator Cornyn for really sending out a
3 message for those of y'all on his distribution list,
4 thanking and really helping promote and bring
5 recognition to picking up litter across the state.

6 Now, while we kicked this off in Dallas,
7 you see this trash ball that was put together. This is
8 actual trash -- some of y'all may have seen this at the
9 Capitol last year -- trash that is picked up on the side
10 of the roads. It's horrible. And a little bit adds up
11 to a big mess.

12 Going to the next slide, in addition, as
13 part of this, we have a trash-in-treasure hunt. And as
14 you'll see here, I was with the scouts in Tyler.

15 Yes, Commissioner Bugg, I am in my Scout
16 uniform. Okay?

17 COMMISSIONER BUGG: I just noticed that.

18 VICE-CHAIR MOSELEY: Impressive.

19 (Laughter.)

20 COMMISSIONER AUSTIN: Class A.

21 But the trash-in-treasure hunt and you
22 see what went out. There were prizes for the most
23 unique things that were found; and I think in Tyler we
24 found Christmas lights, a punchbowl, toothbrush. You
25 know, you can go on down the list of stuff that people

1 discard. It's really sickening. I know I'm smiling,
2 but it's really sickening on what we pick up.

3 And here's -- this was the first event in
4 Tyler where we're picking up -- the section where we are
5 right here is the location of the first Adopt a Highway
6 in the state. And former District Engineer Bobby Evans
7 from Tyler helped really kick that off, but that's where
8 we were to commemorate that event.

9 A couple of interesting facts: It
10 started in 1981. There are 31 -- well, so many other
11 countries, just every other state that participates,
12 that has copied Texas in what we do. It's not just a
13 popular slogan. It does have meaning.

14 So now, Senator Owens, let me get down to
15 the brass tacks on this: On April 9th, which was the
16 Great Trash-Off Day with the Keep Texas Beautiful
17 Organization -- I want to say thank you to these
18 partners and all the community -- there were over 40,000
19 volunteers picking up trash statewide.

20 Why do we do this? One, we spent over
21 \$30 million, TxDOT spent, of your taxpayer dollars
22 picking up trash. And I think if everybody picked up
23 just two pieces of trash a month or a week, every Texan,
24 we could almost be litter free on just our roadways.
25 That doesn't include county roadways or cities.

1 So if you think of the little things that
2 we all have an impact on that we can save money; and we
3 did show with the campaign, there was an independent
4 study done from '97 to 2013, we did reduce -- see
5 reduction of about 34 percent. So it is making an
6 impact. This is a very valuable education campaign.

7 Next year the Scouts will continue to be
8 involved, but we're also going to involve the Girl
9 Scouts, because they have a lot of similar badges as
10 well, to participate. And Keep Texas Beautiful does a
11 great job of working with this.

12 A couple other things. I want to shift
13 gears just for a minute and talk a little bit about
14 Central Texas, the Turnpike System. I know they kicked
15 off theirs, but we just saw their audit that came in.
16 And I'm really excited to see that in their quarterly
17 report their traffic is way above projections. I think
18 that's a great testament to what they've done in opening
19 up and having an alternative for the things that they're
20 doing.

21 While we're speaking of RMAs, I'm really
22 proud to share with my fellow Commissioners an entity I
23 used to be involved with, the NET RMA, has paid back all
24 of their loans. And there were two. In 2006 there was
25 an initial toll equity loan, a grant, that was made of

1 \$12 million to help put in gantries and to do things.
2 It was a subordinated loan. That was paid off last week
3 in addition to almost \$50 million of State
4 Infrastructure Bank loan that was paid back with this.
5 They are standing on their own, and they're going to be
6 issuing bonds for the next section in Tyler, and I'm
7 really excited about that. I think I was there when
8 that note was done, so I'm really glad to see it.

9 A couple of other things. I've spent
10 some time in Waco -- I know, Chairman, you were up there
11 last week as well -- listening to their concerns; and
12 it's refreshing to walk into a community where you see
13 everybody on the same page. And we don't see that
14 across the state, meaning, for the City, the County, the
15 Chamber, the MPO, everybody on the same page.

16 Along those lines -- I'm going to talk
17 about the UTP. But I also got a package from
18 Nacogdoches County and Nacogdoches. You have letters
19 here -- at our last UTP update we added something in on
20 I-69, Judge, the direct corrector in Nacogdoches; but to
21 be followed up with the letters from a State
22 Representative, a Senator, business leaders, the
23 Chamber, the MPO, the School District, Stephen F.
24 Austin, everybody's on the same page. And I think that
25 sets a good model and a good example of how to get

1 projects done and how to advance them.

2 Also, this last month I was with
3 Director Bass in Washington. We had several meetings
4 with the Members of the Texas delegation. We also met
5 with USDOT. And we had the opportunity, Commissioners,
6 to go into the Democratic Caucus; we were invited. And
7 several members from Houston were there and they
8 expressed great concern about the flooding and using
9 technology and partnering there as well.

10 But we also met with the Ways and Means
11 staff and I want to compliment some of their questions.
12 We talked about private activity bonds. Those are a
13 tool that we use. Did y'all know that 288 in Houston,
14 which has been a long-time priority, used private
15 activity bonds as a tool? And those bonds priced, I
16 believe, yesterday; and they were ten times over-
17 subscribed. Now, I'm going to say that: For the amount
18 that were being issued we had ten more -- ten times the
19 orders for those bonds. That ought to show you what's
20 happening in Texas. People still want to invest in
21 Texas, and people still believe in that as an
22 appropriate tool if used appropriately.

23 So the last thing: We'll be up in DC
24 with the I-69 group. And this is really interesting --
25 Judge Thompson, you helped start this, working from

1 Texas, all the states that are involved in Interstate 69
2 with what they're doing, everybody is watching what is
3 Texas doing. So I appreciate your leadership in that.

4 Thank you, Chair.

5 CHAIRMAN LEWIS: Thank you very much for
6 those comments. And I know that Director Hopmann is
7 probably very happy you found his toothbrush. He was
8 wondering where that went.

9 (Laughter.)

10 CHAIRMAN LEWIS: We have, as I think
11 everyone can see, an extremely hard-working group of
12 Commissioners. It's astonishing how hard they work,
13 along with very hard-working staff; and the dedication
14 is very impressive.

15 Another Commission very much like that is
16 the Sunset Commission. We have several members of the
17 Sunset Commission here, who we will be working with and
18 Director Bass and others will be working with, to look
19 for ways, as they do with all state agencies, to review
20 the procedures, review the goals that the agency is
21 supposed to meet, and then make recommendations on those
22 to the Legislature to be considered. And so we're happy
23 to have those folks.

24 We're also very honored to have Senator
25 Don Huffines here.

1 And, Senator Huffines, if you would,
2 please share some thoughts with us.

3 SENATOR HUFFINES: Well, thank you,
4 Mr. Chairman, and good morning. And I appreciate my --
5 I need a name tag on my chair over here, you know.

6 (Laughter.)

7 SENATOR HUFFINES: I'm a
8 Commissioner-wanna-be. I'm going to talk to the
9 Governor about getting six seats up there. You guys
10 have all the fun. We have to go over there and work too
11 hard. I really appreciate it.

12 And, Commissioner Austin, thank you very
13 much for your work with Scouts. I want you to know my
14 Class A still fits, also.

15 (Laughter.)

16 SENATOR HUFFINES: And don't forget about
17 the Girl Scouts. There's a lot of them that can pick up
18 trash, too.

19 But you guys are doing a great job. I'm
20 just here for a couple of items. I just wanted to
21 remind you that you do have friends over in the
22 Legislature, and we got you \$5 billion going forward,
23 new money without raising taxes or increasing fees, and
24 to let you know that even though I know, and I think
25 most of Legislature knows that's not enough money if

1 we're going to stop toll roads and we're going to stop
2 selling paper.

3 So I'm going to continue to focus and
4 work on getting more money into TxDOT. And this is an
5 exciting time for the State of Texas because finally the
6 Legislature is paying attention for what we've neglected
7 for 30 years, which is our infrastructure; and we're
8 going to get you guys more money to do that.

9 I have a couple of requests, though, I'd
10 like for you to think about. I-35 is our spine road,
11 unarguably, for the state of Texas. And I think you
12 know it's really an international highway in the United
13 States, probably the most major international highway in
14 the country from Canada to Mexico. I'd like for you
15 just to continue to keep that in mind; and maybe going
16 forward we could look at not doing a multi-phasing
17 process on it because now, as we look back upon it,
18 we're widening it now -- and you're doing a good job on
19 that -- it's going to take ten years; it's going to take
20 over a decade that road is going to be under
21 construction.

22 And we still have a couple of segments up
23 there in the north Texas area around Waxahachie that
24 haven't been started and one of them hasn't even been
25 bid yet and we've got three-year timeframes on those

1 segments. So we've got another four years ahead of us
2 for this road to be widened and fixed, and that's going
3 to make it probably a twelve-year cycle.

4 So maybe we can just -- if you guys would
5 look at focusing on doing these mega-projects more
6 without phasing it, shortening the timeframe, and
7 incentivising the contractors more than we have been to
8 get them done quicker. And that way the motoring public
9 is not always inconvenienced. I mean, you're basically
10 almost talking a whole generation of being
11 inconvenienced on I-35.

12 But, also, I want to thank
13 Commissioner Bugg for congestion relief and going around
14 the state of Texas and looking at that. Obviously, the
15 metroplex is in dire need of money; and we're in dire
16 need of congestion relief. And one of the most
17 significant projects that we need relief on is 635. As
18 everyone knows, it was one of the main loop roads around
19 a major metropolitan area to be constructed in the state
20 of Texas. It's about 50 years old now, and you've done
21 a great job on improving half of it.

22 But the RTC up there has found about 70
23 percent of the money to complete the segment from 30, as
24 you know, around to 75, from Interstate 30 around to 75,
25 where it's completed today. And it's the most

1 significant project for the DFW that's not completely
2 funded but we do have 70 percent of the money without
3 putting a toll on that road and it's going to be free.
4 We have a configuration that's been agreed to of five
5 two two five on it, with full service roads.

6 We only need 30 percent of the money and
7 I'm encouraging everyone to sharpen your pencils up here
8 and see if you can't find us that remaining 30 percent
9 so we can get it built without toll roads on it, and it
10 would be a significant achievement for the metroplex to
11 have that thing done and done quickly. And you've done
12 a good job in speeding that up. It wasn't even on the
13 unified plan until this fall. But I'm looking forward
14 to having groundbreaking on that as soon as possible.

15 I want to thank all of y'all for
16 everything you do for the state of Texas. This is
17 sometimes a thankless task. I thank you very much, and
18 you do have friends in the Legislature.

19 CHAIRMAN LEWIS: Thank you very much,
20 Senator. I know you have other meetings and are going
21 to have to leave soon, but thank you for being here with
22 us and sharing your thoughts. We appreciate it.

23 Our first order of business is the
24 approval of the minutes from the March 31st meeting of
25 the Texas Transportation Commission. Members, draft

1 minutes have been provided to you. If there's no
2 discussion on that item, then, Commissioner Austin, do
3 you move to approve the minutes of the March 31st
4 meeting?

5 COMMISSIONER AUSTIN: So moved.

6 CHAIRMAN LEWIS: And, Vice-Chair Moseley,
7 do you second the motion?

8 VICE-CHAIR MOSELEY: Second, Chairman.

9 CHAIRMAN LEWIS: We have a motion and a
10 second. If there's no further discussion, I'll call for
11 a vote.

12 (No response.)

13 CHAIRMAN LEWIS: All in favor say aye.

14 (Chorus of "Ayes.")

15 CHAIRMAN LEWIS: Any opposed, no.

16 (No response.)

17 CHAIRMAN LEWIS: The motion carries.

18 And, Director Bass, I'll turn the agenda
19 over to you.

20 EXEC. DIRECTOR BASS: Thank you,
21 Chairman.

22 We will start with Agenda Item 3, which
23 is an acknowledgement of service for retiring Atlanta
24 District Engineer Bob Ratcliff; and Director of District
25 Operations Randy Hopmann will present.

1 MR. HOPMANN: Good morning, Mr. Chairman,
2 Commissioners, Director Bass.

3 I appreciate the opportunity to be before
4 you this morning and recognize, as you said, a very
5 distinguished man within our ranks, Bob Ratcliff, most
6 recently our Atlanta District Engineer in the northeast
7 corner of Texas.

8 Bob, if you don't mind, would you come on
9 up and join me here at the podium, please.

10 (Mr. Ratcliff complies.)

11 MR. HOPMANN: We have a resolution here,
12 but I'm not going to read it. Instead, I'm going to
13 tell you about the man, a man that I've grown to respect
14 and trust and love for -- I think I met you in 1996,
15 Bob. So that's been 20 years ago. And I've certainly
16 enjoyed working with you.

17 But he's a very humble man, and I'm
18 going to explain it to you this way: Bob actually
19 retired last month on March 31st and the reason he
20 wasn't here at the March Commission Meeting is because
21 on March 31st, he was hosting the Atlanta District
22 Engineers Safety Awards Banquet, recognizing our
23 employees in the Atlanta District and the great work
24 that they do up there and their fabulous performance
25 record in regards to safety. And he did not want his

1 retirement to distract from our number one priority in
2 TxDOT, and that is the safety of our employees and the
3 safety of the traveling public. So he put his entire
4 emphasis on the Atlanta District and the employees of
5 the Atlanta District on his very last day on the job at
6 TxDOT. And that's just the kind of man that Bob is.

7 So if I can continue, I'll explain Bob's
8 career very shortly with you. Bob has 37 years with
9 TxDOT; and if that's not amazing enough, he actually has
10 43 years of public service with the state of Texas. And
11 he has other state service time with other agencies. So
12 he has given his entire career, the majority of his
13 life, in public service to the citizens of the State of
14 Texas.

15 He was named the Atlanta District
16 Engineer in 1999. So has nearly 17 years as the Atlanta
17 District Engineer, but here's another part of Bob that I
18 really want to emphasize: He gets -- he told me about
19 two or three years ago that his biggest satisfaction on
20 the job at TxDOT as a District Engineer is giving
21 younger employees an opportunity to advance their
22 careers and watch them grow, watch them develop, and
23 exceed their wildest expectations in what they can do in
24 public service for the Texas Department of
25 Transportation.

1 And that always stuck with me, Bob.

2 And I think that's a testament to the
3 quality of the gentleman standing to my left. Bob
4 represents the best and the brightest characteristics
5 and values of the Texas Department of Transportation and
6 its employees; and he has been a great example of
7 leadership, commitment, dedication, integrity,
8 character, and loyalty.

9 So here on this day, Bob, the Commission
10 is going to present to you this resolution recognizing
11 your service and all you've done for the state of Texas
12 and the citizens of the state of Texas and, of course,
13 the employees of the Texas Department of Transportation,
14 not just in the Atlanta District, but statewide.
15 Congratulations on your retirement, and the best of
16 luck.

17 (Applause.)

18 MR. RATCLIFF: Chair, Commissioners,
19 Mr. Bass.

20 For the record my name is Bob Ratcliff.
21 I'm retired.

22 (Laughter.)

23 MR. RATCLIFF: Nobody stands here as a
24 retired District Engineer without owing a lot of people
25 a lot of gratitude and a load of thanks.

1 And, first of all, Randy, thank you for
2 the kind comments that you made.

3 Commissioner Austin mentioned Bobby
4 Evans, District Engineer. He was my District Engineer,
5 a great mentor. Gene Adams, was my mentor. I've had
6 the privilege of working with a lot of great engineers
7 and employees of the state of Texas, some who are
8 District Engineers now. But then I also have to thank
9 Mr. Wes Heald, Mike Behrens, and Kirby Pickett, who gave
10 me the opportunity in 1999 to become a District
11 Engineer; and I really appreciated their trust in giving
12 me a district to oversee.

13 I would be remiss in not thanking my
14 family and my wife for keeping the home fires burning
15 and supporting me in my career.

