

These are the minutes of the regular meeting of the Texas Transportation Commission held on May 26, 2016, in Austin, Texas. The meeting was called to order at 9:03 a.m. by Chairman Lewis with the following commissioners present:

**Texas Transportation Commission:**

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

Commissioner Vandergriff did not attend the meeting.

**Administrative Staff:**

James Bass, Executive Director  
 Jeff Graham, General Counsel  
 Robin Carter, Commission Chief Clerk

A public notice of this meeting containing all items on the proposed agenda was filed in the Office of the Secretary of State at 2:30 p.m. on May 18, 2016, as required by Government Code, Chapter 551, referred to as "The Open Meetings Act."

**ITEM 1. Safety Briefing**

This item was presented by Occupational Safety Specialist Sidney Maloy.

**ITEM 2. Approval of Minutes of the April 28, 2016 regular meeting of the Texas Transportation Commission**

Commissioner Austin made a motion, which was seconded by Vice Chairman Moseley, and the commission approved the minutes of the April 28, 2016 regular meeting by a vote of 4 - 0.

**ITEM 11. State Infrastructure Bank**

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

This item was presented by Project Finance and Debt Management Officer Ben Asher. Chairman Lewis recognized Senator Juan "Chuy" Hinojosa who addressed the commission. The commission also heard remarks from Hidalgo County RMA Chairman David Deanda, Hidalgo County RMA Executive Director Pilar Rodriguez, and Hidalgo County RMA Director Josué Reyes. Vice Chairman Moseley made a

motion, which was seconded by Commissioner Bugg, and the commission approved the following minute order by a vote of 4 - 0.

114584  
PFD

The Texas Department of Transportation (department) and the Hidalgo County Regional Mobility Authority (HCRMA) have been proceeding with the development of the SH 365 project in Hidalgo County. The SH 365 project includes three segments of construction of both toll and non-toll improvements. Segments 1 and 2 include the construction of toll road improvements from FM 396 (Anzalduas Highway) eastward to FM 3072, approximately 0.9 miles west of FM 2557, and then southward to US 281 (Military Highway). Segment 3, which constitutes US 281 and the Border Safety Inspection Facility (BSIF) Connector, includes the construction of non-toll highway improvements to US 281 (Military Highway) from 0.45 mile east of Spur 600 (Cage Blvd.) to FM 2557 (Stewart Rd.), and construction of non-toll highway improvements called the BSIF Connector from Spur 29 (S. Veterans Drive) to US 281 (Military Highway) below the San Juan Road overpass.

The department and the HCRMA, pursuant to former Transportation Code §228.0111, agreed on market valuation business terms for the project, and the HCRMA, in Board Resolution No. 2010-38, adopted on July 27, 2010, exercised its option to develop the toll road improvements. In Board Resolution No. 2016-73, adopted on May 17, 2016, the HCRMA exercised its option to develop the toll road improvements comprising Sections 1 and 2 of the SH 365 project pursuant to Texas Transportation Code §373.052, which supersedes the Authority's exercise of its option to develop the project in Resolution 2010-38.

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

In accordance with the SIB rules, the HCRMA submitted an application to receive a SIB loan of up to \$42,210,000 to pay for the costs of right-of-way, utility relocation, and construction of Segments 1 and 2 and the BSIF Connector of the SH 365 project.

Section 6.32 of the SIB rules provides for both preliminary and final approval by the commission of any SIB loan in the principal amount of more than \$10 million, unless the commission waives the preliminary approval requirement for that application. The intended use of the financial assistance conforms to the purposes of the SIB. The present and projected financial condition of the SIB is sufficient to cover the requested financial assistance for the project. Pursuant to the SIB rules, the executive director or his designee has determined that the requirement to submit any information or data that was not submitted by HCRMA is waived either because the information or data is not relevant or the department already possesses the information or data.

In Minute Order No. 114397, dated October 29, 2015, the commission granted preliminary approval of HCRMA's application and, in accordance with §6.32(c)(2) of the SIB rules, found that: (1) the project is consistent with the Statewide Long-Range Transportation Plan and the Metropolitan Transportation Plan developed by the

applicable metropolitan planning organization; (2) the project is not in a Clean Air Act non-attainment area; (3) the project will improve the efficiency of the state's transportation systems; (4) the project will expand the availability of funding for transportation projects or reduce direct state costs; and (5) the application shows that the project and the HCRMA are likely to have sufficient revenues to assure repayment of the financial assistance.

Pursuant to §6.32 of the SIB rules, a social, economic, and environmental impact study for the project has been completed and the department issued a Finding of No Significant Impact on July 2, 2015.

Pursuant to §6.31, §6.32 and §6.41 of the SIB rules, the executive director has completed negotiation of the terms of financial assistance necessary to complete an agreement, to comply with the requirements of preliminary approval, to protect the public's safety, and to prudently provide for the protection of public funds while furthering the purposes of the SIB rules, and has prepared findings and recommendations for the commission regarding final approval of HCRMA's application for financial assistance from the SIB. The board of directors of the HCRMA has agreed to the negotiated terms and conditions for the SIB loan pursuant to Resolution No. 2016-56 adopted at its meeting on April 20, 2016.

