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TEXAS TRANSPORTATION COMMISSION

125 East 11th Street

Austin, Texas

THURSDAY

May 26, 2016

COMMISSION MEMBERS:

Tryon D. Lewis, Chair

Jeff Moseley, Vice Chair

Jeff Austin, III

J. Bruce Bugg, Jr.

STAFF:

James Bass, Executive Director

Jeff Graham, General Counsel

Robin Carter, Commission Chief Clerk

1 (8:36 a.m.)

2 CHAIRMAN LEWIS: If everyone will
3 please have a seat we will get started. It is now
4 9:03 a.m. I'm going to call to order the May 26,
5 2016 meeting of the Texas Transportation Commission
6 in Austin, Texas.

7 I'll first of all note for the record that
8 public notice of this meeting containing all items
9 on the agenda was filed with the Secretary of State
10 at 2:30 p.m. on May 18, 2016, which is seven days
11 prior to the meeting and meets the requirements of
12 Government Code Section 551.044.

13 Before we start any further -- go any
14 further in this, I want to ask everyone to put your
15 cell phones -- and I know everybody here has a cell
16 phone or something in your pocket. Please put all
17 of those on silent mode or turn them off. Okay. I
18 have. Hope all of you have.

19 If you wish to address the Commission
20 during today's meeting, there are two cards for that
21 purpose. Our agenda has posted items that we can
22 consider that are part of our regular business. And
23 because of requirements of law, all items that we
24 take up on the merits have to be posted agenda
25 items. If you wish to make a comment or statement

1 with regard to any agenda item that's posted, we'll
2 have a yellow card, they're on the table outside
3 there. Just fill out that yellow card, bring them
4 up to our clerk and hand them to her. That way
5 we'll know that you wish to make a comment. There's
6 just a place for the item number that you wish to
7 talk about, your name; if you're here representing
8 your group, who you're representing. And then we
9 will call you up here to come forward to the dais
10 here. There's a microphone there. Don't try to
11 move it around. Just get fairly close to it and
12 give us the benefit of your remarks.

13 Now, in addition to agenda items,
14 citizens, the public, may also make comments with
15 regard to any subject matter after our agenda items
16 are completed. For that purpose we have a blue
17 card. It has similar information, your name and who
18 you're here representing, if anyone.

19 You need me to get closer. Okay. Thank
20 you.

21 And so if it's open comment, fill out that
22 blue card. And, again, give it to our clerk, who
23 will be able to then let us know that you wish to
24 make a -- a -- to visit with the Commission.

25 Now, please understand, in open comments

1 since it's not a posted matter, the members of the
2 Commission cannot visit with you about it. We can't
3 conduct business unless it's a posted item. So
4 whatever you have to say to the Commission, that's
5 fine, you can say it. We cannot reply. We cannot
6 discuss it with you or go through that with you. So
7 we're not being rude if we don't reply. We're
8 barred by law from doing it. So you may talk to us,
9 but we can't talk back to you and discuss an item
10 that's not posted on the agenda. So please bear
11 that in mind.

12 The procedure is the same. We'll call
13 your name. You come up to the dais and make your --
14 make your comments.

15 Comments, whether it is on an agenda item
16 or open agenda, it's a -- open comment, pardon me,
17 it's a three-minute time limit. And we've got a
18 timer here and we'll let you know when your time is
19 expired.

20 Before we go any further, I'm going to
21 turn the microphone over to our Executive Director,
22 James Bass. Mr. Bass.

23 MR. BASS: Thank you, Mr. Chairman.
24 At this time I would like to ask Occupational Safety
25 Specialist Sidney Malloy to come forward and provide

1 a quick safety briefing.

2 MR. MALLOY: Good morning to our
3 Commissioners and to Mr. Bass, and to everyone in
4 the room.

5 In case of medical emergencies, please
6 call 911. We're located at 125 East 11th Street,
7 the Greer Building. We have an ADD on the first
8 floor at the security booth. And the first aid kits
9 are marked and located on each floor. In case of a
10 fire or another need to evacuate this building, we
11 will evacuate and exit the front door of this
12 building facing 11th Street and proceed across the
13 street to the Capitol grounds. Fire extinguishers
14 are marked and located on each floor of this
15 building.