16 And lastly, but certainly not least, the
17 great employees of the Atlanta District and my staff. I
18 had a great staff there. And no district can be
19 successful without having dedicated employees and staff.

20 And I told this story about two weeks
21 ago. But one of my fondest memories was December 26th,
22 which was on a Saturday; and I was in the backyard of
23 Atlanta District Office. And I watched as a group of
24 men mustered. They had packed their bags and left their
25 families on a Christmas holiday and they'd prepared

1 their gear and serviced their equipment and they were
2 loaded up and they headed out in dump trucks, trucks --
3 dump trucks and with snowplows. They were going to the
4 Childress District, and they were prepared to stay for
5 as long as it took. That's dedication. And it struck
6 me that I was so proud to be associated with a group of
7 people like that.

8 Gentlemen and ladies, it's been my honor
9 and my privilege to serve the state of Texas. Thank
10 you.

11 (Applause.)

12 CHAIRMAN LEWIS: Commissioner Austin.

13 COMMISSIONER AUSTIN: Bob -- thank you,
14 Chair -- before you step away, I want to say thank you.
15 I've worked with the Tyler District and I've been up in
16 Atlanta District on some of the major projects that
17 you've left your footprint on, working on Interstate 30
18 up in a Texarkana -- what a big project that was, a
19 gateway to -- a major freight corridor coming into Texas
20 heading and ultimately headed down to Dallas. When we
21 formed the NET RMA, your imprint and your involvement
22 was huge because the NET RMA has three MPOs and three
23 TxDOT Districts and you certainly represented two of
24 those MPOs.

25 And for those of y'all that don't know,

1 the MPO in Texarkana is unique from a lot of other ones.
2 Half of it is from Texas; the other half of the MPO
3 members are from Arkansas. And we have -- I remember
4 going up and working with some grants, FAA grants. We
5 actually own part of Arkansas. The Texas -- the
6 Texarkana Airport that is in -- we have rights to. It
7 is fully in Arkansas. We have rights to it. We share
8 grants that go to that airport for that region.

9 Thank you for your service. And you have
10 been a mentor to a lot of people that I hear directly
11 and indirectly you're going to be missed. So thank you
12 for what you've done for this agency. I will miss you.

13 MR. RATCLIFF: Thank you.

14 CHAIRMAN LEWIS: Yes, Vice-Chair Moseley.
15 You can't leave yet, Bob.

16 (Laughter.)

17 VICE-CHAIR MOSELEY: Bob, the fact that
18 you were able to work with Commissioner Austin when he
19 was at the NET RMA is nothing short of a miracle.

20 (Laughter.)

21 VICE-CHAIR MOSELEY: So thank you for
22 managing to work with him. Yeah, he's got to use a
23 shovel here.

24 On a serious note, thank you so much for
25 your almost four decades of service to TxDOT. There's

1 no doubt that our state is a better place because of
2 your service. Appreciate so much what you've given to
3 this agency. Thank you.

4 CHAIRMAN LEWIS: Thank you for the
5 comments, Commissioners.

6 And now if we can have our picture taken
7 with our celebrity here, we will come down and do it.

8 (Photos taken.)

9 CHAIRMAN LEWIS: Director Bass.

10 EXEC. DIRECTOR BASS: Next, Mr. Chairman,
11 we have Item 4(a), which is an update and discussion on
12 the Department's Strategic Plan. Government Affairs
13 Division Director Jerry Haddican will present this item.

14 MR. HADDICAN: Than you, Mr. Chairman,
15 Commissioners, and Mr. Bass.

16 I also want to thank the Commissioners
17 for their time, particularly yesterday, which is always
18 a busy day before a Commission Meeting.

19 This is just a discussion item this
20 month. Next month it will be an action item with a
21 Minute Order. So I'd like to briefly go over the
22 component parts of it and then we'll be taking input
23 between now and the May Commission Meeting as well and
24 then we'll have something ready for you to vote on next
25 month.

1 Here are the five major components. We
2 have new leadership. They've developed new instructions
3 for the strategic plan, which is a five-year plan that
4 we update every two years as part of the prelude to the
5 Legislative appropriation request. And along with the
6 new instructions, we have a new schedule that I'll go
7 over.

8 One of the new items is including an
9 action plan. In other words, don't just tell us what
10 you hope to do; but tell us how you're going to do it.

11 A budget structure change -- we have an
12 opportunity to present a budget structure change with
13 just a little bit earlier deadline; and there are other
14 supplemental element, which are basically reports. And
15 then I'll just go through the next steps.

16 The Governor, Lieutenant Governor, and
17 Speaker sent the Department a letter in early April and
18 emphasized five statewide objectives: Accountability,
19 efficiency, effectiveness, excellent customer service,
20 and transparency. Those are the statewide objectives.
21 And then we are putting in our Agency goals, which is on
22 that second column, which are over here to your right,
23 my left.

24 And then here is just kind of an outline
25 of the series of deadlines. Most of what is due is due

1 on the 24th as the overall plan; but in an effort to
2 take action on some of the items that we may suggest and
3 other agencies may suggest, there are accelerated
4 deadlines prior to the 24th.

5 I would like to point out that the
6 operational goals and action plans are -- basically,
7 they're asking us how we're going to do something, how
8 we're going to accomplish what we say our goals are in
9 five years; and that deadline is August 31st, 2021. So
10 we're working on that. That will be worked -- discussed
11 at the administration level; and then in the next week,
12 week and a half, that will be -- I will be in contact
13 with you to discuss that as well.

14 And then there's also a new requirement
15 on redundancies and impediments. So as the statewide
16 leaders talked about their goals, they wanted the
17 agencies to identify anything that they think might be a
18 redundancy or an impediment to effective operation.

19 Budget structure changes, I discussed
20 this with you yesterday as well as Brian. Thank you --
21 again, thank you for your time. We'll be meeting next
22 week with both the LBB staff and the Governor's office
23 staff to discuss this in more detail.

24 Here is just a list of the supplemental
25 items. These are basically reporting items. All of

1 these are on track. I'll point out that the customer
2 service survey, which is on track as well, is due a
3 little bit earlier, on June 1st; but we feel confident
4 that we're able to meet that deadline.

5 And then an early deadline, which is
6 actually this Friday -- not this Friday, but the
7 following Friday, is an assessment of advisory
8 committees, which will be discussed, again, tomorrow;
9 and then I'll be in contact with you about that, if not
10 tomorrow, then early next week.

11 And then here are the next steps: We
12 need to finalize the budget structure changes after the
13 meeting next week, the informal meeting next week. We
14 will submit, as I mentioned, the advisory committee
15 report; and that has a component in it that allows for
16 the disbanding -- for TxDOT to recommend disbanding
17 advisory committees.

18 We will finalize the strategic plan at
19 the May 25th/26th Commission Meeting. The Minute Order
20 there will allow for changes. So if y'all have changes
21 from the dais -- we will have a final plan for you; but
22 if y'all have a discussion, it allows staff to execute
23 your direction or guidance at that point.

24 I already mentioned the customer service
25 deadline. And then it will be posted to the TxDOT

1 website and submitted by June 24th. And just to point
2 out really briefly, that's a little bit early. It's
3 about two weeks earlier than prior meetings. It
4 accelerates our schedule a little bit more than two --
5 by two weeks because we aren't -- the June 24th date is
6 prior to the June 24th Commission Meeting.

7 So at this point, I'd be happy to take
8 any questions you may have.

9 CHAIRMAN LEWIS: Yes,
10 Commissioner Austin.

11 COMMISSIONER AUSTIN: Jerry, thank you
12 for your work on this. I know timeframes have been
13 moved up; and we're really scrambling to have a better
14 plan than a big, thick document.

15 A couple of comments. I know we've had
16 a chance to visit; but for the sake of the fellow
17 Commissioners, I know one thing in here -- I'm on
18 page 6, Schedule C, where we have the HUB Plan, the
19 Historically Underutilized Business Plan. I know when
20 we were going through confirmation a few years ago, this
21 was a big topic.

22 MR. HADDICAN: Yes, sir.

23 COMMISSIONER AUSTIN: And I want to make
24 sure that we don't -- look at the HUB and the DBE. I
25 know one's Federal; one's state -- but they do go a

1 little bit hand in hand -- that we don't forget about
2 those as well, because even though this is a state
3 strategic plan, it also has an impact on the agency to
4 make sure we're at least submitting supporting
5 documentation.

6 MR. HADDICAN: Yes, sir. Thank you for
7 pointing that out. To the degree that we had the
8 opportunity to put that in there, as you know, a lot of
9 our projects are federalized, so it comes under the DBE
10 component. The State is more focused on the HUB
11 component typically, but it's a very big part of our
12 portfolio in terms of disadvantaged businesses.

13 COMMISSIONER AUSTIN: The second thing,
14 Schedule D, Statewide Capital Planning, just as a note,
15 I know while we typically focus on the highway assets,
16 part of our highway system is the ferry system; and we
17 have -- I believe, right now we have -- I want to make
18 sure -- and this may be for you or Brian Ragland or
19 Director Bass -- we have a replacement plan for the
20 Port Aransas ferries over the next few years. Even
21 though we have a plan for several years, those are
22 included in this plan; is that right?

23 MR. HADDICAN: Yes, sir, we'll make sure
24 they're included.

25 COMMISSIONER AUSTIN: Okay. The last

1 thing, advisory committees, I just to -- and this is
2 a -- I want to compliment also for the Sunset to hear
3 but also for everyone, I think the advisory committees
4 do play a very important role. They have helped us
5 especially with I-69, I-35, to Senator Huffines' point,
6 really help identify the segments and help reach
7 consensus at the local level in a lot of different ways.

8 Bob was just here. He helped us on --
9 who is retiring -- Interstate 20 working group,
10 Interstate 30 working group that we just kicked off.

11 Also our Airport Aviation Committee. I
12 want to say this is one thing that's unique: We have
13 the ability to appoint working groups and advisory
14 boards here, with the exception of one. We can appoint
15 a member to the Airport Aviation Advisory Board, but
16 that number is set statutorily by the Legislature. And
17 one thing we may be -- we submitted to staff to ask back
18 is: Could the Legislature give that control back to us;
19 and maybe we could look at increasing that to seven or
20 nine because for the 344 airports, we facilitate a lot
21 of grants and work in conjunction with the FAA as a
22 facilitator for the State in working with them. So that
23 may be one recommendation. And these guys do a great
24 job with what they're doing.

25 So thank you.

1 MR. HADDICAN: I understand.

2 CHAIRMAN LEWIS: Commissioners any other
3 questions for Director Haddican or comments at this
4 time?

5 (No response.)

6 CHAIRMAN LEWIS: If not, thank you very
7 much Director Haddican.

8 MR. HADDICAN: Thank you.

9 CHAIRMAN LEWIS: And we'll go back to
10 Mr. Bass.

11 EXEC. DIRECTOR BASS: Next we have
12 Item 4(b), which is a discussion of the Department's
13 Unified Transportation Program. And Interim Director of
14 our Transportation Planning and Programming Division
15 Lauren Garduno will present this item.

16 MR. GARDUNO: Thank you, Mr. Bass.

17 Good morning, Chairman, Commissioners.

18 The briefing in front of you today is the
19 briefing to the 2016 UTP revision that you will be
20 voting on next month, in May. This presentation
21 highlights some of the anticipated changes in that
22 revision; and as we go through the -- and at the end of
23 this presentation, we'll also have a few slides that
24 kind of talk about what's on the horizon with the 2017
25 UTP that will be put into place by the end of August.

1 The first slide that we'll refer to here
2 is kind of the timeline on this 2016 UTP revision
3 process. We're here today to do this briefing in front
4 of you, the Commission; and we've already had the public
5 meeting. So we are in open public comment period on
6 this process. There will be an opportunity for a public
7 hearing between now and next month when you come
8 together to vote on this. So that slide there just kind
9 of highlights the timeframe that we're on for the 2016
10 UTP.

11 We have a series of slides that reflect
12 some of the changes in some of the districts. I'll
13 pause at the end of these slides, to allow for any
14 comments that you might want to have as we get into it;
15 but the first slide actually identifies -- the only
16 additional new funding that's been identified on this
17 2016 update is the first bullet in front of you, the
18 Houston District, authorizing 10 million of Cat 12
19 funding to go to the State Highway 288 Project in
20 Brazoria County. This is being offered to assist the
21 County in delivering a concurrent facility that's in
22 alignment with the Harris County portion of U.S. 288.

23 The proposed remaining changes in this
24 UTP update revision is all with previously allocated
25 funding. The Austin District there, for example, in

1 front of you is looking at approval to revise their
2 Cat 2 funding on State Loop 1 and on U.S. 290. It does
3 not change the scope for both of these projects. They
4 are able to fully fund the State Loop 1 Project with
5 this move to be able to get it to construction; and
6 then, later, of course, they're looking for funding --
7 or they will be able to identify future funding for the
8 U.S. 290 Project.

9 The Dallas District, the projects in
10 front of you there are revisions to the Category 2 and
11 12 funds on the Southern Gateway Project in Dallas by
12 advancing previously approved Cat 2 and Category 12
13 funds. This approval will allow the Dallas District to
14 let the Southern Gateway Project in the coming fiscal
15 year.

16 They're also proposing some revisions to
17 Cat 2 and Proposition 1 Category 4 funds on Interstate
18 Highway 20. And these Prop 1 funds are proposed and
19 re-prioritized the letting date on their State Loop 9's
20 Frontage Road Project for 2018 through 2020.

21 I'll pause here for a minute on this
22 slide.

23 COMMISSIONER AUSTIN: Should we ask
24 questions on these projects before you go on, or do you
25 want to wait until the end?

1 CHAIRMAN LEWIS: If you have some
2 questions, go ahead.

3 COMMISSIONER AUSTIN: Okay. In the
4 Dallas District, the Southern Gateway, Category 12
5 funds, how much Cat 12 funds are in there? Are we
6 moving some around? Were they previously pledged to
7 another project? I know we've looked at this before in
8 the last update, but I just want to revisit this.

9 MR. GARDUNO: The particular funds in
10 question on this revision, Commissioner, the total is
11 \$25.25 million of Cat 12 money that is currently sitting
12 in the outer years, 2020; and that was previously
13 allocated funding that was given to the District North
14 Texas COG for the purpose of some pass-through financing
15 projects that actually were not selected for that
16 program. And so it's actually 25.25 on this revision.

17 COMMISSIONER AUSTIN: Okay. So just as a
18 matter of policy and process, when we give money --
19 initially we gave -- we dedicated that money to a
20 specific project; and I guess our previous action, what
21 we did, we allowed the COG to transfer that to another
22 project?

23 MR. GARDUNO: The culmination -- the
24 movement of this funding is actually bringing it into a
25 project that on your February congestion plan, y'all

1 appropriated some additional Cat 12 money to be able to
2 fund this project; and this is trying to help.

3 EXEC. DIRECTOR BASS: I think the earlier
4 action -- if I can add, Commissioner Austin, previously
5 the Commission had allocated Category 12 money for an
6 Interstate 345 bridge in the Dallas area that at the
7 time was thought was in the need of replacement. It
8 turns out it was in the need of repairs, so the cost
9 came in less.

10 The way I would characterize it is the
11 MPO then asked to transfer that Category 12 funding to
12 another project; and in an earlier action, I think in
13 the February update, the Commission concurred with that
14 request from the Dallas/Fort Worth MPO to move that
15 Category 12 to the Southern Gateway Project.

16 This actually -- action that is being
17 considered for this quarterly update is taking money
18 that was allocated to the Southern Gateway but moving it
19 forward a couple of years to help advance the award and
20 letting of the project.

21 COMMISSIONER AUSTIN: Yeah, I'm about --
22 I love local control; and I'm making this comment on
23 this as well because I'm going to just have another
24 discussion item probably in the upcoming slide. Just as
25 a matter as we go forward, as we're beginning thinking,

1 you know, when we grant this money to a -- whether it's
2 a COG or to a specific project, I think we ought to have
3 a little more in-depth conversation with Category 12.
4 Does it stay there? I think that may be an intent; or
5 if we're moving it to another project, do we take a look
6 at it? And I think we ought to have a chance to revisit
7 our participation, especially if the elements have
8 changed and deal with the all in/all out. And that's
9 where I'm at, so.