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

IT IS THEREFORE DETERMINED AND ORDERED that the application for a loan from the SIB submitted by the Hidalgo County Regional Mobility Authority meets the applicable requirements of the SIB rules and, in accordance with those provisions, the commission grants final approval of the application for a SIB loan in an amount not to exceed \$42,210,000 to be evidenced by the issuance by Hidalgo County Regional Mobility Authority of its \$42,210,000 Hidalgo County Regional Mobility Authority Junior Lien Revenue Bonds (SIB Loan/Bonds), to pay for the costs of right-of-way, utility relocation, and construction of Segments 1, 2, and the BSIF Connector (part of Segment 3) of the project.

IT IS FURTHER ORDERED that the executive director or his designee is directed and authorized to finalize negotiation of and enter into financial assistance agreements that comply with the commission's rules and to execute such documents as are necessary to effect the purposes of this minute order.

IT IS FURTHER ORDERED that the \$42,210,000 SIB Loan/Bonds shall reflect the terms as negotiated by the executive director in accordance with the SIB rules and approved by the board of directors of the HCRMA, including a loan term of up to 35 years from the initial disbursement of funds, with a deferral of the initial repayment date of up to five years and interest payable at a rate of 3.50% per annum.

**ITEM 6. Unified Transportation Program****Approve updates to the 2016 Unified Transportation Program (MO) (Presentation)**

This item was presented by Project Planning and Development Director Lauren Garduno and San Antonio District Engineer Mario Jorge. The commission also heard remarks from Bexar County Judge Nelson Wolff and Bexar County Commissioner and Alamo Area MPO Vice Chairman Kevin Wolff. Commissioner Bugg made a motion, which was seconded by Commissioner Austin, and the commission approved the following minute order by a vote of 4 - 0.

114585  
TPP

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

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

The 2016 UTP was approved by the commission on August 27, 2015 in Minute Order 114335 and revisions to the 2016 UTP were approved by the commission on November 19, 2015 in Minute Order 114417 and February 25, 2016 in Minute Order 114491.

On April 22, 2016 the department conducted public meetings across the state via WebEx, and a public hearing was held on May 12, 2016 to receive comments and testimony concerning the proposed updates to the 2016 UTP.

The updates to the 2016 UTP, as shown in Exhibit A, include project authorizations for previously approved funding. In addition, this minute order addresses revisions to project specific program lists and includes other minor revisions or technical corrections. Exhibit B, which is included for informational purposes only, contains a report on current transportation development credit balances and all administrative revisions previously incorporated into the UTP.

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

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

**ITEM 7. Traffic Operations****Bexar County - Designate High Occupancy Vehicle (HOV) lanes on US 281 from LP 1604 to Bexar/Comal County line and on the expansion of I-10 from La Cantera to FM 3351 (MO)**

This item was presented by Traffic Operations Division Director Carol Rawson. The commission also heard remarks from VIA Metropolitan Transit Board Chair Hope Andrade, private citizen Don Dixon, Bexar County Judge Nelson Wolff, and Alamo Area Counsel of Government and Regional Planning Organization Executive Director Diane Rath. Commissioner Bugg made a motion, which was seconded by

Commissioner Austin, and the commission approved the following minute order by a vote of 4 - 0.

114586  
TRF

Transportation Code, §224.153, states that the Texas Department of Transportation (department) may finance, designate, design, construct, operate, or maintain one or more lanes of a multi-lane highway facility as a dedicated high occupancy vehicle (HOV) lane on the state system. The commission adopted rules, 43 TAC §§25.40-25.47 to implement this statute in 2004.

The department, working in conjunction with the Alamo Area Metropolitan Planning Organization (AAMPO), proposes HOV lanes for US 281 from LP 1604 to the Bexar/Comal County line and I-10 from La Cantera to FM 3351. The department conducted the required studies to determine if the designation of these HOV lanes would improve congestion. The factors considered in the studies include whether the HOV lane would:

- (1) maximize the effectiveness of existing roadways;
- (2) increase the number of persons moved on the roadway;
- (3) improve transit operating efficiency;
- (4) limit any negative affect on the general purpose lanes;
- (5) provide connectivity to or enhance the effectiveness of existing HOV lanes;
- (6) enhance the effectiveness of a conforming metropolitan transportation plan or transportation improvement program in regards to air quality attainment standards;
- (7) enhance the effectiveness of an approved congestion management plan; and
- (8) provide a more cost-effective alternative to capacity improvements for the corridors.

After completion of the studies, the department concluded that the proposed HOV lanes met the requirements of Transportation Code §224.153 and 43 TAC §25.42 to be designated as HOV lanes. The commission finds that the proposed HOV lanes should be approved.

IT IS THEREFORE ORDERED by the commission that the proposed lanes on US 281 from LP 1604 to the Bexar/Comal County line and I-10 from La Cantera to FM 3351 be designated and constructed as HOV lanes and shall become effective upon placement of all necessary traffic control devices.

IT IS FURTHER ORDERED that the executive director is directed to enter into any necessary agreements with VIA Metropolitan Transit (VIA) for operation and maintenance of these designated HOV lanes.

The commission took a short break from 10:53 a.m. to 11:05 a.m.

**ITEM 3. Discussion Item**  
Energy Sector Program (Presentation)

This item was presented by Director of District Operations Randy Hopmann. The commission also heard comments from Texas Alliance of Energy Producers Consultant Bill Stevens. Commissioner Bugg left the meeting at 11:29 a.m.