16 In case we have to do -- in case of a
17 tornado, inclement weather, we stay inside. Move
18 away from exterior walls and windows. Shelters --
19 excuse me. Shelters are stairwells in the basement,
20 interior hallways and centrally located restrooms.
21 In case we do have an active shooter or bomb threat,
22 follow the instructions of the public address system
23 and on-site security personnel.

24 Thank you for your time and have a safe
25 and protective meeting on today. Thank you.

1 MR. BASS: Thank you. With the
2 safety briefing completed, Mr. Chairman, I will turn
3 the meeting back over to you.

4 CHAIRMAN LEWIS: It is the tradition
5 of the Commission to begin each meeting with
6 comments from our Commissioners. If we have any
7 comments we'll do that at this time. We'll begin
8 with Commissioner Bugg.

9 COMMISSIONER BUGG: Thank you, Mr.
10 Chairman. I want to welcome the big delegation from
11 San Antonio. It's fun to sit up here and look out
12 and see so many friends and familiar faces. And so
13 welcome to Austin. Welcome to the Greer Building.
14 I know there's a lot of interest in Agenda Item No.
15 6 and 7. So appreciate you all being here. I
16 wanted to welcome former Commissioner Hope Andrade
17 back to her home here at the Greer Building. It's
18 good to see you back. And I want to especially
19 welcome County Judge Nelson Wolff. Thank you for
20 putting together this delegation. Some of my fellow
21 Commissioners wanted to know if you all were
22 carrying six shooters, and I assured them you were.
23 So we better act appropriately on the agenda items
24 or it might be trouble.

25 But anyway, no, I really do sincerely want

1 to welcome you and thank you for taking the time.

2 I want to mention that Representative Ina
3 Mineriz (phonetic) and I opened up several new lanes
4 on Loop 1604. I believe that was on May the 12th,
5 and I appreciate you being there with me to open
6 that. That kind of leads to what I'm really excited
7 about today. You know, Governor Abbott, during the
8 State of the State, if we go back to January, 2015,
9 talked about improving roads and building these
10 roads without taxes, tolls, fees or debt. And today
11 we're -- have the opportunity -- the Commission has
12 the opportunity in Agenda Item No. 6 to remove the
13 tolls from I-10. And so we're going to consider
14 that this morning. And I just want you to know that
15 there is a lot of work underway on the congestion
16 relief initiative using those new funding streams
17 from Proposition 1 and 7. And I'm looking at Randy
18 Hoppman and Mark Williams and James Bass. I want
19 you to know we continue to meet on a monthly basis.
20 We are cataloging all the congestion relief programs
21 statewide. We're working on the five major
22 metropolitan areas, as you know. And you're going
23 to see lots of those roads that Governor Abbott
24 called on without taxes, tolls, fees and debt. So
25 I'm very pleased to be able to say that today we do

1 have the opportunity to take some historic actions
2 to remove those tolls on I-10, and I look forward to
3 that.

4 I also want to thank Commissioner Jeff
5 Austin, because Jeff, you took the time to come to
6 San Antonio and meet with County Judge Nelson Wolff
7 and Commissioner Kevin Wolff and Mario Jorge and
8 others and to sit down and really try to understand
9 what the broad San Antonio picture looks like. So
10 thank you for your time in doing that.

11 And just one last thing, I know that
12 Commissioner Victor Vandergriff is not with us
13 today. He's unfortunately in Hawaii on vacation,
14 but -- but I do just want to -- Victor and I had a
15 meeting, also, and I want to thank Victor for all
16 the work he's doing on HB 20 and how the work that
17 we're doing on congestion relief initiative is
18 really lining up very well, I think, with the scope
19 and purpose, Senator Hinojosa, of the work of HB 20.
20 So I want to just thank Victor for all that work and
21 for him taking the time to meet with me and see how
22 it flanges up with our congestion relief initiative.
23 With that, I turn it back to you, Mr. Chairman.

24 CHAIRMAN LEWIS: Thank you,
25 Commissioner. Vice Chairman Moseley, do you have

1 any thoughts to share at this time?