10 This is a good project. I know there are
11 a lot of things that were shifted. And I want to say
12 the 345 Project that came in way under budget and just
13 to repair, that's a great win for the region; and I
14 guess they were able to keep that money there, so.

15 MR. GARDUNO: That underrun was about
16 133 million.

17 COMMISSIONER VANDERGRIF: Just one thing
18 I want to add. I think we have talked about this some
19 in public before, but this particular project -- and it
20 happens in other projects across the state in other
21 areas -- when the Commission designates money into a
22 particular area and then, by the work of the Department,
23 manages to save money on that, the Commission had
24 allocated that money to that specific area; and so, me,
25 personally, I'm in favor of not taking that away from

1 them just because they had a benefit. And so it allowed
2 a project that otherwise couldn't have got out to be
3 done, and I think that happens periodically throughout
4 the state.

5 COMMISSIONER AUSTIN: Agreed.

6 VICE-CHAIR MOSELEY: I think, Chairman, I
7 would believe -- I would agree with both my colleagues.
8 The point maybe is: If we are assigning discretionary
9 money to a project; and, as Commissioner Vandergriff
10 identified, there's a savings, it might be useful for us
11 to be involved in reassigning that money to that
12 regional project. That would be the only point I
13 would --

14 EXEC. DIRECTOR BASS: And that is,
15 clearly, our intent; and we believe that process is what
16 happened during the quarterly update back in February
17 when that underrun on one project was requested to be
18 moved and presented to the Commission and then adopted,
19 was in the February of this year update; but we will be
20 sure, as those situations present themselves as we go
21 forward, that they are clearly highlighted and the
22 Commission is well aware of the request if Category 12
23 money is being moved from one project to another in the
24 same region.

25 CHAIRMAN LEWIS: If there are no other

1 questions or comments on this, if you would, proceed,
2 Director.

3 MR. GARDUNO: Yes, sir.

4 The next slide talks about projects in
5 the El Paso District. We're proposing to fund portions
6 of the Interstate Highway 10 Project with previously
7 approved Cat 2 and Proposition 1 Category 4 funds. The
8 District is also proposing to fund portions of the
9 U.S. 54 Project with previously allocated Rider 11B
10 funds, which were approved in the February revisions to
11 the 2016 UTP.

12 The Houston District there on that has
13 several projects. They're funding the replacement of
14 two railroad underpasses on U.S. 90A and State
15 Highway 36 with previously allocated funds. They're
16 also proposing to authorized previously approved Cat 2
17 funds to construct some direct connectors on Interstate
18 Highway 10 and to realign the roadway on State Spur 529.

19 The Houston District is also seeking
20 approval to authorize for the Port of Houston at the
21 Peninsula Street and Jacintoport Boulevard Project per
22 the Port Authority Advisory Committee's recommendation
23 for previously approved Rider 48 Maritime funds as
24 approved in the February revision to the 2016 UTP.

25 The Laredo District on that slide are

1 asking for revisions to Cat 10 Corridor Border
2 Infrastructure funds on U.S. 277 in place of previously
3 authorized city street projects. Just a note on that,
4 that request came from the locals to make that move and
5 the request to transfer money from a lower-priority
6 project to fund a much-needed U.S. 277 realignment
7 intersection. So that was driven by the local requests
8 on that.

9 I'll pause here.

10 COMMISSIONER AUSTIN: A couple of
11 questions. On the El Paso District Interstate 10, I
12 know long range we're looking at a major overhaul on
13 Interstate 10. And I don't know who can answer this,
14 but how far away are we before we start construction and
15 really start the planning for the overhaul on
16 Interstate 10 in El Paso?

17 MR. GARDUNO: Are you talking about
18 through the city proper itself?

19 COMMISSIONER AUSTIN: Through the city,
20 right.

21 MR. GARDUNO: I probably won't be able to
22 answer that at this moment, Commissioner; but we -- can
23 somebody speak to that?

24 MR. WILLIAMS: Commissioner.

25 For the record, Marc Williams, Deputy

1 Executive Director.

2 We have just hired -- in working with the
3 District, hired an engineering consulting firm to start
4 the environmental and planning for the I-10 corridor to
5 begin looking at where there are priorities and where
6 the most urgent needs are. And so we're beginning that
7 process right now.

8 So I can't set a timeframe on when; but I
9 suspect that as we go through that study, they will be
10 identifying those locations where we have the most
11 urgent need. We are aware that there are some
12 significant maintenance issues along that corridor as
13 well as some capacity ones, looking at how we can
14 advance those, what the priorities are, and how we align
15 those with future funding opportunities coming up.

16 COMMISSIONER AUSTIN: Go ahead.

17 COMMISSIONER VANDERGRIFF: Just a quick
18 question. My understanding from several years back --
19 and you were not in this position then, of course -- is
20 that when we put money into the Border Highway West
21 Project, that that -- and this comes from TxDOT folks
22 that were in the project at the time; some are still
23 there, the District Engineer, Bob Bielek -- that we
24 would save significant dollars on the capacity issues
25 with respect to I-10 by virtue of that tollway. Is that

1 still your understanding? I'm not looking for dollar
2 numbers.

3 MR. WILLIAMS: Certainly. Certainly
4 Border Highway West is intended and was intended at the
5 time to be a relief valve for I-10. It was also
6 recognized that part of the role of that project, as
7 well, was recognizing that there would need to be some
8 significant maintenance work done in the future on I-10.

9 COMMISSIONER VANDERGRIFF: Right.

10 MR. WILLIAMS: We didn't have a viable
11 bypass route.

12 COMMISSIONER VANDERGRIFF: You don't have
13 any continuous frontage roads.

14 MR. WILLIAMS: No continuous frontage
15 roads, no viable bypass route. So it is envisioned that
16 as that project is completed, that will begin to
17 introduce opportunities to take on and begin to address
18 some of the maintenance and remaining capacity needs on
19 Interstate 10.

20 COMMISSIONER VANDERGRIFF: As the concept
21 plans come closer to reality there, I think it would be
22 a good idea to illustrate at least the capacity dollar
23 savings on that, on I-10.

24 COMMISSIONER AUSTIN: Well, I echo
25 Commissioner Vandergriff's comments; but also, we need

1 to make sure we plan it because that's going to be a
2 traffic nightmare out there.

3 MR. WILLIAMS: Yes, sir.

4 COMMISSIONER AUSTIN: The second question
5 coming down -- thank you, Marc.

6 Lauren, back to the Laredo District on
7 the CBI funds, I know we've received a lot of comments
8 on the distribution of the CBI funds that came back.
9 That was a Federal allocation. It's about 30 million.
10 And I know these funds have to be distributed among
11 three districts in the Valley: Pharr, Laredo, and
12 El Paso, along the border. I do understand language is
13 being introduced in appropriations to have local input
14 and I'm glad to hear you say this is a local project
15 that was ready to go, but I think the first project that
16 it was allocated to was not ready to go.

17 MR. GARDUNO: That is correct, yeah. And
18 the mayor -- because of that, they didn't have the money
19 to complete the realignment; and the mayor then
20 requested to transfer this money to this other
21 higher-priority project.

22 COMMISSIONER AUSTIN: And the CBI, is
23 that just the international border; or is it a border,
24 period?

25 MR. GARDUNO: (Laughing.)

1 COMMISSIONER AUSTIN: Because I think
2 international -- you know where I'm going with this. I
3 believe there's a deal -- long-range strategic plan.
4 The border, also, there's a little rider that was put in
5 place a few years ago that has the East Texas/Louisiana
6 border as part of that. So I would just ask us to make
7 sure when we look at these that...

8 MR. GARDUNO: So you want us -- so we
9 need to go back and read the definition of the CBI --

10 COMMISSIONER AUSTIN: Yes.

11 MR. GARDUNO: -- program to see exactly
12 where it applies?

13 COMMISSIONER AUSTIN: Not to make any
14 changes on here, but just for future --

15 MR. GARDUNO: Okay.

16 COMMISSIONER AUSTIN: Thanks.

17 VICE-CHAIR MOSELEY: Louisiana is another
18 country.

19 (Laughter.)

20 COMMISSIONER AUSTIN: It is.

21 I believe that was a Tommy Merritt
22 amendment, by the way.

23 (Laughter.)

24 CHAIRMAN LEWIS: Members, any other
25 questions on this slide?

1 (No response.)

2 CHAIRMAN LEWIS: If not, we'll go to the
3 next one.

4 MR. GARDUNO: Yes, sir.

5 The next slide shows some projects in the
6 Pharr District. We're proposing to authorize revisions
7 to previously allocated Cat 12 Strategic Partnership
8 Funds on other sections of State Highway 550 as a result
9 of the re-prioritization by the Cameron County RMA.
10 Pharr is proposing revisions to Cat 10 CBI funds on
11 State Highway 107.

12 This breaking out on State Highway 550
13 funding on the following segments: They want to
14 construct controlled access toll facility, four main
15 lanes, two in each direction. And then they also want
16 to break it out from west of FM 1847 to east of the Old
17 Alliance Road, which they have a proposed letting in
18 August of 2016.

19 And then they have another portion of it
20 south of FM 1847 to southeast of the Union Pacific
21 railroad overpass at FM 3248, which they propose letting
22 August of 2017. So they're breaking the project. It
23 was one CSJ, breaking it in two to be able make letting
24 schedules is the way they're proposing that.

25 Do I need to pause here for comments on

1 that?

2 COMMISSIONER AUSTIN: Unlike the others,
3 this is the same project for Cat 12?

4 MR. GARDUNO: Yes, sir.

5 COMMISSIONER AUSTIN: So it's an
6 extension of it?

7 MR. GARDUNO: Yes, sir.

8 The San Antonio District has the State
9 Highway 10 Interstate Highway project that is proposing
10 to redefine the scope of the work on IH-10 from a
11 six-lane interstate to twelve managed lanes, from an
12 eight-lane interstate with toll managed lanes to two
13 general purpose and two high-occupancy vehicle lanes in
14 each direction. San Antonio is also proposing to
15 authorize previously allocated STP MM reconciliation
16 funds on FM 1518 and on ramps between Harry Wurzbach
17 and Austin Highway.

18 Do you want me to pause here?

19 COMMISSIONER AUSTIN: Yes, sir.

20 MR. GARDUNO: Okay.

21 COMMISSIONER AUSTIN: On the San Antonio
22 I-10 project, this is a major change; and I know there's
23 been some discussion. We've had a recommendation Friday
24 from an MPO to change it yet again. And I want to kind
25 of backtrack. Since I've been on the Commission since

1 2011, I think myself and colleagues up here and former
2 colleagues have really tried to find a way to help
3 San Antonio; and there's not an easy answer. There has
4 not been an easy answer. There's been a lot of, I say,
5 cussing and discussing over plans.

6 I felt we came together based on local
7 leadership's recommendations a couple years ago to form
8 an 825 plan. Things have changed. Political winds have
9 changed. I don't disagree with that. And we took
10 action last fall, which I agree with, on 281 to remove
11 the tolls on 281, looking at new funding that's coming
12 in. I think that was a good action and a win for
13 San Antonio.

14 My understanding is that we were still
15 going to follow through with the rest of the plan
16 working with the improvements on 1604, Interstate 10;
17 and if I missed something, I completely missed
18 something. And I apologize, especially to
19 Commissioner Bugg of San Antonio.

20 Part of my concern is, listening to the
21 locals, I want to support everything that they say. My
22 major concern is: Are we rushing into something and we
23 may have unintended consequences that have not been
24 fully or -- fully vetted or enough time to vet because
25 this is a changing. I believe the MPO just met within

1 just two or three weeks ago or within the last month, to
2 send a letter asking us to remove this.

3 The best scenario is we do this. We act
4 on it next month and go forward with this
5 recommendation, and we can move forward with new Prop 1
6 and Prop 7 funds and everything. The San Antonio -- the
7 Alamo MPO, my understanding is that they're going all in
8 and putting all their funds on this project; and I
9 believe this is the Number 1 project, Number 1 priority
10 in the region.

11 A couple of things of caution I would
12 just like to add. I've visited with a lot of different
13 folks. I have some different relationships in
14 San Antonio; and lot of folks are asking -- they're
15 basically saying, "We just need relief." And before we
16 approve this, I really want to make sure this has been
17 vetted appropriately. I know it has through elected
18 officials, but does the community really know what are
19 some unintended consequences. Now, I'd like to just
20 mention, a possible -- some alternatives or some
21 considerations.

22 If we do this -- and I want to talk about
23 the Commission discretion dollars that we have on this
24 as well. As part of that 825 plan, I know we matched
25 the vehicle registration fees. And I believe that's

1 going back to the District, and I want to ask that as a
2 clarification. What is going to be the status of that?
3 I believe our intentions are to continue to follow
4 through on that.

5 Also, would the other projects that are
6 in line in the MPO still need to be addressed? And if
7 everything goes in on just this one project, what's
8 going to happen to the other projects down the road?

9 Two years ago -- I believe it was less
10 than two years ago, the MPO expanded its boundaries I
11 believe into Camille and Hays County. You know, how do
12 they feel about using all of the funds going towards
13 that one project when we still have a lot of other needs
14 around? If that's the MPO's collective decision, I
15 accept that. But I just wanted to make sure we're doing
16 the right thing. There's a couple other -- when we
17 learned -- Director Bass and I were up at USDOT. FHWA
18 Director was there as well. Also learning that
19 San Antonio in, I believe, 2019 could be non-attainment.

20 So that adds another layer of
21 complication to projects getting built. Then you add in
22 the population growth, the need for relief, the
23 congestion mitigation plans. You know, are we
24 addressing -- are we doing enough?

25 And, Director Bass, I want to ask you

1 this question: You know, we're doing our planning. I
2 believe when we look at our update this summer, we're
3 going to make an assumption that we're going to be fully
4 funded with Prop 7. And I think that's the direction
5 we've been asked and we want to make sure and plan that
6 we're ready to go with the full allocation. But if for
7 some reason, a hypothetical, that that is cut back, what
8 implications could that have to our overall funding as a
9 department and potentially this project?

10 EXEC. DIRECTOR BASS: So as you
11 mentioned, as we're going forward and planning for an
12 update, our presentation of the 2017 UTP, our plan is to
13 assume full funding from Proposition 7.

14 And as a reminder, before the highway
15 fund sees its first dollar, the State must receive
16 28 billion of general sales tax; and then the next 2 and
17 a half billion would come to the Highway Fund. So that
18 is going to be our planning assumption to ensure that we
19 have projects ready to go. You will likely also recall
20 that in that constitutional amendment, the Legislature
21 has the ability as they look at all of the different
22 needs and demands that are on our state, they have the
23 built-in ability to reduce that 2 and a half billion by
24 up to 50 percent.

25 In addition to that, in the amendment

1 language, some of that money may be appropriated to pay
2 for the Prop 12 debt service. And so if you were to
3 assume that the money is going to come into the treasury
4 past the threshold, the best case scenario, obviously,
5 is 2.5 billion; the worst case, with that initial
6 assumption, is maybe somewhere in the neighborhood of
7 900 million would come into the highway fund and then
8 get allocated through the UTP by whatever mechanism the
9 Commission ultimately decides to allocate those dollars.

10 So not quite one third of the
11 2.5 billion, but that's kind of the potential range is
12 one third or fully funded from that one element.

13 COMMISSIONER AUSTIN: And I
14 appreciate you walking us all back through this again.
15 And while I know Senator Huffines was saying we've got
16 you \$5 billion with Prop 1 and Prop 7, that's great; but
17 we also need to be aware, as realists, what are the
18 triggers or the implications if that doesn't happen.
19 But we need to plan going forward as if it's all going
20 to be there.