**ITEM 4. Advisory Committee Appointments**  
Appoint members to the Port Authority Advisory Committee (MO)

This item was presented by Maritime Division Director Dan Harmon. Vice Chairman Moseley made a motion, which was seconded by Commissioner Austin, and the commission approved the following minute order by a vote of 3 - 0.

114587  
MRD

Transportation Code, §55.006, requires the Texas Transportation Commission (commission) to appoint a seven-member Port Authority Advisory Committee (committee) to advise the commission and the Texas Department of Transportation (department) on maritime port issues and to provide a forum for the exchange of information between the commission, the department and committee members representing the maritime port industry in Texas and others who have an interest in maritime ports.

Pursuant to Title 43, Texas Administrative Code, §1.84(c), committee members serve staggered three-year terms, unless removed sooner at the discretion of the commission.

The commission has determined that the individuals listed below fulfill the statutory requirements to serve as members of the committee for a three-year term expiring on June 30, 2019.

Mr. Chris Fisher, Port Director, Port of Beaumont - Upper Coast  
 Mr. Roger Guenther, Executive Director, Port of Houston Authority –  
 Permanent Seat  
 Mr. John LaRue, Executive Director, Port of Corpus Christi – Lower Coast

IT IS THEREFORE ORDERED by the commission that Mr. Chris Fisher, Mr. Roger Guenther and Mr. John LaRue be appointed as members of the Port Authority Advisory Committee for the term specified.

**ITEM 5. Strategic Plan**  
Adopt 2017-2021 Strategic Plan for submission to the Legislative Budget Board and the Governor's Office (MO) (Presentation)

This item was presented by Government Affairs Division Director Jerry Haddican. Maritime Division Director Dan Harmon also spoke to the commission.

Commissioner Austin made a motion, which was seconded by Vice Chairman Moseley, and the commission approved the following minute order by a vote of 3 - 0.

114588  
GOV

Texas Government Code, Chapter 2056, requires that each state agency prepare a five-year strategic plan every biennium. The Governor's Office and the Legislative Budget Board require certain items to be covered in the plan.

The strategic plan represents the commitment by the Texas Department of Transportation (department) to fulfill its mission to, through collaboration and leadership, deliver a safe, reliable, and integrated transportation system that enables the movement of people and goods.

IT IS THEREFORE ORDERED by the Texas Transportation Commission that the document entitled Agency Strategic Plan for the Fiscal Years 2017-2021 Period, as shown in Exhibit A, is adopted and approved for submission to the Governor's Office, the Legislative Budget Board, and other required officials.

IT IS FURTHER ORDERED that the executive director or his designee is authorized to approve alterations to the plan as necessary to meet the requirements of the Governor's Office and the Legislative Budget Board.

IT IS FURTHER ORDERED that the executive director or his designee shall proceed with the publication of the plan on the agency's website, as required by the Governor's Office and the Legislative Budget Board.

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

**ITEM 8. Aviation**

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

This item was presented by Aviation Division Director Dave Fulton. Vice Chairman Moseley made a motion, which was seconded by Commissioner Austin, and the commission approved the following minute order by a vote of 3 - 0.

114589  
AVN

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

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

On Wednesday, April 27, 2016 a public hearing was held. No comments were received.

IT IS THEREFORE ORDERED by the commission that the executive director, or the director's designee, is authorized to enter into any necessary agreements to fund, through the Aviation Facilities Grant Program, the projects described in Exhibit A at an estimated cost of \$2,053,050.

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

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

**a. Final Adoption**

**(1) Chapter 1 - Management**

**Amendments to §1.29, Notice of Hearing, §1.37, Notification of Decision, and §1.38, Motions for Rehearing (Procedures in Contested Case) (MO)**

This item was presented by General Counsel Jeff Graham. Commissioner Austin made a motion, which was seconded by Vice Chairman Moseley, and the commission approved the following minute order by a vote of 3 - 0.

114590  
GCD

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

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

IT IS THEREFORE ORDERED by the commission that the amendments to §§1.29, 1.37, and 1.38 are adopted and are authorized for filing with the Office of Secretary of State.

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

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

**(2) Chapter 15 - Financing and Construction of Transportation Projects**

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

This item was presented by Contract Services Section Director Ken Stewart. Commissioner Austin made a motion, which was seconded by Vice Chairman Moseley, and the commission approved the following minute order by a vote of 3 - 0.

114591  
CPD

The Texas Transportation Commission (commission) finds it necessary to adopt amendments to §15.52, agreements, to be codified under Title 43, Texas Administrative Code, Part 1

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

IT IS THEREFORE ORDERED by the commission that amendments to §15.52 are adopted and are authorized for filing with the Office of Secretary of State. The executive director is directed to take the necessary steps to implement the actions as ordered in this minute order, pursuant to the requirements of the Administrative Procedure Act, Government Code, Chapter 2001.

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

**(b) Proposed Adoption**  
**Chapter 27 - Toll Projects**

Amendments to §27.83, Contracts to Operate Department Toll Projects, and New §27.84, No-Cost Contracts for Services to Support the Operation of Department Toll Projects, and New §24.85, Service Charge for Payment Transactions (Operation of Department Toll Projects) (MO)

This item was presented by Toll Operations Division Director Rick Nelson. Texas Trucking Association President and HELP, Inc. Vice Chairman John Esparza also addressed the commission. Vice Chairman Moseley made a motion, which was seconded by Commissioner Austin, and the commission approved the following minute order by a vote of 3 - 0.