2 COMMISSIONER MOSELEY: Thank you,
3 Mr. Chairman. Members, good morning. I would like
4 to join my colleague, Commissioner Bugg, in
5 welcoming this distinguished delegation. Senator
6 Hinojosa, always good to see you and, of course,
7 Judge Wolff and Secretary Andrade, what a delight to
8 have everyone here today on -- on this occasion.

9 Chairman and Members, Mr. Bass, I did want
10 to just comment a little bit about flooding that
11 took place Monday, May 16th. Corpus Christi and the
12 Coastal bend was deluged with 10 to 12 inches of
13 rain in less than six hours. And this rain event
14 was so significant it even attracted national media
15 attention.

16 I'm pleased to report that our TXDOT team
17 responded quickly, barricading flooded roads and
18 underpasses in the Corpus Christi area, Portland,
19 Gregory and Refugio County. They monitored
20 potential trouble spots and used dynamic message
21 signs to alert motorists to road closures reminding
22 all of us, "Turn around. Don't drown." And Twitter
23 messages informed the public of these closures.

24 The lower level of interchange at State
25 Highway 286 across town and State Highway 358, South

1 Padre Island Drive westbound flooded in Corpus to
2 where they were both impassible. Our TXDOT crews
3 closed a short section and provided detours, pumped
4 the water out of the intersection and had it
5 re-opened by midday.

6 State Highway 358 is one of the
7 heaviest-traveled roadways in Corpus Christi, and
8 we're very pleased that quick action by TXDOT
9 personnel helped keep the public safe and informed
10 and provided the central resources to a city that's
11 already overburdened and to the county government,
12 as well.

13 No major injuries or fatalities, Chairman,
14 were reported. And it's fair to say that our State
15 has had its share of weather events throughout the
16 past couple of months. And so we appreciate all of
17 our TXDOT personnel in responding statewide, but
18 just wanted to highlight this one specific incident.

19 Members, related to safety, this past
20 Monday in the Houston Chronicle there was a story
21 that ran on the front page, and it fits with this
22 initiative that we're getting ready to review today
23 and also at next month's Commission meeting. The
24 article focused on changing the conversation about
25 roadway incidents. Here's the -- here's the

1 interesting points. The term "accident" is being
2 challenged as a useful word and we're being asked to
3 consider the word "crash." The article states that
4 this campaign is to change a national, State and our
5 own mentality that trivializes the single most
6 common cause of traffic incidents, human error.
7 This movement to encourage personal responsibility
8 every time we sit behind the wheel of a vehicle
9 stresses this human element that's involved in
10 crashes as the cause and -- and it also gives the
11 victim a little more of a balanced playing field.
12 So I strongly believe this change in verbiage
13 assists our own dialogue here, Chairman, in leading
14 a more real conversation about driver behavior and
15 traffic safety initiatives. And I'm pleased to
16 report that next month, Chairman, with your
17 permission, we'll be ready to bring forward the
18 traffic safety report.

19 And that leads up to this coming Memorial
20 Day. And this Memorial Day weekend signifies the
21 unofficial start of the summer season. This is
22 clearly a time when we increase the message
23 of "Click It or Ticket" and that means putting on
24 our safety belt. And Commissioner Bugg and,
25 Chairman, I know you guys were part of a Click It or

1 Ticket initiative as I was. And it's really amazing
2 the statistics that encourage us and our loved ones
3 to buckle up. But we still have motoring public
4 that for some reason they think it's easier to get
5 in their vehicle and not use that safety belt. Last
6 year in Texas, 2,370 vehicle crashes involving
7 unrestrained occupants resulted in 889 fatalities.
8 And these can all be avoided.

9 40 percent of all people killed in crashes
10 are reported as unrestrained. So that's why we talk
11 about Click It or Ticket. So we enjoy everybody --
12 we -- we encourage everybody to enjoy this summer,
13 but we remind them to buckle up.

14 And related to public service
15 announcements, I heard last month that my colleague
16 and fellow Commissioner Jeff Austin filmed a PSA
17 with Land Commissioner George P. Bush in South Padre
18 Island. And this PA -- PSA is to celebrate the 30th
19 anniversary of Don't Mess With Texas and Adopt A
20 Beach. So Commissioner Austin, I understand you
21 might even have a clip for us of this event.