21 With all in on one project and using the
22 Commission discretion, you know, looking at banking on
23 the future allocations, a little danger. But there's
24 also funding -- and my concern, I just don't want all
25 these other important projects that have been on the

1 books for a long time delayed waiting on one project
2 because if something was two years based on fully
3 funded, it could go five years; and then you add in a
4 drop of funding or non-attainment issues. There's other
5 challenges. I just want to make sure we're fully
6 vetted, that staff really understands. And I'll be
7 working with leadership with that.

8 Not knowing that 100 percent, you know,
9 there is a -- I was going to respectfully request: Do
10 we approve this in May, or could we wait until -- on
11 this item until August to approve? And I would support
12 it in August, just giving enough time to make sure it's
13 totally vetted. I want to be clear: I support the
14 locals in this; and I don't think, my understanding,
15 that would gravely delay anything. And I stand to be
16 corrected. But the environmental, I think we're still
17 good, et cetera. That's just one item I wanted to kind
18 of tap on the brakes and make sure we're doing the right
19 thing and we're involved in doing the right thing.
20 That's all I have on this one.

21 MR. GARDUNO: So you're in the Open
22 Comment Period, and so this is the opportunity for those
23 kinds of things to come out. And the Cat 12 money in
24 question on this project is about \$70 million, for your
25 history.

1 COMMISSIONER AUSTIN: And that was
2 pledged --

3 MR. GARDUNO: The 2014 UTP.

4 COMMISSIONER AUSTIN: That was already
5 there as part of the initial 825 plan, and that will
6 remain?

7 MR. GARDUNO: Yes, sir. And it was
8 assigned to this project, yes, sir. Yes, sir.

9 CHAIRMAN LEWIS: Any other questions or
10 comments?

11 You know, I might just mention something:
12 Being fairly new -- you know, Commissioner Bugg and I
13 are fairly new on the Commissioner, although it's been a
14 year. It's been a long year.

15 (Laughter.)

16 CHAIRMAN LEWIS: I can't remember when I
17 wasn't on the Commission.

18 (Laughter.)

19 CHAIRMAN LEWIS: But I know we're still
20 fairly new to it.

21 But we came in at a time, obviously, with
22 Governor Abbot and Lieutenant Governor Patrick and
23 Speaker Straus and the Legislative team working on
24 things in a transitional phase, really. So whether it's
25 the MPOs or it's this Commission, it's somewhat of a

1 transition because, you know, what I realized coming on
2 here is that the Commission had been faced with a
3 situation for over a decade that you have the
4 fastest-growing state in the nation. It's astonishing
5 what the economy was. People are pouring into this
6 state, but it was still a traditional funding of the
7 fuel tax. It was fuel tax money, and it was flattening
8 out because of more efficient cars and different things.

9 And so it really was very difficult, and
10 the funding that was sought was bond issue money, which
11 is nice to have; but then you've got to pay it back. I
12 mean, it's not permanent money. You get it, you use it;
13 and from then on, its debt service. And so that put
14 everybody in a situation at that time of tolls were the
15 other option, and the old pay as you go wasn't there
16 anymore for real expensive projects in highly congested
17 areas. I don't know if it's called an option if it's
18 the only thing, and that was the thing that the
19 Commission had available to it to look at things.

20 And then there's always places with the
21 local folks and local needs and the extent of congestion
22 that's called for; but then also, even if it wasn't
23 that, we still had situations in which the Commission
24 had to look to locals for pretty marginal projects and
25 say: You've got to toll it because we have no money.

1 There are no options.

2 And so that was the situation that was
3 there and, you know, the Commission had those put before
4 them. That was just the situation that that Commission
5 had; and we recognize that now that with Governor Abbot
6 and the Legislative leadership, we all, in every
7 conversation, say how much we appreciate the Legislature
8 going to bat, Proposition 1, Proposition 7, the
9 leadership of the Governor and the Legislature; and then
10 the public voted on that.

11 And then, also, I don't want to forget
12 the ending of diversions. You know, before the Highway
13 Trust Fund money was coming out to go to other agencies
14 and not to roads. You know, it was just a convenient
15 place for money from the Legislature. So the
16 Legislature and the Governor stepped up and they ended
17 that so we get the benefit of that money. So it puts us
18 in transition.

19 That's a long soliloquy, but it's kind of
20 what I have found since being here. And so we are all
21 finding our way in this new world. And we know that we
22 respect the local decision making and that they're
23 working their way just like we're working our way and
24 finding our way in this new era, you know, what's
25 appropriate for your managed lanes or tolls or not for

1 any particular area. And we all need to listen and
2 everything that I think we say here is that we are
3 emphasizing local control, as the Governor and the
4 leadership and the Legislature have done. They want us
5 to emphasize local control.

6 I think what we hope to see is we want
7 everybody to appreciate it is a transitional area. It
8 is a new era. There is additional monies that have been
9 produced to us under the basis that that money is not
10 going to be used for toll projects, you know, 1 and 7,
11 the end of diversions from the Governor's voice is not
12 to be tolls.

13 And so we realize we're in that era, and
14 we're going to fully understand that and appreciate the
15 spirit of that. Senator Huffines said it much better
16 than I. We appreciate the spirit of that, and we're
17 going to effectuate it. And so nothing here would
18 affect that.

19 It is important for every area of the
20 state -- and this is every area that I see, now being
21 fairly new on the Commission -- if they're unified in
22 what they have to say, they've got a plan and it's
23 unified and they look in the long term, because
24 everything we do is five to ten years in doing, we need
25 a unified voice to the extent we can have it and stick

1 with it. Make sure you're right on it and stick with it
2 so that this Commission can do its job.

3 And that's a very long soliloquy, but
4 it's so important to get this right.

5 COMMISSIONER AUSTIN: Mr. Chairman, I
6 agree with everything you said. I want to come back to
7 realty for a second. While that is a realty as well,
8 you know, the gas tax that we have, we're fuel tax
9 dependent. That was put in place back in 1991, 20
10 cents. The present value of that today is 8 cents; and
11 then let's take 25 percent of that off for education, so
12 we're down to 6 cents. So, in effect, what the
13 Legislature did -- and we thank them -- is help
14 replenish getting up almost to the current value without
15 a big increase in total revenue.

16 But in that last 40 years, we've only --
17 while population has gone up 125 percent, we've only
18 added new capacity of 9 percent in lane miles. So being
19 good stewards is also asking the right questions. Are
20 we making the right decisions?

21 We can't do it alone. It's not right to
22 have managed lanes on every project; but if it is
23 appropriate, I think we need to consider it to make our
24 dollars go farther because whether it's in Dallas,
25 Houston, Austin, in the major areas of the top 100

1 congested roadways, we can't do it all by ourselves.
2 There's just simply not enough money. Prop 1 and 7,
3 while they're greatly appreciated, that's not the total
4 solution; and it's not going to solve everything. So
5 that's why, again, we're being good stewards in trying
6 to figure out the right way to make it go farther.

7 CHAIRMAN LEWIS: Thank you.

8 Commissioner Vandergriff.

9 COMMISSIONER VANDERGRIFF: Do you mind
10 for just a second?

11 As one who was around when this whole
12 thing came up -- certainly Commissioners Moseley and
13 Austin were with me at that point -- you know, these
14 projects, in all honesty, were kind of thrown out; and I
15 think the community had somewhat of a gun to its head
16 relative to doing the projects the way we directed it to
17 be done.

18 And I don't think there ever was --
19 echoing the Chairman's sentiments about local control,
20 I'm not sure there was ever a unanimous feeling about
21 doing these as a toll managed lane project. And I'm not
22 sure we really took into account the economics of it,
23 either. And I respect and appreciate the comments
24 you're making, Commissioner Austin; but I'm a firm
25 believer in local control.

1 As one from a community that has a lot of
2 toll roads and a lot of managed lanes, the folks up
3 there, elected officials and otherwise, get concerned
4 about losing maintenance dollars or being shorted on
5 projects based upon having had toll projects; and those
6 don't always account for those.

7 But, on the other hand, what I understand
8 about this particular project is the local community is
9 saying: Don't toll these roads; and, in turn, we will,
10 out of allocations we get, be responsible for them. And
11 if that's the case, then if those allocations
12 materialize as we all hope they are, great. But if they
13 don't, then it will just be slower in getting done; but
14 they still will be using allocations that we give to
15 them.

16 So I would hope we won't unduly hold this
17 one up because the philosophy, I think, is the right way
18 to approach it. And I certainly echo and very much
19 support the Chairman's comments about the direction
20 we're heading.

21 CHAIRMAN LEWIS: Commissioner Bugg.

22 COMMISSIONER BUGG: Thank you, Chairman.

23 And, Commissioner Austin, you and I had
24 an opportunity -- you called me last week and shared
25 your concerns about this action. A couple of points:

1 Number 1, I have talked with the folks at the Alamo MPO;
2 and this is definitely what they want to do. And so I'm
3 supportive of, again, our local MPO, just as you said.

4 However, as you know, I've kind of
5 convened a meeting. We're going to meet on May 11th;
6 and I've asked County Judge Nelson Wolff and County
7 Commissioner Kevin Wolff, who is the Vice Chairman of
8 the Alamo MPO, and then Ray Lopez, who's City Councilman
9 but also Chairman of the MPO. And I appreciate you
10 taking the time to come to San Antonio because I think
11 communication is such an important thing. And I want to
12 thank you again for taking the time to come down, but I
13 wanted to do this so that you have an opportunity to
14 hear what their thinking is and give you the benefit of
15 their thinking because my goal is to keep this thing on
16 track so that it doesn't delay the project. And so I'm
17 also going to invite that leadership to come to our
18 Commission Meeting in May so that they can articulate to
19 the full Commission what their thinking is.

20 But I do support the local -- just as you
21 do, I support the local decision-making process of the
22 MPO; but what I hope to bring to the table is a little
23 bit of communication that might answer some of the
24 questions. So that's the goal. Thank you.

25 COMMISSIONER AUSTIN: Fair enough.

1 VICE-CHAIR MOSELEY: Mr. Chairman, I'm
2 satisfied that Commissioner Bugg will meet with all the
3 right individuals and convey our support of this
4 initiative. I think because there were funding formulas
5 put in place based on this revenue stream that is
6 changing, then there's a concern that expectations are
7 set in the community that the other projects will not be
8 impacted. So that's where we're hopeful there's a
9 crisp, clear line of communication supporting local
10 control, yes.

11 The funding stream is changing because
12 resources are going to be pulled and maximized on this
13 one project and a real transparent communication to the
14 community that these other projects necessarily are
15 going to be impacted. And I think that's the only
16 question, Chairman, that I'm wanting to make sure the
17 community is aware of.

18 We absolutely support their right to use
19 this fund structure as long as they're aware that the
20 other projects are going to be impacted. It's as simple
21 as that.

22 But thank you, Commissioner, for what you
23 just said. Appreciate that.

24 CHAIRMAN LEWIS: Thank you very much for
25 all those comments, Commissioners.

1 I'm continually impressed with how hard
2 the members of this Commission work and how thoughtful
3 you are. Thank you.

4 And now, do we get the Tyler?

5 MR. GARDUNO: Yes.

6 (Laughter.)

7 CHAIRMAN LEWIS: Is there anything else?

8 COMMISSIONER AUSTIN: Well, that's
9 Loop 281 in Longview.

10 MR. GARDUNO: That's correct, the west
11 side of Longview.

12 COMMISSIONER AUSTIN: I know this is
13 coming back to add some improvements. And I got a
14 traffic alert there yesterday was a fatality on that
15 roadway, so much needed.

16 MR. GARDUNO: The last bullet is an
17 additional insert of additional updates on formula
18 allocated Cat 2 and Cat 4 projects. There are about 19
19 of them, not broken out; but they are listed for your
20 benefit.

21 COMMISSIONER VANDERGRIFF: I'd like to
22 have a copy of that.

23 MR. GARDUNO: I'm sorry. I thought it
24 was going to be in your handout. I'll make sure,
25 Commissioner, we get you a copy of it.

1 The next slide is where we are with the
2 2016 UTP revisions. The public comment period is
3 through May 23rd. We have a public hearing scheduled on
4 May 12th; and then, of course, we're going to come back
5 before you on the May Commission meeting for action and
6 final adoption.

7 The next slide gives you just a little
8 bit of a heads-up on what's coming down the pipe as far
9 as July and August. We're currently working with you
10 and our administration and our planning partners across
11 the state to finalize our 2017 UTP planning target
12 distribution scenario so we can get this out to the
13 districts and they can start putting projects up against
14 it.

15 We're anticipating distributions coming
16 from the Federal Highway FAST Act and Proposition 1 and
17 future Proposition 7 funding because, keep in mind, this
18 UTP has a 10-year window that we're trying to plan for.

19 We're also working, as Commissioner
20 Vandergriff mentioned earlier, about the House Bill 20
21 work, trying to make sure that the work we do on 2017
22 UTP is taking into account the work we're doing on House
23 Bill 20.

24 COMMISSIONER VANDERGRIFF: If I can stop
25 you just real quickly.

1 MR. GARDUNO: Yes, sir.

2 COMMISSIONER VANDERGRIFF: I just want o
3 say -- and I apologize for doing this -- but I've been
4 intimately involved with Lauren and a lot of his team
5 for a number of months now as we're looking at all of
6 this stuff that goes into HB 20, and I very much
7 appreciate the way he's jumped in. And the MPOs in
8 particular have really appreciated the candor and the
9 back and forth; and these are discussions that take
10 place over many, many hours. And I note that very -- I
11 want to make sure I note it.

12 MR. GARDUNO: Thank you, Commissioner.

13 Just a note on that 2017, there is a --
14 you know, you see some of the traditional state highway
15 funds that will be inadequate that y'all have already
16 spoken to. The Chairman spoke eloquently towards that
17 funding coming down the pipe. So I will not dwell on
18 that.

19 The key funding program objectives, of
20 course, we're still trying to look at preserving our
21 assets statewide. We're still trying to address your
22 congestion needs statewide. We're looking at rural
23 commerce and connectivity corridors and, of course, you
24 have your strategic priority that you can apply to
25 solving some of the transportation needs across the

1 state.

2 This gives just a quick shot of timeline.
3 I just leave that up there just for the fact that it's
4 tight. The window's real tight. And we'll be coming
5 back in front of -- we'll be -- you're going to get a
6 lot of dose of this over the course of the summer as we
7 try to move the 2017 UTP adoption to the end of August.

8 I'll take questions.

9 Yes, sir.

10 CHAIRMAN LEWIS: Yes,
11 Commissioner Austin.

12 COMMISSIONER AUSTIN: I have two other
13 projects I'd like to discuss. One, Waco, I had the
14 opportunity -- I mentioned earlier I had the opportunity
15 to visit their leadership, the MPO, county judge, the
16 mayor elect, the chamber. And what's interesting -- it
17 was refreshing -- they're all aligned. There are other
18 communities that are completely aligned.

19 But one thing that alarms me, they're
20 looking at a project, 415 million, that they're using
21 all of their Category 2 future funding from 2018 to
22 2023. Also included is their Prop 1 allocation for
23 those same years, Categories 1 and 4 -- 4 is
24 connectivity -- and 11 from 2018 to '23 and 50 percent
25 of their Cat 1. Basically every funding source they

1 have is going in on one project. Much like what I was
2 suggesting about San Antonio, what is the impact to the
3 other projects that they have?

4 Well, the Number 2 project that they
5 have -- by the way, that one is Interstate 35.
6 Two-thirds of the traffic that goes through there is not
7 a local issue. That's a state issue and maybe an
8 international issue because of 35 coming through there,
9 and a third of it is deemed to be local.

10 Their Number 2 project that is being held
11 up in some respects -- it's on the long-range UTP --
12 it's U.S. 84. There's an interchange there. The County
13 has their part. And, you know, by the end of this year
14 utilities will be moved; the right-of-way is already
15 there. In essence, this project will be ready to go.