114592  
TOD

The Texas Transportation Commission (commission) finds it necessary to Contracts to Operate Department Toll Projects, new §27.84, No-Cost Contracts for Services to Support the Operation of Department Toll Projects, and new §27.85, Service Charge for Payment Transactions, relating to the Operation of Department Toll Projects to be codified under Title 43, Texas Administrative Code, Part 1.

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

IT IS THEREFORE ORDERED by the commission that the amendments to §27.83 and new §§27.84 and 27.85 are proposed for adoption and are authorized for publication in the *Texas Register* for the purpose of receiving public comments.

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

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

**ITEM 10. Annual Highway Safety Plan**  
**Approve funding for the 2017 Highway Safety Plan (MO) (Presentation)**

This item was presented by Traffic Operations Division Director Carol Rawson. Transportation Planner Michael Aulick also spoke to the commission. Vice Chairman

Moseley made a motion, which was seconded by Commissioner Austin, and the commission approved the following minute order by a vote of 3 - 0.

114593  
TRF

The Texas Traffic Safety Act of 1967 (H.B. 353, 60th Legislature) and the United States Code, Title 23, Section 402, require a highway safety program designed to reduce traffic crashes and their related deaths, injuries and property damage.

The Moving Ahead for Progress in the 21st Century (MAP-21) Act and the Fixing America's Surface Transportation (FAST) Act will appropriate various traffic safety incentive programs to the states.

The Texas Department of Transportation has, in compliance with these requirements, developed the FY 2017 Highway Safety Plan (HSP).

IT IS THEREFORE ORDERED by the Texas Transportation Commission (commission) that the HSP is approved. The executive director is directed to enter into any necessary agreements and proceed in the most feasible and economical manner with program development at an estimated total cost of \$107,658,874.32 as shown in the attached Exhibit A. The estimated cost for this program is contingent upon the appropriation of funds by the U.S. Congress and could increase or decrease from the requested amount.

IT IS FURTHER ORDERED by the commission that should additional federal funds become available, the director of the Traffic Operations Division is authorized to approve an increase in the HSP up to ten percent (10%) of the total approved budget and the executive director or the director's designee is authorized to approve an increase in the HSP up to fifty percent (50%) of the total approved budget or to the extent of the additional federal funds.

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

**ITEM 12. Motion for Rehearing**

**Cameron County - Texas Department of Transportation v. Whalen's Furniture, Inc. - Consider action on motion for rehearing of final order (MO)**

This item was presented by Associate General Counsel Rich O'Connell. Vice Chairman Moseley made a motion, which was seconded by Commissioner Austin, and the commission approved the following minute order by a vote of 3 - 0.

114594  
GCD

On May 26, 2016, the Texas Transportation Commission (commission) considered the motion for rehearing of the commission's final order cancelling Outdoor Advertising Permit Number 44760, held by Whalen's Furniture, Inc. (Whalen). The permit concerned a sign on State Highway 83 in Cameron County near Harlingen, Texas. Whalen requested a contested case hearing and the matter was referred to the State Office of Administrative Hearings. The Administrative Law Judge concluded in the proposal for decision that the permit should be canceled. The commission voted to approve the Administrative Law Judge's proposal for decision and issued a final order cancelling the permit. Whalen filed a motion for rehearing on the final order. Under the Administrative Procedure Act and the commission's rules, the matter is now appropriate for entry of a final order by the commission.

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

**ITEM 13. Toll Operations**

**Dallas County - In accordance with Regional Transportation Council policy, establish toll rates for the I-635 East Express Lanes Project, from east of US 75 to I-30 (MO)**

This item was presented by Toll Operation Division Director Rick Nelson. Commissioner Austin made a motion, which was seconded by Vice Chairman Moseley, and the commission approved the following minute order by a vote of 3 - 0.

114595  
TOD

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

In Minute Order 114492, dated February 25, 2016, the commission designated a controlled access facility along I-635 from east of US 75 to I-30 in Dallas County as a toll project on the state highway system (I-635 East Express Lanes Project). The I-635 East Express Lanes Project includes one concurrent flow express tolled lane in each direction along Interstate Highway 635 from east of US 75 to I-30. The I-635 East Express Lanes Project is an all-electronic, open road tolling express lane facility.

The Express Lane/HOV Lane Policies adopted by the Regional Transportation Council (RTC) on December 13, 2012 provide that a fixed pricing schedule will be applied. The department desires to establish toll rate tables for the I-635 East Express Lanes Project, in accordance with the RTC Express Lane/HOV Lane Policies, at each tolling point as set forth in Exhibit A.

IT IS THEREFORE ORDERED that the department is authorized to charge tolls on the I-635 East Express Lanes Project along Interstate Highway 635 from east of US 75 to I-30, based on a fixed pricing schedule, in the amounts stated in Exhibit A, beginning on August 1, 2016 or at such time thereafter when all toll systems, and the application used to identify transactions qualifying for the high occupancy vehicle discount described in Exhibit A, have been tested and are functioning.