22 COMMISSIONER AUSTIN: I believe there
23 is one.

24 COMMISSIONER MOSELEY: All right.

25 COMMISSIONER BUGG: Would you show it

1 to us?

2 COMMISSIONER AUSTIN: I don't have
3 the floor. I'm not in control.

4 COMMISSIONER MOSELEY: You do have.

5 COMMISSIONER AUSTIN: I believe --
6 thank you, Commissioner Moseley. I guess if this is
7 queued up, let's go ahead and show this.

8 (Film shown)

9 (Applause)

10 COMMISSIONER AUSTIN: First, thank
11 you, Brenda -- I don't know if she -- Brenda Flores
12 Dollars, she's in here. Thank you to Brenda and her
13 team really working with this. And also I know
14 earlier in the year I met with Commissioner Bush.
15 And really talking about -- this is not just a fancy
16 slogan either way. It is a litter campaign. And I
17 know I'm going to be down on the beach this week on
18 Memorial Day. And I hope each of you, wherever you
19 are, whether it's a lake, whatever, first of all,
20 safety, but encourage folks to pick up the trash.
21 We set the example, and it starts with everyone in
22 this room and everybody that may be listening.
23 Again, just as a reminder, we spent too much money
24 on this last year, of your money, we spent almost
25 \$30 million picking up trash, and that's way too

1 much. So if all of us do our part to keep Texas
2 beautiful with their partnership, as well, working
3 through all the communities. I want to say thank
4 you to Commissioner Bush for helping bring light to
5 this 30th and very important anniversary.

6 I want to first welcome to everyone coming
7 up from San Antonio. Commissioner Bugg, thank you
8 for hosting us. It was a very fruitful discussion.
9 I learned some things. And we'll talk about that
10 probably when we get to the next item. Judge Wolff,
11 Commissioner Wolff, thank you all for being here.
12 And Madame Chair, welcome back. And I want to say
13 you would be really proud. Hope was there in Tyler
14 when we opened up Toll 49. We both stood in the
15 back of a truck, looked like we were running out on
16 a football field, went through a banner. I want you
17 know that last week, last month, the NETRMA paid off
18 all the loans that they had back -- at the official
19 grant. I know you were on Commission when it was
20 approved. Day before yesterday they successfully
21 issued about 200 million in bonds to finance and
22 expand the road that has been so supported locally.
23 That is great. I say this especially to Judge
24 Wolff, looking at what an RMA can do if supported
25 locally, using the right tools. It's worked there.

1 It's not right everywhere, but it has worked, and
2 we're really proud of what they've done.

3 I just returned last week from D.C. And I
4 was up with the I-69 Alliance, the delegation where
5 we met with multiple states along the I-69 route.
6 And this is anywhere from Louisiana, Mississippi,
7 Arkansas, Kentucky, Indiana, Michigan. I really
8 appreciate what they're doing. But we had a chance
9 to visit with a lot of the Texas delegation, those
10 that are along the I-69 route, but also many other
11 members of Congress that are important. Special
12 thanks to, you know, Congressman Farenthold and
13 Babin who serve on the T&I committee. And one thing
14 we did hear consistent -- I'll talk about Secretary
15 Mendez in just a minute.

16 One theme that we keep hearing, let's
17 start talking about transportation reauthorization
18 now. So I would encourage and ask, respectfully,
19 that if you visit with your member of Congress,
20 wherever they're from in Texas, let's start working
21 on that message now, because the way it was done
22 last time we're thankful for a longer term bill, but
23 it was pieced together. And we need to look at
24 long-range sustainable consistent sources of funding
25 and also make sure we're getting our fair -- more

1 than our fair share back, hopefully dollar for
2 dollar. That's been a -- Commissioner, I know
3 that's been a real message from the Governor. But
4 also Congressman Gilbert, Congressman Cuellar,
5 Villa, Gene Green, Senator Cruz's office, Senator
6 Cornyn's office, Senator -- I say Senator; not
7 Senator yet, but Congressman Castro, Roger Williams,
8 Marc Veazy, Sheila Jackson Lee and Chairman McCall.
9 McCall is busy obviously with another transportation
10 issue that he was working on. But really appreciate
11 what they've done for Texas and going to bat for
12 transportation. And I say transportation is not a
13 partisan issue. It's a bipartisan challenge that we
14 all share, and I really appreciate their -- all
15 their help.