16 Where I'm leading, I would like this
17 project of 32 million to be considered for the next UTP
18 update to fast forward that because they're still two
19 years out on Interstate 35 and I don't feel we need to
20 hold up because I think the interstate system,
21 regardless of the number, whether it's 40 in the
22 panhandle or 10 in Houston, is part of our
23 responsibility to manage that for the State. And I
24 don't think they need to be held up for the local
25 projects because this particular one is where all the

1 distribution centers are located and the highest section
2 of growth where they're being held up.

3 Like I said with the other comments,
4 maybe we can look at re-allocating some other
5 proposition money or advancing it or even using some
6 discretion in that, if we need to, Cat 12, to help them
7 move that local project forward.

8 The second thing I want to ask is really
9 to Commissioner Vandergriff. Tell me about State
10 Highway 352.

11 COMMISSIONER VANDERGRIFF: State
12 Highway 352?

13 (Commissioner Austin laughing.)

14 MR. GARDUNO: Do I have a typo in there,
15 Commissioner?

16 COMMISSIONER AUSTIN: No. I think it's
17 on the long-range. It's in Sunnyvale.

18 A member of your delegation wanted to
19 make sure I asked you about that.

20 COMMISSIONER VANDERGRIFF: In Kaufman
21 County, yes.

22 COMMISSIONER AUSTIN: Thank y'all for
23 listening to the discussion. I think we need to
24 continue to be open and realistic about what we are
25 doing; and, again, it's not supporting one thing over

1 another. I know we have challenges to make. We're
2 trying to be good stewards to make our dollars go much
3 farther.

4 CHAIRMAN LEWIS: Any other questions at
5 this time for the Director?

6 COMMISSIONER VANDERGRIFF: I asked for a
7 list. If I'd just bothered to look at the end of
8 presentation, the list is there. So I wanted to
9 apologize for that.

10 MR. GARDUNO: No problem.

11 CHAIRMAN LEWIS: Thank you.

12 If there are no other questions for the
13 Director at this time, we do have a comment card.

14 Mr. Dixon, if you'll come forward; and
15 after stating your name and who you're here
16 representing, if anyone, then give us the benefit of
17 your thoughts on this topic.

18 MR. DIXON: Thank you, Mr. Chairman.

19 My name is Don Dixon. I'm representing
20 myself. I am from San Antonio, obviously, as you know;
21 and I want to discuss your issue on I-10. I certainly
22 recommend that you follow through and go ahead and pass
23 this issue. As a public from San Antonio, we certainly
24 do not support toll roads; and we don't want those in
25 there. And so you've taken those out. That's a very

1 good thing. You certainly want to do that.

2 There's one slightly small change that I
3 would recommend you do before you vote on it next month,
4 and that's the HOV component. You're spending
5 \$70 million on four lanes, two general purpose and two
6 HOV restricted lanes for a bus lane. I've gone out and
7 counted people that has more than one person in a car at
8 this location. I also checked the people who ride
9 buses. This is 20 miles out from downtown center where
10 people do ride buses; they don't out there.

11 The problem is you are stewards of the
12 taxpayers' money. You mentioned in the Governor's
13 objectives efficiency. It is not efficient to use this
14 kind of money on a restricted lane. Now, remember,
15 you're restricting the public to use this lane, money
16 that they put in, for a very small percentage of the
17 public.

18 Studies have shown, professional
19 engineers, that HOV lanes, if you take them off and you
20 have four unrestricted flow, you have less congestion;
21 and you have less pollution. So this is a thing that we
22 need to look at in terms of efficiency of the state
23 system.

24 So, please, pass it. We need to move
25 forward on this project. It's terribly needed,

1 Interstate 10; but make it unrestricted for all people
2 to use. That would be the only change I would
3 recommend.

4 VICE-CHAIR MOSELEY: Mr. Dixon, thank you
5 for your comments. Could you please provide a copy of
6 the study you're referring to?

7 MR. DIXON: I have it in my car, and I'm
8 sorry. But I will bring it as soon as this is over.
9 It's from a professional engineer.

10 VICE-CHAIR MOSELEY: I'd love to see it.
11 Thank you, Mr. Dixon.

12 MR. DIXON: Great comments.

13 CHAIRMAN LEWIS: Thank you very much for
14 coming forward. We appreciate it.

15 MR. DIXON: I'll bring it to you.

16 CHAIRMAN LEWIS: And with that, that
17 concludes -- I should say: Any other questions for
18 Director Garduno on this topic? If not --

19 Yes, Commissioner Austin.

20 COMMISSIONER AUSTIN: I wanted to say I
21 was given a message -- I said 2019 that San Antonio
22 would be non-attainment. I believe the non-attainment
23 took place in 2015 with requirements to be in place
24 2018. So I wanted to be clear on that.

25 CHAIRMAN LEWIS: Thank you.

1 Any other questions for the Director at
2 this time?

3 (No response.)

4 CHAIRMAN LEWIS: If not, the discussion
5 item will be completed; and we'll go back to Executive
6 Director Bass.

7 EXEC. DIRECTOR BASS: I will ask
8 Mr. Garduno to continue with Agenda Item 5.

9 MR. GARDUNO: Yes, sir.

10 Again, Item Number 5 is the Advisory
11 Committee appointment for the I-69 Corridor Advisory
12 Committee. And the I-69 Corridor Advisory Committee
13 continues to provide the local or grassroots level of
14 insight in recommendations to the Department in our
15 effort to further the development of I-69 in Texas. In
16 February of this year several new members were appointed
17 to the Advisory Committee. However, there was one
18 vacancy that was not filled at that time.

19 This Minute Order appoints a new member,
20 Allen Johnson, to fill the current vacancy. Mr. Johnson
21 is from Harlingen, Texas, has been involved with the
22 development of I-69 in many different ways for many
23 years. His recommendation was developed through the
24 input from the Commission, Secretary of State Carlos
25 Coscos, Advisory Committee Chairman Hugh Taylor, and

1 Department staff. The staff recommends approval of
2 Mr. Allen Johnson to the I-69 Corridor Advisory
3 Committee.

4 I'm available to answer any questions.

5 CHAIRMAN LEWIS: Thank you.

6 Commissioner Austin.

7 COMMISSIONER AUSTIN: I'd be happy to
8 make a motion to approve this.

9 VICE-CHAIR MOSELEY: Second, Chairman.

10 CHAIRMAN LEWIS: We have a second from
11 Vice-Chair Moseley.

12 If there's no further discussion, we'll
13 proceed to a vote.

14 (No response.)

15 CHAIRMAN LEWIS: All in favor say aye.

16 (Chorus of "Ayes.")

17 CHAIRMAN LEWIS: Any opposed, no.

18 (No response.)

19 CHAIRMAN LEWIS: The Motion carries.

20 Thank you.

21 COMMISSIONER AUSTIN: Mr. Chairman, as we
22 talk about advisory committees, listening to this group
23 that advises, helping work on the hotspots, this is
24 going to be interesting as we begin looking at
25 connectivity throughout the state; but while we were in

1 DC, I failed to mention, USDOT we were working with them
2 on something Vice-Chair Moseley has been working on, the
3 Gulf Coast -- the Intercoastal to MH-69, Marine Highway
4 69. So you've been a real champion. There was a lot of
5 discussion about that to tie in.

6 VICE-CHAIR MOSELEY: That's cool. Thank
7 you.

8 CHAIRMAN LEWIS: Director Bass.

9 EXEC. DIRECTOR BASS: Next we'll move on
10 to Item 6, which is an application to AASHTO for
11 Interstate Highway 14. Our Transportation Planning and
12 Programming Divisions Corridor Planning Branch Manager
13 Roger Beall will present the item.

14 MR. BEALL: Thank you.

15 Could you bring the slide up, please?

16 Good morning, Chairman Lewis, Commission
17 Members, and Executive Director Bass. Thank you for
18 allowing me to be here this morning.

19 The Central Texas Corridor is part of a
20 proposed route that connects military facilities, ports
21 of entry from Georgia to Texas. The Fixing America
22 Surface Transportation Act, or FAST Act, designated the
23 Central Texas Corridor as a Congressional High-Priority
24 Corridor and described the corridor as beginning at the
25 junction of U.S. 190 and Interstate 10 in West Texas and

1 generally following U.S. 190 eastward, passing in the
2 vicinity of Fort Hood, Killeen, Belton, Temple, Bryan,
3 College Station, Huntsville, Livingston, and Woodville
4 to Texas Highway 63. Those are all in the Legislation.
5 The FAST Act also designated an interstate route number
6 for the Central Texas Corridor, which is Interstate 14
7 or I-14.

8 The Department has completed an
9 assessment of a 25-mile segment of U.S. 190 from the
10 business -- from U.S. 190, Business 190 junction in
11 Copperas Cove to Interstate 35 in Belton, has found this
12 segment to be at interstate standards.

13 The Killeen Temple Metropolitan Planning
14 Organization passed and adopted a resolution supporting
15 the addition and co-designation of U.S. 190 as part of
16 the interstate system in Central Texas.

17 The Department is currently preparing the
18 necessary requests and applications for interstate
19 designation to submit to the Federal Highway
20 Administration and the American Association of State
21 Highway Transportation Officials, or AASHTO, this
22 spring.

23 This Minute Order would allow the
24 Department to submit an application to AASHTO for this
25 25-mile segment of U.S. 190. Additional Commission

1 action will be needed for actual designation of this
2 segment as I-14 and for consideration of any future
3 segments.

4 Staff recommends approval of
5 authorization to petition AASHTO to designate this
6 25-mile segment of U.S. 190 as I-14.

7 And I'm available to answer any questions
8 at this time.

9 CHAIRMAN LEWIS: Are there any questions
10 or comments, Commissioners?

11 Commissioner Austin.

12 COMMISSIONER AUSTIN: I want to say
13 congratulations. I know there's a large external effort
14 to put this into play.

15 And, ironically, Judge Thompson, these
16 two intersection comes through where you were county
17 judge, Polk County, strictly coincidental.

18 (Laughter.)

19 COMMISSIONER AUSTIN: I want to say this
20 is another great east-west route, and I want to say
21 we've got to be really careful of looking at having too
22 many priorities in the state. I think this one section
23 I want to say our planners and everybody helped to get
24 this up to interstate standards coming into a military
25 institution. And if you really look at the long-range

1 plan for I-14, it would connect Fort Polk, Louisiana and
2 going back west as well to other military -- Fort Hood,
3 Fort Bliss, fort to fort. Instead of port to port with
4 I-69, fort to fort with I-14.

5 And I know there are a lot of sections
6 that are still two lane that need a lot of upgrade.
7 It's going to be a good while; but as we begin working
8 on our trunk system with upgrades, we want to be careful
9 that we don't have false expectations that it's
10 automatically going to become an interstate probably as
11 quickly as 69 has because 69 had four-lane divided
12 highways in a lot of areas. So a little different; but
13 nonetheless, it's got to start somewhere. And I know
14 there's a lot of effort.

15 So, Judge, every time I see you, I'm
16 going to ask you which pin you're wearing.

17 (Laughter.)

18 COMMISSIONER AUSTIN: But congratulations
19 on this. I think at some point we'll be able to put up
20 some future corridor signs all along -- I know in
21 Livingston and some of the other areas have been really
22 active in promoting this. So thank you for all your
23 efforts.

24 MR. BEALL: Thank you.

25 CHAIRMAN LEWIS: Thank you.

1 Members, any other questions or comments
2 for Branch Manager Beall?

3 (No response.)

4 CHAIRMAN LEWIS: If not, we do have some
5 requests to make a comment. As advertised, I guess,
6 Judge Thompson, please come forward and state your name,
7 who you're representing, and give us your thoughts.

8 JUDGE THOMPSON: Good morning. John
9 Thompson, Chair of the Gulf Coast Strategic Highway
10 Coalition, also known as I-14 Forts to Ports,
11 Highway 190 Corridor Improvement. We've had a number of
12 names along this route.

13 Mr. Chairman, thank you so much.
14 Commissioners, it's great to be back here with you.
15 Mr. Bass. Thank you, Robin, for what you do.

16 It is another great day in transportation
17 in the state of Texas when we step forward -- and y'all
18 have done so -- to help us take the mantel, which is
19 ours to lose; and infrastructure is the route to keep us
20 as the Number 1 center of gravity in the United States
21 and, for that matter, this part of the world.

22 We understand, Commissioner Austin, trust
23 me, it was over 20 years before the first I-69 sign went
24 up. We have the opportunity in this case, though, to
25 have a sign up within a year to 18 months; and it is a

1 great day.

2 Just very briefly, this started as an
3 effort to improve from Highway 190 from Sabine River
4 over to Bryan College Station; and my counterpart, was
5 the City Manager in Huntsville, Texas. He took a
6 super-eight camera, got on the top of his van and had
7 someone drive it. And we came over and made a pitch
8 back in about 1993, somewhere along in there. I've
9 forgotten. Obviously, it didn't go very far.

10 But I met Gary Rashell, and Gary came --
11 I said, "Have a look at it." We had worked together on
12 I-69.

13 And he said -- we looked. And being an
14 old Marine, he said, "We've got to get our troops to the
15 ports. It's important." So that's where the forts to
16 ports came.

17 And we have a very dedicated small number
18 of folks that have worked for the past 20 years, almost
19 as long as we did for I-69. And I just want to thank
20 you for the working relationship. All of you have been
21 very receptive working together. We're all on the same
22 team, and we're for transportation anywhere in the state
23 of Texas. We just have a few that we are more excited
24 about from time to time, like I-69 and I-14.

25 (Laughter.)

1 JUDGE THOMPSON: But just briefly, for
2 the state and for the nation the importance of this
3 highway; and I have today with me Major General Kendall
4 Cox, who is retired; and he is representing Fort Hood.
5 And he'd like to say a few words to you this morning if
6 it's okay.

7 CHAIRMAN LEWIS: If there are no further
8 questions at this time, we will ask General Cox to
9 please come forward.

10 After stating your name and who you're
11 here representing, please give us the benefit of your
12 thoughts.

13 GENERAL COX: Thank you, Chairman.

14 My name is Major General Ken Cox, retired
15 with the Heart of Texas Defense Alliance in the City of
16 Killeen; and I'm also part of the Interstate 14
17 Strategic Coalition Initiative.

18 Thank you, Judge, for those comments.

19 Mr. Chairman, Commissioners,
20 Director Bass.

21 A strategic integral part of our nation's
22 national defense is the ability to project combat power,
23 whether it's by air, sea, or land. And the
24 Interstate 14 Initiative and the improvements that have
25 been made in the Texas transportation network are

1 significant in our Army's ability and our military's
2 ability to project combat power by ground.

3 Through the 190 improvements and the 195
4 improvements, you've created a capability for Fort Hood
5 and, additionally, Fort Bliss to move their forces by
6 ground to the ports of Corpus Christi and Beaumont.
7 This Initiative now for Interstate 14 was to
8 significantly enhance the power projection capability by
9 ground for Fort Hood and other installations as already
10 discussed, the fort to port concept.

11 This is a major improvement for what we
12 call military value for our military installations. It
13 will have a long-term, lasting impact on our abilities
14 to project combat power and for our national defense.

15 So I thank all of you for the
16 improvements you've made.

17 CHAIRMAN LEWIS: Any questions for the
18 general at this time or comments?

19 (No response.)

20 CHAIRMAN LEWIS: Thank you, General, for
21 coming forward.

22 Commissioner Austin.

23 COMMISSIONER AUSTIN: Judge, one, I
24 really appreciate hearing the general's comments, you
25 know, about Beaumont, Sabine Neches Navigation District.

1 That's one of the ports -- it's in the top five busiest
2 ports in the country; but it doesn't have a name like
3 Houston or Long Beach or LA. And what people fail to
4 realize is the strategic importance of that port.
5 Twenty percent of that activity is military, coming from
6 Fort Hood. I think that's one of the things when
7 looking at this corridor coming over, should you need to
8 deploy -- hopefully you don't have to -- but getting
9 over to 69 and coming down, having quicker access to
10 both of those ports.

11 One question: I know while this is
12 federally supported, Texas had the lead in this. What
13 is your feeling or what about the Louisiana and
14 Mississippi delegations, looking at the long-range
15 continuation of this?