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

**ITEM 14. Contracts****Award or reject contracts for maintenance, highway and building construction****(a) Highway Maintenance and Department Building Construction (MO)**

This item was presented by Construction Division Director Tracy Cain. Commissioner Austin made a motion, which was seconded by Vice Chairman Moseley, and the commission approved the following minute order by a vote of 3 - 0.

114596  
MNT

Pursuant to Transportation Code, Chapter 223, Subchapter A, and Title 43, Texas Administrative Code, Chapter 9, Subchapter B, the Texas Department of Transportation (department) solicited and received sealed competitive bid proposals for maintenance of the State Highway System, which were publicly opened and read on May 3 and 4, 2016, as shown on Exhibit A.

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

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

The department recommends that the Texas Transportation Commission (commission) respectively award to the lowest bidder or reject, as indicated, those highway maintenance and department building construction contracts, identified on attached Exhibit A to this order.

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

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

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

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

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

This item was presented by Construction Division Director Tracy Cain. Commissioner Austin made a motion, which was seconded by Vice Chairman Moseley, and the commission approved the following minute order by a vote of 3 - 0.

114597  
CST

Pursuant to Transportation Code, Chapter 223, Subchapter A, and Title 43, Texas Administrative Code, Chapter 9, Subchapter B, the Texas Department of Transportation (department) solicited and received sealed competitive bid proposals for improvement of the State Highway System, which were publicly opened and read on May 3 and 4, 2016, as shown on Exhibit A.

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

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

The department recommends that the Texas Transportation Commission (commission) respectively award to the lowest bidder or reject, as indicated, those highway and transportation enhancement building construction contracts identified on attached Exhibit A to this order.

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

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

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

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

**ITEM 15. Eminent Domain Proceedings**

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

This item was presented by Right of Way Division Director Gus Cannon. Vice Chairman Moseley made a motion that the Texas Transportation Commission authorize the Texas Department of Transportation to use the power of eminent domain to acquire the properties described in the minute order set forth in the agenda for the current month for construction, reconstruction, maintenance, widening, straightening, or

extending the highway facilities listed in the minute order as a part of the state highway system, and that the first record vote applies to all units of property to be condemned. The motion was seconded by Commissioner Austin and the following minute order was approved by Chairman Lewis, Commissioner Austin, and Vice Chairman Moseley, (a vote of 3 - 0).

114598  
ROW

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

As provided for by Transportation Code, Chapter 203, Subchapter D, including Sections 203.051, 203.052, and 203.054, the commission finds and determines that each of the parcels of land listed below, and more particularly described in the attached Exhibits (parcels), are necessary or convenient as a part of the highway system to be constructed, reconstructed, maintained, widened, straightened, or extended (constructed or improved) and it is necessary to acquire fee simple title in the parcels or such lesser property interests as set forth in the attached Exhibits.

The commission finds and determines that the highway facilities to be constructed or improved on the parcels identified and listed below under "CONTROLLED ACCESS" are designated as a Controlled-Access Highway in accordance with Transportation Code, Section 203.031; and where there is adjoining real property remaining after acquisition of a parcel, the roads are to be constructed or improved as a part of the highway facility with the right of ingress and egress to or from the remaining real property adjoining the highway facility to be permitted or denied, as designated and set forth on each of the attached Exhibits A - II. Where there is adjoining real property remaining after acquisition of a parcel with respect to the highway facilities to be constructed or improved on the parcels identified as listed below under "NON-CONTROLLED ACCESS," roads are to be constructed or improved as a part of the highway facility with the right of ingress and egress to or from the remaining real property adjoining the highway facility to be permitted or denied, as designated and set forth on each of the attached Exhibits 1 - 11, in accordance with Transportation Code, Sections 203.002 and 203.003.

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

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

IT IS FURTHER ORDERED that the executive director is hereby authorized to proceed to condemnation on the parcels and directed to transmit or cause to be transmitted this request of the commission to the Office of the Attorney General to file or cause to be filed against all owners, lienholders, and any owners of any other interests in the parcels, proceedings in condemnation to acquire in the name of and on behalf of the state, fee simple title to each parcel or such lesser estates or property

interests as are more fully described in each of the attached Exhibits, save and excepting oil, gas, and sulfur, as provided by law, as follows:

**NON-CONTROLLED ACCESS**

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Collin	FM 2514	3	2679-02-009	22A
Collin	FM 2514	4	2679-02-009	22B
Denton	FM 720	1	1567-01-038	13,13E
Fort Bend	FM 2234	7	2105-01-036	43
Montgomery	FM 1488	8	0523-10-037	33
Montgomery	FM 1488	9	0523-10-037	31
Tarrant	SH 360	2	2266-02-129	41E
Tarrant	SH 360	5	2266-02-129	93TE
Tarrant	SH 360	6	2266-02-129	33TE
Tarrant	SH 360	10	2266-02-129	43TE
Tarrant	SH 360	11	2266-02-129	39,39TE