16 Also spent some time with the leader Mitch
17 McConnell. And this was a wonderful visit, because
18 I-69, Mark, as you know from being in Kentucky goes
19 up through there. And he was extremely engaged in
20 what was going on and he kind of challenged the
21 Kentucky delegation on every question. He looked
22 over and called me Tyler, Texas, and said, "Are we
23 ahead of Texas?" I said, "Except lane miles, sir,
24 but we're moving rapidly."

25 But the Kentucky delegation did something

1 that I'm going to try to work on and ask for you
2 all's help. They're measuring -- they're looking at
3 spending new dollars on a section of I-69. They're
4 studying job growth and basically trying to come up
5 with a return on investment. How do you measure the
6 return on investment for a road? And I think it's
7 up to us. We need to do a better job looking back
8 from the investments that we've made, what is that
9 ROI? Now, there's some stats that we may see that
10 increase the property value. And if you were to
11 pick, say, a mile or two miles from the specific
12 road, how -- what about wealth creation? Increased
13 business, distribution centers, you know, all the
14 things that we can measure and then the multiplier
15 affect of housing or access. As a state we need to
16 do a better job, because especially with new money
17 coming in as we're going to be talking about
18 updating the UTP, where do we make those
19 investments. And it's changing the dynamic from
20 here's a road that's ready to go, to where do we get
21 the best ROI for the State. I would just say we
22 want to continue to be that state that a thousand
23 people a day are coming to Texas, not a thousand
24 people a day are leaving Texas because of
25 congestion. So using all the tools -- we've got to

1 make sure we're trying to figure out a way to solve
2 these challenges.

3 Secretary Mendez, had a great visit. I
4 know Texas has applied for some Tiger grants and
5 FAST Lane grants. And FAST lane grants that -- that
6 we've applied for in Waco and then the Grand Parkway
7 and also an interchange in Laredo. He did share for
8 both programs are over-subscribed and take a chance
9 we're going to have to really lean on our members of
10 Congress, who have also sent letters up there.

11 The -- we also spent some time discussing
12 the purchasing power of our federal gas tax. You
13 know, it was last put in place in 1993. In the
14 purchasing power, that's about seven cents now. All
15 that to be said, whatever funding they're looking at
16 with the FAST lane, we've got to make sure we're
17 filling that gap up, back up to those dollars,
18 because we could certainly make a case with
19 congestion, population growth. We're losing ground
20 in addition to not getting dollar for dollar back.
21 So we are losing ground.

22 Next week I'll be in San Antonio,
23 Commissioner, to speak with the Corridor Council.
24 And I look forward to -- Congressman Cuellar had
25 asked with the meeting that he's having to come down

1 and talk about rail. I think we have three
2 constituencies of rail that are very important to
3 the State. The first and foremost is freight. You
4 know, we have commuter. And then there's some --
5 you know, I'm asked a lot about high speed rail.
6 While we're not directly involved in that, we hope
7 to tee it up if appropriate for outside investment.
8 And that is the role that we play. And I think it's
9 a good reminder.

10 I do want to point out - I thought it was
11 a very good letter that Chairman Brady sent to the
12 Surface Transportation Board, really blasting the
13 process of what they've done. If you all haven't
14 seen that, it is on his web page. And I want to say
15 thank you to the Chairman for doing that.

16 Congressman Olson -- I know I'm talking a
17 little bit of fed, but, you know, that is a large
18 portion of our dollars. Congressman Olson really
19 said something to the EPA on behalf of us. EPA had
20 decided to change their air quality monitoring
21 system that we as -- well, all state DOTs use to
22 project air quality impact. The proposed change was
23 not vetted properly with the DOTs or with us or with
24 FHWA, and the change would have cost us between one
25 and 18 million a year in project delay costs.

1 That's a lot of money especially. But TXDOT and
2 our -- our federal teams worked with Congressman
3 Olson's office to make the change, and we were to
4 happy to get that. So if you see Congressman Olson,
5 please tell him thank you for going to bat for
6 Texas. And he also communicated this with OMB.