16 JUDGE THOMPSON: We just set the pattern,
17 and we are adding conversation. We did have a meeting
18 several years ago in Baton Rouge with four of the five
19 states, and the fifth one was on the phone. And there
20 is a route that makes sense, but every state is in the
21 same situation we are as far as funding. And we've
22 just -- we continue to have next to -- Louisiana is
23 talking about it right now. It's very long term; but at
24 some point, the Atlantic ocean is the destination of
25 I-14 and the ports along the Atlantic.

1 One quick thing that came to my mind when
2 Senator Huffines was talking, this center section of
3 I-14 gives you the lateral movement between 35, 45, and
4 69 and will allow you to move freight through Texas
5 going north without going through a non-attainment zone,
6 just for your future consideration.

7 And we thank you seriously, very
8 seriously.

9 CHAIRMAN LEWIS: Vice-Chair Moseley.

10 VICE-CHAIR MOSELEY: Chairman, I just
11 wanted to thank Judge Thompson for his vision and
12 leadership on this discussion. It's very, very timely;
13 and as he's describing, it hits so many very important
14 points.

15 The other point that I've heard discussed
16 is it serves as an evacuation route.

17 JUDGE THOMPSON: Right.

18 VICE-CHAIR MOSELEY: So from time to time
19 we may need to move people away from a hurricane zone,
20 and this is a strategic corridor that would serve that
21 purpose.

22 But, Judge, thank you so much for being
23 here today; and congratulations on what you've gotten.
24 And we look forward to working with you.

25 JUDGE THOMPSON: Thank you, sir.

1 Appreciate the partnership with TxDOT and the
2 Commission.

3 CHAIRMAN LEWIS: Thank you.

4 Those are the cards that we have.

5 If there are no further questions of
6 Branch Manager Beall, then Vice-Chair Moseley, do you
7 move that we do authorize the submission of the
8 application to establish this 25-mile segment of U.S.
9 190 as I-14 in accordance with staff recommendations?

10 VICE-CHAIR MOSELEY: So moved, Chairman.

11 CHAIRMAN LEWIS: And Commissioner
12 Vandergriff, do you second that motion?

13 COMMISSIONER VANDERGRIFF: Second.

14 CHAIRMAN LEWIS: We have a motion and a
15 second. Is there any other discussion?

16 (No response.)

17 CHAIRMAN LEWIS: If not, we'll proceed to
18 a vote. All in favor say aye.

19 (Chorus of "Ayes.")

20 CHAIRMAN LEWIS: Any opposed, no.

21 (No response.)

22 CHAIRMAN LEWIS: The motion carries.

23 Thank you very much, sir.

24 MR. BEALL: Appreciate it.

25 EXEC. DIRECTOR BASS: We'll now move on

1 to Item 7, which is the award of Federal Formula Grants
2 for Rural Areas. Public Transportation Division
3 Director Eric Gleason will present.

4 MR. GLEASON: Good morning.

5 Agenda Item 7 awards \$19.5 million in
6 Federal Transit Administration fiscal year '16 grant
7 funds to rural areas for general purpose public
8 transportation expenses. This is a formula award
9 allocating funds to each of the state's 37 rural transit
10 districts based on population, land area, and
11 performance.

12 Texas is the largest rural area program
13 in the nation. In 2015 rural transit districts provided
14 over 6 million trips, carrying rural area residents to
15 work, school, healthcare, and other related
16 destinations. Over 1800 vehicles traveled 30 million
17 miles, reporting less than .25 incidents per million
18 miles traveled and no fatalities. Amounts for 36 of
19 the state's 37 rural transit districts are shown in
20 Exhibit A. Funds allocated to the Texoma Area
21 Paratransit System are set aside for potential award at
22 a future date.

23 Staff recommends adoption of this Minute
24 Order.

25 CHAIRMAN LEWIS: Are there any questions

1 of Director Gleason at this time on this matter?

2 (No response.)

3 CHAIRMAN LEWIS: If not, Commissioner
4 Vandergriff, do you move that we approve the award of
5 the grant for the rural area program funds in accordance
6 with staff's recommendation?

7 COMMISSIONER VANDERGRIFF: So moved.

8 CHAIRMAN LEWIS: Commissioner Bugg, do
9 you second?

10 COMMISSIONER BUGG: Second.

11 CHAIRMAN LEWIS: We have a motion and a
12 second. If there's no discussion, we'll proceed to a
13 vote.

14 (No response.)

15 CHAIRMAN LEWIS: All in favor say aye.

16 (Chorus of "Ayes.")

17 CHAIRMAN LEWIS: Any opposed, no.

18 (No response.)

19 CHAIRMAN LEWIS: Thank you very much,
20 Director.

21 EXEC. DIRECTOR BASS: Next we have
22 Item 8a(1), which is proposed adoption of amendments to
23 Chapter 1 concerning public meetings and hearings.
24 General Counsel Jeff Graham will present.

25 MR. GRAHAM: Mr. Bass, Chairman,

1 Commissioners, Robin.

2 So as part of our rule review process,
3 which you will see me on again in a few moments, we
4 identified a couple of errors and omissions in
5 Sections 1.4, 1.5, and 1.11 of our TAC. Specifically,
6 these changes relate to who requests go to for
7 disability accommodation, with some of the change in
8 titles. Those titles were either superfluous or non-
9 existent. So we changed those titles but also changed
10 one of the reasons that someone can petition for a
11 hearing as well as who can petition the Commission for a
12 statutory change.

13 Staff certainly recommends these changes
14 be adopted; and if you have any questions...

15 CHAIRMAN LEWIS: Members, are there any
16 questions with regard to this matter?

17 COMMISSIONER VANDERGRIFF: 8a(1)?

18 MR. GRAHAM: Eight alpha one, yes, sir.

19 CHAIRMAN LEWIS: Any other questions?

20 (No response.)

21 CHAIRMAN LEWIS: If there are not,
22 Commissioner Bugg, do you move that we approve the
23 proposed amendment to Chapter 1 in accordance with staff
24 recommendation?

25 COMMISSIONER BUGG: So moved.

1 CHAIRMAN LEWIS: And, Vice-Chair Moseley,
2 can you second that?

3 VICE-CHAIR MOSELEY: Second.

4 CHAIRMAN LEWIS: We have a motion and a
5 second. I'll call for a vote. All in favor say aye.

6 VICE-CHAIR MOSELEY: Aye.

7 (Laughter.)

8 CHAIRMAN LEWIS: Well, that carries, I
9 guess. Okay.

10 (Simultaneous speakers.)

11 CHAIRMAN LEWIS: Any opposed?

12 (No response.)

13 CHAIRMAN LEWIS: There are no opposed;
14 so, therefore, it's adopted.

15 MR. GRAHAM: Thank you, Chairman.

16 EXEC. DIRECTOR BASS: Now we'll move on
17 to Item 8a(2), which is proposed adoption of amendments
18 to Chapter 10 concerning ethical conduct by entities
19 doing business with the Department. Compliance Division
20 Director Kristin Alexander will present.

21 MS. ALEXANDER: Good morning.

22 The Minute Order before you proposes
23 amendments to Title 43, Texas Administrative Code,
24 Chapter 10 related to benefits for adoption and
25 publication for the purpose of receiving public comment.

1 Proposed amendments to Chapter 10 remove the exception
2 allowing entities doing business with the Department to
3 provide an ordinary working meal to members of the
4 Commission or to a Department employee. The Department
5 expects entities doing business with the Department to
6 adhere to ethical standards of conduct.

7 Other rules in Chapter 10 require that an
8 entity that does business with the Department refrain
9 from offering, giving, or agreeing to give a benefit to
10 a member of the Commission or to a Department employee.
11 The amendments align the definition of benefit in
12 Chapter 10, which applies to entities doing business
13 with the Department, with the Department's ethics
14 policy, which applies to Department employees.

15 Staff recommends approval of the Minute
16 Order.

17 CHAIRMAN LEWIS: Members, any questions
18 with regard to this matter?

19 COMMISSIONER VANDERGRIFF: Yeah.

20 CHAIRMAN LEWIS: Commissioner
21 Vandergriff.

22 COMMISSIONER VANDERGRIFF: I just want to
23 be sure: When you're saying "approval," we're just
24 approving to have it published?

25 MS. ALEXANDER: Correct.

1 COMMISSIONER VANDERGRIFF: We're not
2 approving the rule, per se?

3 MS. ALEXANDER: This is for publication
4 in the Texas Register, correct.

5 COMMISSIONER VANDERGRIFF: When you come
6 to that, I'm going to have some questions.

7 MS. ALEXANDER: Sure.

8 COMMISSIONER VANDERGRIFF: I don't mind
9 publishing the rule, the proposed rule; but I certainly
10 want to react to the rule itself at the appropriate
11 time.

12 MS. ALEXANDER: Sure.

13 CHAIRMAN LEWIS: And would you go ahead
14 and clarify for us just the status of these rules, what
15 it does, what it puts in play, what will happen next?

16 MS. ALEXANDER: Sure. This Minute Order
17 is to publish it in the Texas Register to receive public
18 comment, and there will be a public comment period open
19 until June 13th. And after the public comments are
20 received, then we'll look at those and see if there are
21 any proposed changes to the amendments as we proposed
22 them.

23 CHAIRMAN LEWIS: Okay. Are there any
24 other questions then at this time with regard to this
25 matter?

1 COMMISSIONER VANDERGRIFF: No. As I
2 said, I'll reserve my comments on the substance of it
3 when it comes up for a vote; but I don't have any
4 problem with it being published.

5 CHAIRMAN LEWIS: Then at this time and at
6 this stage and for the purpose of publishing the rule,
7 Commissioner Vandergriff, do you move that we approve
8 the amendment in accordance with staff recommendation
9 for publication at this time?

10 COMMISSIONER VANDERGRIFF: Sure. Yes,
11 sir. So moved.

12 CHAIRMAN LEWIS: And, Vice-Chairman, do
13 you second?

14 VICE-CHAIR MOSELEY: I second.

15 CHAIRMAN LEWIS: We have a motion and a
16 second. Is there any discussion?

17 (No response.)

18 CHAIRMAN LEWIS: Thank you.

19 If not, then with regard to approving the
20 amendment to Chapter 10 for publication and later
21 consideration, all in favor please say aye.

22 (Chorus of "Ayes.")

23 Any opposed, no.

24 (No response.)

25 CHAIRMAN LEWIS: Thank you.

1 I want to go back just a moment because
2 Commissioner Austin had to be absent for just a moment
3 here on a temporary basis. And we voted on Item 8a(1)
4 and approved that in accordance with staff
5 recommendations.

6 And I'd like to first say: Commissioner
7 Austin, do you care to state what your vote would have
8 been?

9 COMMISSIONER AUSTIN: I'd approve. I'm
10 in favor. I approve.

11 CHAIRMAN LEWIS: Then without objection,
12 I'll instruct that the record reflect that had
13 Mr. Austin been able to be here, he would have voted and
14 is showing his vote as aye on that matter.

15 Thank you.

16 We'll go to...

17 EXEC. DIRECTOR BASS: Next is Item 8a(3),
18 which is proposed adoption of amendments to Chapter 9
19 concerning design build contracts. Strategic Contract
20 Management Division Interim Director Frank Holzmann will
21 present.

22 MR. HOLZMANN: Good morning, Chairman,
23 Commissioners, and Executive Director Bass.

24 This item proposes amendments to
25 Administrative Code Chapter 9 that are necessary to

1 implement changes made by House Bill 20 from the 84th
2 Legislature 2015. Changes to the design build
3 contracting due to HB 20 include defining a design build
4 project as a single highway between two defined points
5 in a corridor or two or more contiguous highway
6 facilities, also limiting the schematic design to
7 approximately 30 percent complete in the procurement
8 documents, requiring proposers to provide pricing for
9 the maintenance work for each maintenance term, and then
10 if the maintenance term is required for the project and
11 permanently limiting the Department to entering into
12 only three design build contracts per fiscal year.

13 This item also proposes amendments to
14 Chapter 9 that are necessary to implement current
15 Department practices regarding gifts and benefits to the
16 Department officials and employees. These amendments
17 expand the definition of impermissible benefits that an
18 entity is prohibited from giving to a member of the
19 Commission or Department employees to include
20 prohibiting payment for an ordinary business lunch.

21 Chapter 9 rule revisions are consistent
22 with the Department's ethics policy and amendments to
23 Chapter 10, as previously presented. Comments to this
24 proposed amendment will be accepted until 5:00 p.m. on
25 June 13th.

1 Staff is here to answer any questions and
2 recommends acceptance of this Minute Order.

3 COMMISSIONER AUSTIN: I just have one
4 comment.

5 MR. HOLZMANN: Yes, sir.

6 COMMISSIONER AUSTIN: I like the intent
7 of all this; but once this is approved, if it's
8 approved, I want to make sure that we have ample
9 notification and education that goes out to anybody
10 that's bidding with us, that's part of a pre-bid packet
11 or whatever, to make sure that we're informing everybody
12 because there may be those that don't see it for
13 whatever reason.

14 MR. HOLZMANN: Yes, sir. Yes, sir.
15 Thanks.

16 CHAIRMAN LEWIS: Any other questions or
17 comments at this time?

18 Commissioner Vandergriff?

19 Nothing further from anyone?

20 (No response.)

21 Then, Commissioner Bugg, do you move that
22 we approve the proposed amendment to Chapter 9 to
23 proceed forward in accordance with staff's
24 recommendations?

25 COMMISSIONER BUGG: So moved,

1 Chairman Lewis.

2 CHAIRMAN LEWIS: And, Commissioner
3 Austin, do you second?

4 COMMISSIONER AUSTIN: I'll second.

5 CHAIRMAN LEWIS: All right. We have a
6 motion and a second. If there's no further discussion,
7 we'll proceed to a vote.

8 (No response.)

9 CHAIRMAN LEWIS: All in favor say aye.

10 (Chorus of "Ayes.")

11 CHAIRMAN LEWIS: Any opposed, no.

12 (No response.)

13 CHAIRMAN LEWIS: The motion carries.

14 EXEC. DIRECTOR BASS: And I'll ask
15 Mr. Holzmann to continue with Item 8a(4).

16 MR. HOLZMANN: Thank you.

17 This item proposes amendments to
18 Administrative Code Chapter 27 that are necessary to
19 implement current Department practices regarding gifts
20 and benefits to Department officials and employees.

21 Again, as previously presented, the
22 Department's Chapter 10 rules relating to ethical
23 conduct by entities doing business with the Department
24 are being amended to expand the definition of
25 impermissible gifts or impermissible benefits and

1 entities prohibited from giving a member of the
2 Commission or to a Department employee to include
3 prohibiting payment for an ordinary business lunch.

4 Chapter 27 rule revisions are consistent
5 with the Department's ethics policy and amendments to
6 Chapter 10. This item also proposes amendments to
7 Chapter 27 that are necessary to align rules with the
8 Department's existing contracting authority. And any
9 comments to the proposed amendments will be accepted
10 until 5:00 p.m. on June 13th, 2016.

11 And staff is here to answer any questions
12 and recommends acceptance of this Minute Order.

13 CHAIRMAN LEWIS: Are there any questions
14 at this time of Director Holzmann?

15 (No response.)

16 CHAIRMAN LEWIS: If not, Commissioner
17 Austin, do you move to approve this at this time?

18 COMMISSIONER AUSTIN: So moved.

19 CHAIRMAN LEWIS: And, Vice-Chair Moseley,
20 do you second?

21 VICE-CHAIR MOSELEY: Second.

22 CHAIRMAN LEWIS: We have a motion and
23 second to approve the proposed amendments in accordance
24 with staff's recommendation. All in favor say aye.

25 (Chorus of "Ayes.")

1 CHAIRMAN LEWIS: Any opposed, no.

2 (No response.)