**CONTROLLED ACCESS**

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Bexar	US 90	HH	0024-08-132	1
Bexar	US 90	II	0024-08-132	2
Collin	SH 121	V	0549-03-026	10A
Collin	SH 121	W	0549-03-026	10B
Dallas	IH 20	G	2374-04-078	15
Dallas	IH 20	H	2374-04-078	3
Dallas	IH 20	I	2374-04-078	1
Dallas	IH 20	J	2374-04-078	2
Dallas	IH 20	L	2374-04-079	5A
Dallas	IH 20	M	2374-04-079	5B
Dallas	IH 20	N	2374-04-079	3
Dallas	IH 20	O	2374-04-078	11
Dallas	IH 20	P	2374-04-079	10E
Dallas	IH 20	Q	2374-04-078	4,4E
Dallas	IH 20	R	2374-04-078	6,6E
Dallas	IH 30	EE	1068-04-167	6,6E
Fort Bend	FM 2234	BB	2105-01-053	302
Fort Bend	FM 2234	CC	2105-01-053	306
Fort Bend	FM 2234	DD	2105-01-053	301
Fort Bend	SH 36	AA	0187-05-056	2
Harris	Hempstead	FF	8170-12-002	14TCE
Harris	IH 45	E	0500-03-589	2
Howard	US 87	GG	0908-12-026	25
McLennan	IH 35	A	0015-01-234	117
McLennan	IH 35	B	0015-01-234	119A
McLennan	IH 35	C	0015-01-234	102



**CONTROLLED ACCESS (continued)**

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
McLennan	IH 35	D	0015-01-234	70
McLennan	IH 35	K	0015-01-234	118
Navarro	SH 31	F	0162-11-002	44,44E
Tarrant	IH 30	T	1068-02-123	5TE
Tarrant	IH 30	U	1068-02-123	2TE
Tarrant	IH 30	Z	1068-02-123	24
Tarrant	SH 360	Y	2266-02-129	37,37E
Wheeler	US 83	X	0030-08-036	3
Williamson	FM 1660	S	1566-02-021	14

Note: Exhibits A - II and 1 - 11 are on file with the commission chief clerk.

**ITEM 16. Finance**

Request for Approval - Approve the department’s request to the Governor and the Legislative Budget Board for the department to temporarily exceed the limitations on employment levels set in the General Appropriations Act (MO)

This item was presented by Executive Director James Bass. Commissioner Austin made a motion, which was seconded by Vice Chairman Moseley, and the commission approved the following minute orders by a vote of 3 - 0.

114599  
FIN

Article IX, Section 6.10 of the General Appropriations Act for the 2016-17 biennium requires the written approval of the governor and the Legislative Budget Board for a state agency to use funds appropriated by that act to pay the salaries or benefits of the number of employees that causes the number of full-time equivalent employees (FTEs) paid by the state agency from appropriated funds for a fiscal quarter to exceed the number of FTEs specified by the act for the agency. The section requires the request for approval to be approved and submitted by the governing body or official of the state agency. Under Section 6.10, the Texas Department of Transportation (department) must request that approval if the number of FTEs for a fiscal quarter exceeds 11,950.

The department has discovered that, because of an unexpected and significant decline in the attrition rate among department employees, the number of FTEs of the department may exceed 11,950 for the current state fiscal quarter. The department has prepared a request for approval in compliance with Section 6.10 for the approval of the Texas Transportation Commission (commission). The request is attached to this minute order as Exhibit A.

IT IS THEREFORE ORDERED by the commission that the attached request for approval to expend certain appropriated funds in accordance with Article IX, Section 6.10 of the General Appropriations Act for the 2016-17 biennium is approved.

The executive director is directed to deliver, on behalf of the commission, copies of the attached request for approval to the governor and to the Legislative Budget Board.

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

### **ITEM 17. Routine Minute Orders**

This item was presented by Executive Director James Bass. Commissioner Austin made a motion, which was seconded by Vice Chairman Moseley, and the commission approved the following minute orders by a vote of 3 - 0.

#### **a. Donations to the Department**

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

114600  
CPD

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

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

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

provide a significant public benefit and would not influence or reasonably appear to influence the department in the performance of its duties.

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

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

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

**b. Real Estate Donations**

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

114601  
ROW

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

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

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

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

The executive director found that the donation identified on the attached Exhibit A was in compliance with the provisions of 43 TAC §§1.500-1.506, Government Code,

Chapter 575, Transportation Code, §201.206, §223.049, and §224.001. The donation agreement has been executed and accepted by the department under Title 43, Texas Administrative Code, §1.504.

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

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

**c. Real Estate Dispositions**

**(1) Sherman County - SH 15 south of US 54 in Stratford - Consider the removal of the old alignment from the system, designation on a new location, and transfer of control, jurisdiction, and maintenance to the City of Stratford (city); also consider the transfer of state-owned land and quitclaim of no-title land to the city (MO)**

114602  
ROW

In the City of Stratford (city), SHERMAN COUNTY, on STATE HIGHWAY 15, the state of Texas acquired certain land by instruments recorded in Volume 74, Pages 462 and 464, Deed Records of Sherman County, Texas, and certain land was used for highway purposes, there being no record title to the land.

Pursuant to Texas Transportation Code, §§201.103 and 221.001, the executive director has recommended, as shown in Exhibit A, that a segment of SH 15 be removed from the state highway system from US 54 south to Pearl Street, a distance of 0.56 mile, and that jurisdiction, control, and maintenance be transferred to the City of Stratford (city). The executive director has also recommended that SH 15 be designated from Pearl Street west to US 287, a distance of 0.37 mile.

Tracts 4 and 6, described in Exhibit B, and Tracts 5 and 7, described in Exhibit C, are no longer needed for state highway purposes.