7 Congressman Barton Farenthold, Flores and
8 Babin also signed onto the letter. So we really
9 appreciate their help.

10 I know we have members of the Sunset
11 Commission here today. And after coming back from
12 Washington, would you all please go to D.C. and help
13 them? We need to Sunset a lot of things up there,
14 as well. I wish they would. But each of the
15 Commissioners are going to have an opportunity to
16 visit with them. And I had a visit yesterday. And
17 one thing that's very important and kind of a
18 reminder for all of us is technology. We started by
19 turning off our phones or PDAs, but technology
20 internal and external one for access. Reflecting
21 back on the few years having been here, the changes
22 that we've made and how technology impacts us. But
23 it's also -- it's a tool, but it can also be a
24 weapon for improper uses. You know, we received a
25 deal yesterday from the banking industry. You

1 probably got that. Notified by the Secret Service,
2 because there are hackers that are trying to come
3 into PINs. And I think for us we have to be
4 careful. I say, Tim Jennings, with our team, really
5 thank you for protecting our system. Whether it's
6 contract information, receivables, payables, we've
7 got to be really careful to make sure we update our
8 system and protect them. And I want to encourage
9 each of us who are employees to do the same things,
10 because this is a serious issue. The target breach
11 happened because they came in through a phishing
12 scam.

13 Chairman, Mike Rogers talked to a group of
14 the bankers the other day. They -- the head of
15 Intelligence. They sat on the server for a year
16 before they went in and saw the breach. So we've
17 got to be careful of phishing scams and cyber
18 attacks. I'm more worried about that than I am some
19 contract procurements. So we just need to make sure
20 we protect our data.

21 Visit with the Governor's office. You
22 think they recognize the importance, also. They're
23 encouraging us to make sure we're investing in
24 technology, not just internal but future
25 applications for transportation.

1 Last thing I want to comment, I see Benny
2 in here. Benny is our auditor. He does a great
3 job, and we discussed -- got great comments from the
4 head of the Teacher Retirement System. Benny led
5 the peer review audit and that speaks highly when we
6 have our auditor doing a lot of things. So Benny,
7 thank you very much. And also know we're -- ask for
8 the industry to be patient with us, because as we
9 start looking at new money, we are going to be
10 intensifying our efforts on inspections because we
11 need to get the job done right the first time and do
12 it right all the way. So please be patient as we
13 look at this with all sectors. Thank you.

14 CHAIRMAN LEWIS: Thank you. Thank
15 you very much, Commissioner.

16 Our first order of business is approval of
17 the minutes from the April 28th meeting of the Texas
18 Transportation Commission. Members, draft minutes
19 have been provided to each of you.

20 If there are no discussion, then,
21 Commissioner Austin, do you move to approve the
22 minutes of the April 28th meeting?

23 COMMISSIONER AUSTIN: So move.

24 CHAIRMAN LEWIS: Vice Chairman
25 Moseley, do you second that motion?

1 COMMISSIONER MOSELEY: Second.

2 CHAIRMAN LEWIS: We have a motion and
3 second. Again, with discussion, proceed to a vote.
4 All in favor say aye.

5 (Chorus of "Ayes.")

6 CHAIRMAN LEWIS: Any opposed, no.

7 (No response.)

8 CHAIRMAN LEWIS: Motion carries.

9 The next thing we're going to do, as we go
10 through the agenda we do have some delegations that
11 have come from afar to be with us, and I want to be
12 very conscious of their time. What I would like to
13 do, if there's no objection, is bring up a couple of
14 those items earlier so we can let those folks
15 address that. If they need to go on, go on.
16 Therefore, what I'm going to for our agenda begin
17 with Item No. 11, State Infrastructure Bank, Hildago
18 County. And I'll turn it over to -- to James Bass.
19 Let me -- let me do this.

20 Senator -- Senator Hinojosa, would you
21 like to make a comment with regard to that item?

22 SENATOR HINIJOSA: Yes.

23 CHAIRMAN LEWIS: And then we'll turn
24 it over, but let's start with that and then we'll go
25 further with staff. Thank you, Senator.