3 CHAIRMAN LEWIS: The Motion carries.

4 Director Bass.

5 EXEC. DIRECTOR BASS: Next we have
6 Item 8b, Rule Review. General Counsel Jeff Graham will
7 present.

8 Mr. Graham.

9 MR. GRAHAM: Hello again. I remain Jeff
10 Graham.

11 So every four years the Department is
12 required to review all of its rules to make sure they
13 still need them; and either they adopt them as is, they
14 propose changes, or they get rid of the rule. We do
15 this on a rotating basis so you gentlemen do not get hit
16 with hundreds of rules at any given time.

17 This month we have all in Title 43,
18 Chapters 1, 5, 11, 15, 21, and 27. Each of these
19 rules each of the Divisions has recommended be
20 re-adopted without change.

21 If you have any questions, I'm here to
22 answer them. Staff recommends that you approve this
23 Minute Order.

24 CHAIRMAN LEWIS: Are there any questions
25 of Mr. Graham at this time?

1 (No response.)

2 CHAIRMAN LEWIS: If not, Commissioner
3 Bugg, do you move that we approve the staff
4 recommendation to approve the re-adoption of these code
5 items?

6 COMMISSIONER BUGG: So moved, Chairman
7 Lewis.

8 CHAIRMAN LEWIS: And, Vice-Chair Moseley,
9 do you second?

10 VICE-CHAIR MOSELEY: Second.

11 CHAIRMAN LEWIS: We have a motion and a
12 second. If there's no further discussion, we'll proceed
13 to a vote.

14 (No response.)

15 CHAIRMAN LEWIS: All in favor say aye.

16 (Chorus of "Ayes.")

17 CHAIRMAN LEWIS: Any opposed, no.

18 (No response.)

19 CHAIRMAN LEWIS: Thank you very much.
20 The motion's adopted.

21 EXEC. DIRECTOR BASS: Now we will move on
22 to Item 9, a request for qualifications for the Southern
23 Gateway Project. Strategic Contract Management Division
24 Interim Director Frank Holzmann will present.

25 MR. HOLZMANN: The presentation is

1 coming.

2 Thank you, Mr. Bass, Chairman, and
3 Commissioners.

4 This Minute Order authorizes the
5 Department to issue a request for qualifications to
6 design, develop, construct, and potentially maintain the
7 Southern Gateway Project. This presentation will
8 provide an overview of the project and the anticipated
9 procurement schedule.

10 The Southern Gateway Managed Claims
11 Project is a Dallas District Project that is developing
12 long-term transportation and operational improvements to
13 the Southern Gateway Corridor. As indicated on this
14 map, the project is a major corridor from downtown
15 Dallas to southwest Dallas.

16 The project connects the Dallas Horseshoe
17 Project that is currently under construction in downtown
18 Dallas. The project will consist of improvements to
19 IH-35 E and U.S. 67, including adding capacity to the
20 general purpose lanes, along with two non-tolled managed
21 express lanes. These non-tolled express managed lanes
22 are open to all users, and these lanes would serve as
23 general purpose lanes with limited access.

24 The total length of the project is
25 approximately 10 miles and is divided up into two

1 segments, with an overall estimated cost of 665 million.
2 The first -- the inclusion of the additional general
3 purpose lanes and non-tolled express managed lanes are
4 critical to the region's continued mobility and economic
5 viability. The first segment consists of IH-35 E from
6 Colorado Boulevard south to the IH-35/U.S. 67
7 interchange and is approximately 5.1 miles and is shown
8 in the top cross-section.

9 The second segment, 2A, consists of
10 U.S. 67 from the IH-35/U.S. 67 Interchange to just north
11 of IH-20 and is approximately 4.9 miles in length and is
12 shown on the bottom cross-section.

13 A delivery selection tool was used to
14 validate the most appropriate delivery method for the
15 Southern Gateway Project. Four project characteristics
16 noted on the left side were inserted into the delivery
17 selection tool, which recommended the design build
18 delivery method. This delivery method should result in
19 lower capital costs, higher cost predictability, higher
20 schedule predictability, and lower capital maintenance,
21 as indicated in the center white graphic.

22 Additionally, the project meets the
23 design build contracting requirements with current
24 estimated costs of 665 million, as mentioned earlier.
25 It is anticipated that TxDOT and the design build

1 contractor will enter into a design build agreement and
2 an optional capital maintenance agreement upon
3 conditional award.

4 With your approval of this Minute Order,
5 the next steps in the procurement process include
6 issuance of the RFQ in May of 2016 and subsequent steps
7 as indicated on this slide.

8 Based on the current procurement schedule
9 estimates, we anticipate requesting additional
10 Commission approval for the issuance of the RFP and
11 approval of the stipend payment in the fall of 2016 and
12 conditional award in the spring of 2017.

13 Staff is here to answer any questions and
14 recommends acceptance of this Minute Order.

15 CHAIRMAN LEWIS: Yes, Commissioner
16 Austin.

17 COMMISSIONER AUSTIN: A couple of
18 questions. What are the -- if this is measurable, what
19 are the anticipated savings of using design build on
20 this project versus design bid build?

21 MR. HOLZMANN: We would anticipate
22 seeing -- I don't know if we have actual numbers from a
23 dollar amount of time, but I think you'll probably see a
24 substantial time savings in it as we'll be doing the
25 design and the construction at the same time. We

1 anticipate construction for about three to four years on
2 it.

3 CHAIRMAN LEWIS: Commissioner
4 Vandergriff.

5 COMMISSIONER VANDERGRIFF: Yeah, I have a
6 question. And you may -- Frank, you may not have the
7 answer to this; but I know we're going out for RFQ or
8 that's what we propose to do -- and I'm certainly
9 supportive of that -- and I know as a part and parcel of
10 that, there are some other extraneous issues, one of
11 which is a deck park, which I know we're not paying for
12 a deck park. That's the interest of the community; but
13 there is some -- I wouldn't call it a dispute, but some,
14 still, question in mind as to where that should be.

15 So even going after RFQ, if we approve
16 that here today, we still have some opportunity, I
17 think, to make sure that the local community is in sync
18 with --

19 MR. HOLZMANN: Yes, sir.

20 COMMISSIONER VANDERGRIFF: -- where to
21 put that, correct?

22 MR. HOLZMANN: Yes, sir.

23 COMMISSIONER VANDERGRIFF: Because,
24 otherwise, I wouldn't want to personally vote for it if
25 they still didn't --

1 MR. HOLZMANN: No, sir. The RFQ is just
2 the initial request.

3 COMMISSIONER VANDERGRIFF: I understand.
4 I just wanted to be sure of that. I believed that to be
5 true, but I wanted to make sure I was on the record on
6 that. All right.

7 CHAIRMAN LEWIS: And let me ask: As far
8 as design build and addressing Commissioner Austin's
9 question a little further, has the Department developed
10 standards to look at for what's appropriate for design
11 build and what's not appropriate --

12 MR. HOLZMANN: Yes, sir.

13 CHAIRMAN LEWIS: -- so you can kind of
14 grade it on just not, gee, that looks like a design
15 build to me, but actually looking at it, looking at the
16 number, looking at what the project is and so forth,
17 what might be appropriate for design build instead of
18 traditional?

19 MR. HOLZMANN: Yes, sir.

20 CHAIRMAN LEWIS: And did you test this
21 project against that standard?

22 MR. HOLZMANN: Yes, sir, we did. The
23 graph that you saw there, that was what it was. We ran
24 that through our design build tool; and the Center For
25 Transportation Research helped put together an

1 alternative delivery program to look at which is the
2 best way to deliver the project, through a design bid
3 build or design build. And this one came in very
4 favorably for design build.

5 CHAIRMAN LEWIS: And it's based on that,
6 plus the judgment and so forth of the staff that this is
7 appropriate for that?

8 MR. HOLZMANN: Yes, sir.

9 CHAIRMAN LEWIS: Any other -- yes,
10 Commissioner Bugg.

11 COMMISSIONER BUGG: Thank you,
12 Chairman Lewis.

13 I have a comment and this a question.
14 First of all, my comment is: I'm glad that it's been
15 clarified that any kind of a deck park or whatever would
16 be paid out of local funds; it would not involve \$1 of
17 taxpayer funds through TxDOT. So I just wanted to make
18 that comment. I think that's a very important comment.

19 The second thing is: On your funding,
20 it's ironic that this is 100 percent non-tolled, as you
21 have stated; yet, there is 39.5 million of regional toll
22 revenue as part of the funding source. And I'm just --
23 I'm not used to seeing toll revenue being used on a
24 non-tolled project. And can you explain a little bit of
25 the background on that?

1 COMMISSIONER VANDERGRIFF: If you don't
2 mind, I'd love to address that since I was the person
3 who -- or a part of the group that sent a lot of that
4 money to the region is that the regional toll revenue
5 originated primarily -- there are some sources from
6 managed lane projects ongoing -- but it originated
7 primary from roughly \$3.4 billion that the North Texas
8 Tollway Authority paid the state of Texas and the region
9 for the privilege to do toll roads there. And since
10 that money has been paid, the region has used that money
11 throughout.

12 It's restricted in percentages to areas
13 in which those toll projects benefitted. So my home
14 county of Tarrant County gets precious little, if any,
15 of those dollars.

16 (Laughter.)

17 COMMISSIONER VANDERGRIFF: But the other
18 three counties have benefitted greatly from those
19 dollars, so they use those on non-tolled work.

20 COMMISSIONER BUGG: Okay. I'm aware of
21 that. I just didn't know how it got applied here, and I
22 just wanted to make sure there wasn't any kind of a
23 Trojan Horse aspect that there was some toll element
24 down the road.

25 So, Mr. Dixon, I'm asking that question

1 on your behalf as well. Thank you.

2 (Laughter.)

3 COMMISSIONER VANDERGRIFF: No toll
4 element.

5 COMMISSIONER AUSTIN: I wish
6 Commissioner Vandergriff would be a little more
7 transparent on his feelings.

8 (Laughter.)

9 CHAIRMAN LEWIS: Any other questions or
10 comments with regard to this matter? Any other
11 questions of Director Holzmann?

12 (No response.)

13 CHAIRMAN LEWIS: If not, with the
14 clarification that was received, Commissioner
15 Vandergriff, do you move that we authorize the RFQ?

16 COMMISSIONER VANDERGRIFF: So moved.

17 CHAIRMAN LEWIS: All right. And
18 Commissioner Austin --

19 COMMISSIONER AUSTIN: I second, yes.

20 CHAIRMAN LEWIS: We have a motion and a
21 second. If there's no further discussion, we'll proceed
22 to a vote.

23 (No response.)

24 CHAIRMAN LEWIS: All in favor say aye.

25 (Chorus of "Ayes.")

1 CHAIRMAN LEWIS: Any opposed, no.

2 (No response.)

3 CHAIRMAN LEWIS: The motion carries.

4 Thank you.

5 EXEC. DIRECTOR BASS: We'll now move on
6 to Item 10, the quarterly investment report; and Project
7 Finance and Debt Management Division Director Ben Asher
8 will present.

9 MR. ASHER: Thanks, James.

10 Good morning, Chairman, Commissioners.

11 This item is to consider acceptance by
12 the Commission of the Quarterly Investment Report for
13 the period ending February 29th for the Central Texas
14 Turnpike System and funds related to pre-paid TxTag
15 Custodial Account.

16 Staff recommends approval, and I'd be
17 happy to answer any questions.

18 CHAIRMAN LEWIS: Are there any questions
19 at this time?

20 (No response.)

21 CHAIRMAN LEWIS: If not, Commissioner
22 Austin, do you have a motion to accept the Quarterly
23 Investment Report in accordance with recommendations?

24 COMMISSIONER AUSTIN: So moved.

25 CHAIRMAN LEWIS: And, Commissioner Bugg,

1 do you second?

2 COMMISSIONER BUGG: Second.

3 CHAIRMAN LEWIS: We have a motion and a
4 second for approval. If there's no discussion, we'll
5 proceed to a vote.

6 (No response.)

7 CHAIRMAN LEWIS: All in favor say aye.

8 (Chorus of "Ayes.")

9 CHAIRMAN LEWIS: Any opposed, no.

10 (No response.)

11 CHAIRMAN LEWIS: The motion carries.

12 MR. ASHER: Thank you, Chairman.

13 COMMISSIONER AUSTIN: If I may ask: Ben,
14 before you leave, I made a comment earlier in open
15 comments about the private activity bonds.

16 MR. ASHER: Yes, sir.

17 COMMISSIONER AUSTIN: You might correct
18 me if I didn't state that right. We were ten times
19 oversubscribed?

20 MR. ASHER: Yes, sir, correct.

21 COMMISSIONER AUSTIN: Thank you.

22 MR. ASHER: You're welcome.

23 EXEC. DIRECTOR BASS: We'll now move on
24 to Agenda Item 11a, which consists of the Awarding of
25 Maintenance and Department Building Construction

1 Contracts. Director of Construction Tracy Cain will
2 present.

3 DIRECTOR CAIN: Good morning.

4 The item before you, 11a, is for
5 consideration of the award or rejection of highway
6 maintenance and building construction contracts that
7 were let April 5th and 6th, this month. Today we
8 present a total of 44 projects for which we received 172
9 bids. That's an average of 3.91 bids per project. The
10 low bid value was a little over \$47,300,000 and had an
11 overall underrun of 7.08 percent.

12 The staff recommends approval of all of
13 these maintenance contracts.

14 CHAIRMAN LEWIS: Commissioners, are there
15 any questions of Director Cain at this time?

16 (No response.)

17 CHAIRMAN LEWIS: If not, Vice-Chair
18 Moseley, do you move that we award these contracts in
19 accordance with staff recommendation?

20 VICE-CHAIR MOSELEY: So moved, Chairman.

21 CHAIRMAN LEWIS: And, Commissioner
22 Vandergriff, do you second?

23 COMMISSIONER VANDERGRIFF: Second.

24 CHAIRMAN LEWIS: We have a motion and a
25 second. If there's no discussion, we'll proceed to a

1 vote.

2 (No response.)

3 CHAIRMAN LEWIS: All in favor say aye.

4 (Chorus of "Ayes.")

5 CHAIRMAN LEWIS: Any opposed, no.

6 (No response.)

7 CHAIRMAN LEWIS: The motion carries.

8 Thank you.

9 EXEC. DIRECTOR BASS: Mr. Cain, please
10 continue with 11b.

11 DIRECTOR CAIN: All right. This item,
12 11b, is for the consideration of the award or rejection
13 of construction contracts that were also let on
14 April 5th and 6th of this month. Today we present 68
15 projects. We received a total of 303 bids total. That
16 gave us an average of 4.46 bids per project. The low
17 bid value was a little over \$245 million, had overall
18 overrun of 3.16 percent.

19 Staff recommends award of all of these
20 construction projects with the exception of one in the
21 Lubbock District, Project NH2016689, which we recommend
22 be rejected. It was 32 percent over the engineer's
23 estimate. The District has indicated a needs to
24 reevaluate and redesign and relet this project. We
25 concur with that recommendation, and we recommend this

1 project be rejected at a later date.

2 CHAIRMAN LEWIS: Thank you.

3 Commissioners, are there any questions of
4 Director Cain with regard to these matters?

5 (No response.)

6 CHAIRMAN LEWIS: If not, Commissioner
7 Bugg, do you move that we award all of the projects
8 except for the Lubbock District project which has been
9 recommended for rejection, in accordance with staff's
10 recommendation?

11 COMMISSIONER BUGG: So moved, Chairman.

12 CHAIRMAN LEWIS: And, Commissioner
13 Austin, do you second?

14 COMMISSIONER AUSTIN: I second.

15 CHAIRMAN LEWIS: We have a motion and a
16 second. If there's no further discussion, we'll proceed
17 to a vote.

18 (No response.)

19 CHAIRMAN LEWIS: All in favor of the
20 motion, please say aye.

21 (Chorus of "Ayes.")

22 CHAIRMAN LEWIS: Any opposed, no.

23 (No response.)

24 CHAIRMAN LEWIS: The motion carries.

25 Thank you.

1 EXEC. DIRECTOR BASS: That brings us to
2 Item 12, the Eminent Domain Proceedings. Director of
3 Right of Way Gus Cannon will present.