In accordance with Texas Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (commission) may waive payment for real property transferred to a governmental entity if the governmental entity assumes jurisdiction, control, and maintenance of the right of way for public road purposes, and, if there is no record title to the property, may recommend the quitclaim of any interest that might have accrued to the state by use of the property to the municipality where the property is located.

The city has agreed to assume jurisdiction, control, and maintenance and has requested that Tracts 4 and 6 be transferred to the city and that Tracts 5 and 7 be quitclaimed to the city.

IT IS THEREFORE ORDERED by the commission that: 1) a segment of SH 15 is removed from the state highway system from US 54 south to Pearl Street, a distance of 0.56 mile, and jurisdiction, control, and maintenance are transferred to the city; 2) SH 15 is designated from US 287 east to Pearl Street, a distance of 0.37 mile.

FURTHER, IT IS ORDERED by the commission that Tracts 4, 5, 6, and 7 are no longer needed for a state highway purpose. The commission recommends, subject to approval by the attorney general, that the governor of Texas execute a proper instrument transferring all of the state's right, title, and interest in Tracts 4 and 6 and a proper instrument quitclaiming the state's right and interest in Tracts 5 and 7 to the City of Stratford, Texas; SAVE AND EXCEPT, however, there is excepted and reserved

herefrom all of the state's rights, titles, and interests, if any, in and to all of the oil, gas, sulphur, and other minerals, of every kind and character, in, on, under, and that may be produced from Tract 4 and 6.

FURTHER, if Tracts 4 and 6 cease to be used for public road purposes, the land shall immediately and automatically revert to the state.

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

**(2) Victoria County - SL 463, southeast corner at US 87 in Victoria - Consider the sale of right of way to an abutting landowner (MO)**

114603  
ROW

In the City of Victoria, VICTORIA COUNTY, on STATE LOOP 463, the state of Texas acquired certain land for highway purposes by instrument recorded in Volume 206, Page 851, Official Records of Victoria County, Texas.

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

In accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (commission) may recommend the sale of any interest in real property acquired and no longer needed for a state highway purpose. Fountain of Youth Medical Spa, Ltd., is an abutting landowner and has requested to purchase Tract 1 for \$110,000.

The commission finds \$110,000 to be a fair and reasonable value for the state's right, title, and interest in Tract 1.

IT IS THEREFORE ORDERED by the commission that Tract 1 is no longer needed for a state highway purpose. The commission recommends, subject to approval by the attorney general, that the governor of Texas execute a proper instrument conveying all of the state's right, title, and interest in Tract 1 to Fountain of Youth Medical Spa, Ltd., for \$110,000; SAVE AND EXCEPT, however, there is excepted and reserved herefrom all of the state's rights, titles, and interests, if any, in and to all of the oil, gas, sulphur, and other minerals, of every kind and character, in, on, under, and that may be produced from the land.

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

**(3) Webb County - I-35 between Hidalgo Street and Washington Street in Laredo - Consider the transfer of right of way to the City of Laredo (city) (MO)**

114604  
ROW

In the City of Laredo, WEBB COUNTY, on INTERSTATE 35, the state of Texas acquired certain land by various instruments recorded in the Deed Records of Webb County, Texas.

Portions of the land (tracts), described in Exhibit A, are no longer needed for highway purposes.

In accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (commission) may waive payment for real property transferred to a governmental entity if the estimated cost of future maintenance on the property equals or exceeds the fair value of the property.

The fair value of the tracts is estimated to be \$170,000, and the state's costs for maintenance over the next 20 years are estimated to be \$591,600.

The City of Laredo (city) has requested that the tracts be transferred to the city.

The commission finds \$170,000 to be a fair and reasonable value of the state's right, title and interest in the tracts.

IT IS THEREFORE ORDERED by the commission that the tracts are no longer needed for a state highway purpose. The commission recommends, subject to approval by the attorney general, that the governor of Texas execute a proper instrument transferring all of the state's right, title, and interest in the tracts to the City of Laredo, Texas, in consideration of the savings to the state of future maintenance costs; SAVE AND EXCEPT, however, there is excepted and reserved herefrom all of the state's rights, titles and interests, if any, in and to all of the oil, gas, sulphur and other minerals, of every kind and character, in, on, under and that may be produced from the tracts.

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

#### **d. Reports**

##### **(1) Compliance Office report**

Note: Confidential report to commission.

##### **(2) Travis and Williamson Counties - Accept the annual Inspection Report for the Central Texas Turnpike System (MO)**

114605  
TOD

In TRAVIS and WILLIAMSON COUNTIES, STATE HIGHWAY 130 has been designated a toll project and a controlled-access state highway from I-35 north of Georgetown to a southern terminus at US 183.

In TRAVIS and WILLIAMSON COUNTIES, STATE HIGHWAY 45N has been designated a toll project and a controlled-access state highway from west of US 183 to SH 130.

In TRAVIS and WILLIAMSON COUNTIES, STATE HIGHWAY LOOP 1 has been designated a toll project and a controlled-access state highway from Farm to Market 734 (Parmer Lane) in Austin to the intersection of Loop 1 and SH 45N.

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

The Texas Transportation Commission (commission) has issued toll revenue bonds and other obligations to finance a portion of the costs of the 2002 Project of the Central Texas Turnpike System (system), a toll project originally composed of the SH 130, SH 45N, and Loop 1 project elements, and has entered into an Indenture of Trust, with Bank of New York Mellon Trust Company, National Association, as Trustee to secure the revenue bonds and other obligations issued for the 2002 Project.