1 SENATOR HINIJOSA: Thank you.
2 Commissioner Lewis, Commissioner Austin,
3 Commissioner Moseley, Commissioner Bugg, James --

4 MR. BASS: First of all, I have to
5 tell you I was listening to your comments and I
6 really like about focusing on San Antonio and the
7 congestion there for the simple reason that it takes
8 you longer to drive from San Antonio to Austin than
9 from the Rio Grande Valley to San Antonio. So it's
10 amazing the congestion here. We work on 281, I-69,
11 I can appreciate the issues and congestion problem
12 we have not only in San Antonio but here in Austin.

13 The other, I just want to thank the
14 Commission for working with the legislature, also
15 our communities, especially the prompt response to
16 Corpus Christi. The flooding that took place, it
17 was a public safety issue. That's the northern part
18 of my Senatorial District 20. Thank you for the
19 work you did and making sure that there were no
20 drownings and people get hurt.

21 And -- and I have to tell you that for me,
22 you talk about Sunset. And I'm on the Sunset
23 Commission. I think the last time that we passed
24 the TXDOT Sunset Legislation I carried it about
25 five, 6 years ago, 2011. So I've been working with

1 Senator Nichols and obviously other Legislators to
2 make sure we make any improvements or corrections or
3 suggestions that need to be made to continue TXDOT
4 doing such a great job in terms of investing in our
5 transportation projects and needs here in our State.

6 But also, I'm here to just thank you for
7 working with Hidalgo County RMA on the SIB. I know
8 there were issues, but like anything else, the
9 challenges of having to manage those issues and work
10 out those problems. I'm very thankful and grateful
11 not only for the Commission and the staff, but also
12 to the RMA members and their staff for continuing to
13 try to work out those issues. And, of course, Item
14 11. And by the way, we have a new Chairman, David
15 Honda. He is also the president of Lone Star
16 National Bank, very well prepared to be the Chair of
17 the RMA. He understands financing. He understands
18 the bonding. He also understands the benefits of
19 investing in our infrastructure. And sometimes I
20 like to comment that people forget that our trade
21 with Mexico is over 200 billion, that's a capital B,
22 every year. It will continue to increase as Mexico
23 deregulates their economy and as you well know
24 they're building that super expressway to Texas at
25 the same time our traffic and commerce will continue

1 to grow.

2 But just that. Thank you very much for
3 working with RMA. Thank you very much on Item 11.
4 This loan will help out in time to get some of the
5 traffic out of the streets, large trucks and get
6 them out to the highways so they can carry their
7 goods and merchandise to other parts of the State.

8 And with that, I would like to answer any
9 questions. But, again, I appreciate you letting me
10 come first and make a few comments. And look
11 forward to continue our working relationship.

12 CHAIRMAN LEWIS: Thank you very much,
13 Senator. Members, any questions or comments for
14 Senator Hinojosa at this time?

15 Well, it's an honor -- always an honor for
16 us to have you here. And we are -- you're a great
17 friend of transportation for all of Texas and a very
18 powerful voice, obviously, for that. The Rio Grande
19 Valley, you know, up through Corpus that you
20 represent. So thank you very much. I know, also,
21 because of all that, you're very busy and you may
22 have to go at some time.

23 SENATOR HINIJOSA: Yes, sir.

24 CHAIRMAN LEWIS: We appreciate you
25 being here while you could be with us.

1 SENATOR HINIJOSA: Thank you for the
2 walk on the beach with Commissioner Bush. I love
3 the beach and wish people would get more focused and
4 clean up beaches. They're a great asset to our
5 State.

6 COMMISSIONER AUSTIN: Senator,
7 hopefully we'll have a ground breaking before too
8 long on your little bridge down in Corpus. Thank
9 you for all your help in moving that project
10 forward.

11 SENATOR HINIJOSA: Thank you. You
12 all have a good day.

13 CHAIRMAN LEWIS: All right. With
14 that --

15 MR. BASS: Mr. Chairman, staff will
16 now present Item 11, which is a State Infrastructure
17 Bank request from Hidalgo County RMA. Project
18 Finance and Debt Management Division Director Ben
19 Asher will present.

20 MR. ASHER: Thanks, James.
21 Commissioners, good morning. This item is to
22 consider final approval of request from the Hidalgo
23 County Regional Mobility Authority for a State
24 Infrastructure Bank loan of up to \$42.21 million for
25 the construction costs in connection with the

1 Segments 1, 2 and a portion of Segment 3 of the SH
2 365 project.

3 As you can see on the map, Segments 1 and
4 2 extend from FM396 to U.S. 281. The part of
5 Segment 3, the board safety inspection facility
6 connector related to the loan is on the lower right
7 portion of the map.