4 MR. CANNON: Director Bass, Chairman
5 Lewis, Commissioners, Ms. Carter.

6 Item 12 authorizes the filing of
7 condemnation proceedings necessary to progress the
8 acquisition of 76 parcels by exercise of eminent domain;
9 41 of the parcels are non-controlled and 35 are
10 controlled.

11 Staff recommends your approval of the
12 Minute Order.

13 CHAIRMAN LEWIS: Are there any questions
14 of Director Cannon at this time?

15 (No response.)

16 CHAIRMAN LEWIS: If not, I'll request
17 Commissioner Bugg to make his motion.

18 COMMISSIONER BUGG: Thank you,
19 Mr. Chairman.

20 I move that the Texas Transportation
21 Commission authorize the Texas Department of
22 Transportation to use the power of eminent domain to
23 acquire the properties described in the Minute Order set
24 forth in the agenda for the current month for
25 construction, reconstruction, maintenance, widening,

1 straightening or extending the highway facilities listed
2 in the Minute Order as a part of the State Highway
3 System and that the first record vote applies to all
4 units of property to be condemned.

5 CHAIRMAN LEWIS: Commissioner Bugg has
6 moved to authorize these eminent domain procedures.
7 Vice-Chair Moseley, do you second Commissioner Bugg's
8 motion?

9 VICE-CHAIR MOSELEY: I'll second
10 Commissioner Bugg's motion.

11 CHAIRMAN LEWIS: All right. We have a
12 motion and a second. If there's no further discussion,
13 we'll proceed to a vote.

14 (No response.)

15 CHAIRMAN LEWIS: All in favor of the
16 motion, please say aye.

17 (Chorus of "Ayes.")

18 CHAIRMAN LEWIS: Any opposed, no.

19 (No response.)

20 CHAIRMAN LEWIS: The motion carries.

21 MR. CANNON: Thank you.

22 CHAIRMAN LEWIS: Director Bass.

23 EXEC. DIRECTOR BASS: That brings us to
24 Item 13 which contains the routine Minute Orders,
25 including donations to the Department, real estate

1 donations and dispositions, finance reports, local
2 government projects, access control, and speed zones.

3 Staff recommends your approval.

4 CHAIRMAN LEWIS: Any questions or
5 comments with regard to these matters?

6 (No response.)

7 CHAIRMAN LEWIS: If not,
8 Commissioner Austin, do you move that we approve the
9 routine matters?

10 COMMISSIONER AUSTIN: So moved.

11 CHAIRMAN LEWIS: And, Commissioner
12 Vandergriff, do you second?

13 COMMISSIONER VANDERGRIFF: Second.

14 CHAIRMAN LEWIS: All in favor of the
15 motion, please say aye.

16 (Chorus of "Ayes.")

17 CHAIRMAN LEWIS: Any opposed, no.

18 (No response.)

19 CHAIRMAN LEWIS: The motion carries.

20 We have an Executive Session item.

21 However, we also have some folks who have come here from
22 out of town to make open comments. So rather than keep
23 them waiting while we go into Executive Session, what
24 I'm going to do is go out of order here to receive open
25 comments; and then we'll go into Executive Session and

1 go on with the business of the -- and get back on the
2 agenda and go on with the business of Commission.

3 And, again, with the explanation that the
4 Commissioners cannot comment with regard to these items
5 or answer any questions with regard to these items,
6 we'll proceed to the Open Comment Period.

7 I'd request Robert Nobles to please come
8 forward.

9 MR. ROBERT NOBLES: Good morning. My
10 name is Robert Nobles. I am here to talk about the
11 proposed 249 Toll Road in Grimes County. We were told
12 in a TxDOT meeting that this toll road in Grimes County
13 would not support itself.

14 The proposed route is to go from FM 1774
15 across farm and ranchland and connect to State
16 Highway 105. 1774 and 105 need to be widened. This
17 toll road will not help traffic on State Highway 105.

18 A few years back I remember TxDOT was
19 going to widen 1774 but found opposition and could not
20 purchase land at the corners of 1774 and 105. TxDOT now
21 owns the corners of 1774 and 105, and the people of
22 Texas are tired of toll roads. If TxDOT needs more
23 money to build roads, just ask. Proof of this was the
24 passing of Proposition 7. So please stop building toll
25 roads.

1 I believe TxDOT has enough money to widen
2 1774 to State Highway 105. You already own the
3 intersections of 1774 and 105. So it would only be a
4 few miles, I believe three or four, from where I believe
5 the toll road will join 1774.

6 The proposed toll road has had numerous
7 routes to get from 1774 to 105. The last route was
8 decided because of land that a large company purchased
9 and said TxDOT could come across it. This land is now
10 for sale. Does this mean a new route if this land
11 sells? As we were told, the reason for the last route
12 change was because of the approval by this large
13 company.

14 But if you decide you must build the toll
15 road, please choose the black route.

16 Thank you for your time.

17 CHAIRMAN LEWIS: Thank you, sir.

18 Amy Nobles.

19 AMY NOBLES: I'm just glad I can say good
20 morning this time instead of good afternoon.

21 (Laughter.)

22 AMY NOBLES: We'll get to lunch at a good
23 time.

24 My name is Amy Nobles, and I am just here
25 speaking on behalf of myself and our family. This

1 month's visit to TxDOT makes a complete year for our
2 journey to educate you on Grimes County, the desires of
3 the landowners, and the true traffic needs in the area
4 and the impact a toll road would have on stakeholders.

5 I'm pretty sure, with the exception of
6 the employees, the Commissioners, and Mr. Dixon, who
7 actually already left, we're the only other people that
8 find this meeting exciting enough to stay until the very
9 end. It is just too important to us to give up and give
10 in. If you didn't understand before, I hope you've come
11 to over this year that Texans and what is left of rural
12 parts of our state are there for a reason; and it is not
13 for a quick commute.

14 The political atmosphere is changing in
15 the area of toll roads, and I believe that is one of the
16 reasons Director Bass was chosen. He has a wealth of
17 financial knowledge and experience and can bring new
18 fiscally responsible options to the table that use money
19 the taxpayers have already provided to improve on our
20 transportation infrastructure and not jump immediately
21 to a toll option.

22 It is my hope that you take all of the
23 information we've gathered and reviewed over the last
24 year and make a decision using verified, factual
25 information based on an equitable metrics that evaluates

1 all options, including the original 2014 route and a no-
2 toll option along Highway 1774.

3 Thank you very much.

4 CHAIRMAN LEWIS: Thank you.

5 Chad Nobles.

6 MR. CHAD NOBLES: Well, good morning.

7 And thank you for allowing us to come before the
8 Executive Session. We appreciate it.

9 My name is Chad Nobles. And I'm, again,
10 representing myself and my family. It's good to see you
11 guys, again. I was actually expecting name tags since
12 it is our anniversary for a year. So we kind of hear
13 the jokes about that, and we appreciate that.

14 Again, we are here. You know, we haven't
15 heard a lot lately on the proposed toll road; but what
16 we have heard, as my wife has said, the opposition to
17 toll roads in general in Texas. We know that there have
18 been numerous concerns expressed over toll roads; and I
19 would say the majority of Texans, obviously, with the
20 election of our Governor Abbot, don't want toll roads.

21 Just last month Texas lawmakers,
22 including State Representative Joe Pickett, questioned
23 the need for toll roads; and even this morning
24 Senator Huffines said, "Hey, let's not do a toll road."

25 So, again, the question becomes: Are

1 these toll roads really benefitting the travelers, or
2 are they relieving congestion? In some cases I would
3 say in the past I understand the concerns of why you
4 needed to do a toll road; but in today's climate in the
5 areas that we're seeing, it just doesn't make sense. It
6 definitely doesn't make sense in Grimes County, a rural
7 part of Texas, which your reports and your studies
8 originally showed that it wouldn't pay for itself.

9 So, again, we hope you ask the question
10 to staff and really challenge them, "Do we need a toll
11 road through Grimes County?" Estimates state that TxDOT
12 would almost need 30 billion to pay off these roads that
13 are already built, so why build another toll road.

14 We really like our rural lifestyle. A
15 toll road through the middle of our property would
16 destroy that. If you're trying to prepare for current
17 or even future traffic needs or want to address the
18 safety concerns that you as an organization are so proud
19 of and are doing such a great job at and you want to
20 spend the least amount of money, then widen 1774 and
21 105. Don't build another toll road.

22 We know that you've already purchased, as
23 my father mentioned, the corner; and it's already being
24 expanded there. So why not continue those efforts?
25 Let's expand 105. Let's expand 1774. Those folks live

1 on a road. They're used to having a road in their front
2 yard. Our property is down the end of a dirt road and
3 you're cutting across rural farmland. We don't have a
4 road going through it, and it would totally change our
5 lifestyle.

6 So just like all the controversy that's
7 over the high-speed rail, there continues to be a lot of
8 controversy over this toll road and toll roads in
9 general. So, again, we ask that you look at the people,
10 the time that we've invested and the other time that
11 folks have invested, and look at the passion that
12 they've shown about their property. We ask that you
13 make a decision based on facts and based on putting
14 yourself in our shoes. What would you want to do when
15 you have a property affected by a toll road? And at the
16 end of day, the decision that you make is really about
17 the people.

18 Thank you for your time.

19 CHAIRMAN LEWIS: Thank you, sir.

20 Sandra Nobles.

21 MRS. SANDRA NOBLES: Good morning,
22 Commissioners.

23 My name is Sandra Nobles, and I am here
24 representing myself as a landowner and permanent
25 resident on County Road 307 in Grimes County to express,

1 once again, my opposition to the 249 toll road through
2 Grimes County.

3 As you know, there are six routes
4 proposed by the Bryan District Office, all of which come
5 across our property at some point. I strongly oppose
6 the blue and the green routes, which come really close
7 to our home and will destroy the peace and quiet of
8 country living.

9 I urge you to support the black route,
10 which is the route that will be the least detrimental to
11 the permanent residents on Country Road 307.

12 It has been a year now since a
13 representative of our family has been here on a monthly
14 basis to protest the construction of the 249 toll road.
15 Through presentations of documents, pictures, and
16 conversations with the environmentalists, we have made
17 an effort to prove to you that the black route is, by
18 far, the way to go if the project must continue through
19 Grimes County.

20 Is the construction of a toll road in
21 Grimes County really worthwhile for taxpayers and
22 profitable for TxDOT? This toll road will take away
23 land from property owners who will not benefit from the
24 toll road as they will not have access roads. How will
25 this proposed short stretch of a two-lane road with

1 minimal access roads benefit the flow of traffic? What
2 will happen to that traffic when it reaches the
3 Intersection of State Highway 105, as it, too, is a
4 two-lane road with minimal passing lanes?

5 FM 1774 does not even have shoulders on
6 it, but it has a speed limit of 70 miles per hour. Is
7 this a safe roadway for travelers? I think not. It
8 makes more sense to utilize tax dollars for the benefit
9 of all taxpayers and consider the safety of all drivers
10 to improve 1774 and State Highway 105 rather than
11 construct the toll road through rural country living.

12 However, if you continue to support the
13 toll road idea, then please choose the black route as
14 the preferred route.

15 Thank you once again for your time and
16 consideration.

17 CHAIRMAN LEWIS: Thank you.

18 Mike Krusee.

19 MR. KRUSEE: Good morning, Mr. Chairman,
20 Commissioners, Director Bass.

21 My name is Mike Krusee; and I'm
22 representing only myself. I want to talk to you today
23 about the city of Austin is pursuing a grant from USDOT,
24 \$50 million. It's called the Smart City Challenge. The
25 money will be used by Austin -- Austin is competing with

1 seven other cities -- six other cities across the United
2 States. The money would be used to do pilot programs
3 for autonomous cars, connected vehicles, and other
4 innovative technologies used to improve mobility and
5 safety in the region.

6 The other day I received a call from a
7 City of Austin staffer; and she said, "Mike, what in the
8 world is going on with TxDOT?" And so I girded myself
9 and thought, oh, you know, why am I getting this? But
10 then she said, "We have never seen TxDOT be so
11 cooperative, so here to help, so engaged in helping us
12 on a project." She said, "I don't know what you did,
13 Mike; but thank you," which is giving the credit to the
14 wrong person. I didn't do anything. The credit goes to
15 the TxDOT staff.

16 So I watched James Bass a few weeks ago
17 spend your entire afternoon on a panel with Mayor Adler,
18 with USDOT in mind-numbing conversation for the entire
19 afternoon that probably wasn't the most fun you've ever
20 had in an afternoon; but you were there. It was
21 noticed. They were grateful.

22 Yesterday the City of Austin had a Smart
23 City Workshop with about 50 vendors, including, you
24 know, IBM, Google, Ford, GM, Cisco. Everybody was
25 there. Daren Anderson was there with his staff. Kent

1 Marquardt was there all day long, participating for
2 eight hours. We appreciate that. That was noticed. I
3 know that Terry McCoy has been involved and engaged with
4 the City on a weekly basis to help in this.

5 I know that James, I think, the City is
6 going to be able to use about \$10 million of ITS funds
7 from TxDOT as a matching grant; and they're continuing
8 to work with you to see if any future ITS funds could
9 also be included as a possible match.

10 This is a really important grant.
11 Frankly, the state of Texas is somewhat behind other
12 states that are being more aggressive on technology,
13 like, Michigan, Florida, Virginia, California. This
14 grant provides us the opportunity to really get on the
15 map and make a mark for the state of Texas not only
16 nationally but worldwide.

17 So I'm here simply to say thank you. The
18 City of Austin sure appreciates it. Thank you.

19 CHAIRMAN LEWIS: Thank you.

20 I believe that is all of the cards we had
21 for Open Comment Period.

22 COMMISSIONER AUSTIN: Mr. Chairman.
23 Actually, to Director Bass, I did have a comment that I
24 didn't make when we spoke of Smart Cities earlier. I
25 did have a call from Representative Gonzales -- Chairman

1 Gonzales certainly supporting this and would hopefully
2 encourage that we continue to communicate as one of the
3 requirements -- and did this come up when we were at
4 USDOT. One of the requirements is -- if Austin is
5 selected, which would be great for Texas -- that we
6 share this, the methodology and et cetera with the other
7 cities, you know, Houston, Dallas, et cetera. Hopefully
8 we will continue to work with that.

9 CHAIRMAN LEWIS: At this time we will go
10 into Executive Session as provided by Government Code
11 Section 551.071 and 551.074.

12 For the record the time is 11:33 a.m.

13 (Off the record from 11:33 a.m. to
14 12:24 p.m.)

15 CHAIRMAN LEWIS: The Commission has
16 concluded its Executive Session. The meeting of the
17 Texas Transportation Commission is reconvened.

18 For the record the time is 12:24 p.m.

19 There being no other business to come
20 before the Commission, Commissioner Austin, do you move
21 that we adjourn?

22 COMMISSIONER AUSTIN: So moved.

23 CHAIRMAN LEWIS: Vice-Chair Moseley, do
24 you second the motion?

25 VICE-CHAIR MOSELEY: Second, Chairman.

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CHAIRMAN LEWIS: Any discussion?

(No response.)

CHAIRMAN LEWIS: Apparently there is no discussion. So we'll proceed to a vote. All in favor of adjournment say aye.

(Chorus of "Ayes.")

CHAIRMAN LEWIS: Any opposed, no.

(No response.)

CHAIRMAN LEWIS: The motion carries.
Good motion.

And for the record the time is still
12:24 p.m.

(Proceedings adjourned at 12:24 p.m.)

C E R T I F I C A T E

I, Debbie D. Cunningham, CSR, Certified Shorthand Reporter, in and for the State of Texas do hereby certify that the foregoing pages 1 through 133 constitutes a full, true, and accurate transcript of stenographic notes taken by me at the time of the proceedings.

IN WITNESS WHEREOF, I have this date subscribed my name.

Dated: May 13, 2016.



Debbie D. Cunningham, CSR

Texas CSR No. 2065

Expiration: 12/31/2016

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300 Throckmorton Street, Suite 1600

Fort Worth, Texas 76102