On August 30, 2012, the commission ordered the addition of SH 45 Southeast to the system in accordance with the terms of the sixth supplemental indenture (sixth supplement) and the minute order approving the sixth supplement.

In Section 707 of the Indenture of Trust, the commission covenants that it shall cause the general engineering consultant to make an inspection of the system at least once in the fiscal year following the substantial completion of the 2002 Project and in each fiscal year thereafter.

Following each inspection and on or before the 90th day prior to the end of each fiscal year, the general engineering consultant shall submit to the commission a report concerning the inspection, setting forth: (a) their findings as to whether the system has been maintained in good repair, working order, and condition; (b) their advice and recommendations as to the proper maintenance, repair, and operation of the system during the ensuing fiscal year; and (c) an estimate of the amount of money necessary for such purposes, including their recommendations, as to the total amounts and classifications of items and amounts that should be provided for in the annual operating budget, the annual maintenance budget, and annual capital budget for the next ensuing fiscal year.

Section 707 of the Indenture of Trust requires copies of the report to be filed with the U.S. Department of Transportation and the Trustee.

The commission has previously engaged PBS&J to serve as general engineering consultant in accordance with the Indenture of Trust. The FY 2016 Central Texas Turnpike System Annual Inspection Report, attached as Exhibit A, has been prepared by Atkins North America, Inc. (formerly PBS&J) in accordance with Section 707 of the Indenture of Trust.

IT IS THEREFORE ORDERED by the commission that the general engineering consultant's FY 2016 Central Texas Turnpike System Annual Inspection Report attached as Exhibit A is accepted.

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

**e. Highway Designation**

**Hardeman County - Northwest of the city of Quanah, extend the designation of FM 680 (MO)**

114606  
TPP

In Hardeman County, the Childress District has requested to extend the designation of FM 680 on the state highway system from Watson Road northward to the Texas-Oklahoma state line, a distance of approximately 2.7 miles.

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

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

IT IS THEREFORE ORDERED by the commission that FM 680 is extended on the state highway system from Watson Road northward to the Texas-Oklahoma state line, a distance of approximately 2.7 miles, as shown in Exhibit A.

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

**f. Designation of Access Control**

**Cooke County - I-35, South of US 82 in Gainesville - Consider the designation of two locations on the northbound frontage road at which access will be permitted to the abutting property (MO)**

114607  
DES

In COOKE COUNTY, on Interstate 35, a designated controlled-access highway, the State of Texas acquired certain land for highway purposes by instrument recorded in Volume 1412, Page 397, Deed Records of Cooke County, Texas, with denial of access to the abutting remainder property as described in the instrument.

Brewer Family Partners, Ltd., the current owner of the abutting property, has requested that access to and from the northbound frontage road of I-35 be permitted along the western property line at a new access point, described in Exhibit A, Tract 1, and that access from the northbound frontage road of I-35 be permitted along the western property line at a new access point, described in Exhibit A, Tract 2.

Transportation Code, §201.103, empowers the Texas Transportation Commission (commission) to plan and make policies for the location, construction, and maintenance of a comprehensive system of state highways and public roads.

Transportation Code, §203.002 authorizes the commission to layout, construct, maintain, and operate a modern state highway system, with an emphasis on the construction of controlled-access highways.

Transportation Code, §203.031 authorizes the commission to designate locations on a controlled-access highway at which access to or from the highway is permitted and determine the type and extent of access permitted at each location.

NOW, THEREFORE, the commission finds that the new access points will not compromise the mobility, safety or operation of the existing state highway facility, and designates the new access point described in Exhibit A, Tract 1, as a location where ingress and egress are permitted to and from the northbound frontage road of I-35, and designates the new access point described in Exhibit A, Tract 2, as a location where ingress only is permitted from the northbound frontage road of I 35.

IT IS FURTHER ORDERED by the commission that the executive director or his designee is hereby authorized to execute any necessary documents containing terms consistent with the provisions of this order.

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

**g. Speed Zones**

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

114608  
TRF

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

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

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

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

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

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

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

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

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

The commission took a short break from 12:35 p.m. to 12:42 p.m.

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

The commission received comments concerning SH 249 toll road from Sandra Nobles, Ricke Weinkauff, Amy Nobles, Joseph Knauth, Jr., Gregory Eversole, Chad Eversole, Robert Nobles, Chad Nobles, Catherine Walsh, and Bill Voss.

**ITEM 18. Executive Session Pursuant to Government Code, Chapter 551**

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

**b. Section 551.074 - Discuss the evaluation and duties of the executive director.**

The commission recessed to executive session at 1:14 p.m. and returned from executive session at 1:49 p.m.

Commissioner Austin motioned adjournment and Vice Chairman Moseley seconded the motion. The commission voted 3 - 0 to adjourn. The regular meeting of the Texas Transportation Commission was adjourned at 1:50 p.m.

APPROVED:



Tryon D. Lewis, Chairman  
Texas Transportation Commission

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I hereby certify that the above and foregoing pages constitute the full, true, and correct record of all proceedings and official records of the Texas Transportation Commission at its regular meeting on May 26, 2016, in Austin, Texas.



Robin Carter, Commission Chief Clerk  
Texas Department of Transportation