8 Staff recommends approval, and I would be
9 happy to answer question.

10 CHAIRMAN LEWIS: Commissioners, are
11 there any questions for Mr. Asher at this time? If
12 not, thank you, sir. We may have questions for you
13 later. We'll proceed on.

14 We do have some comment cards. Chairman
15 David Deanda has given us a comment card. Sir, if
16 you'll please come forward. After stating your name
17 and who you're here representing and give us the
18 benefit of your thoughts on this matter.

19 CHAIRMAN DEANDA: Good morning,
20 Chairman and Commissioners. My name is Samuel L.
21 Deanda, Jr. I'm the newly-appointed Chair of the
22 RMA in South Texas. And one of the things that I've
23 noticed about the Transportation Commission is that
24 you guys play a very important role for South Texas.
25 If you haven't been to South Texas, and the border

1 particularly, traffic congestion continues to be a
2 problem for us. You think the corridor in San
3 Antonio is bad, wait for ten years to pass and then
4 you go to Rio Grande Valley and it's going to be
5 just as bad or worse. So I appreciate the
6 opportunity for this SIB loan. It's going to a very
7 good investment. This is the first of many to come
8 your way, hopefully, in the next few years. Thank
9 you very much.

10 CHAIRMAN LEWIS: Thank you. Just a
11 moment. Chairman, do we have any questions of the
12 Chairman or comments?

13 COMMISSIONER AUSTIN:
14 Mr. Chairman, welcome. I really appreciate the
15 visit yesterday. You're in an exciting area because
16 close to the deep water ports, international trade
17 with the freight rail, freight traffic coming across
18 the border. And you all have a lot of projects
19 underway. I really appreciate what you all are
20 doing. You all have been a champion. I know using
21 your, you know, leadership with Cameron County, Webb
22 County, also, I think Bexar County using vehicle
23 registration fees to help raise money locally to
24 help go back into transportation locally, because
25 you all have not just talked about waiting on

1 everybody else, you're finding solutions locally to
2 fund those needs. And we're glad to be able to help
3 and to see you all move forward. Thank you for what
4 you're doing in volunteering to be the Chair.

5 MR. DEANDA: Thank you, Commissioner
6 Austin.

7 CHAIRMAN LEWIS: Other -- yes, Vice
8 Chair Moseley.

9 COMMISSIONER MOSELEY: I just want to
10 welcome Chairman Deanda onboard and look forward to
11 working with you. I know this agenda item has taken
12 a lot of deliberation to get us to this point, but
13 it looks like a really wonderful solution.
14 Congratulations on taking this assignment.

15 MR. DEANDA: Thank you, Commissioner.

16 CHAIRMAN LEWIS: Commissioner Bugg.

17 COMMISSIONER BUGG: I'll just add,
18 David, you and I had a good conversation yesterday.
19 It's good to have a banker as the chairman of the
20 RMA, and I appreciate you kind of pulling this thing
21 together. Senator Hinojosa, I want you to know
22 David's a great new chairman. He's going to do a
23 great job for the State of Texas. Thank you.

24 SENATOR HINIJOSA: We're looking
25 forward to it.

1 COMMISSIONER AUSTIN:

2 Commissioner Bugg, his first act is to sign a loan.

3 CHAIRMAN DEANDA: I'm on the opposite
4 side of the desk.

5 COMMISSIONER AUSTIN: So we're your
6 loan committee. I'm excited.

7 CHAIRMAN LEWIS: Chairman, I just
8 want to add my congratulations to you. Each of us
9 up here has also gotten a call from the Governor
10 saying we need you, you know, Texas needs your
11 efforts and your area needs your efforts and
12 expressing confidence in each of us to -- to do a
13 job. And certainly it's true of our Commissioners
14 here, work really hard. It's true of the Chairs of
15 these RMAs. And I know you've got a lot of
16 challenges ahead of you and a lot of great
17 opportunities. We're proud of you. Thank you for
18 taking on this task. It's so important to your area
19 and to Texas. We appreciate it very much, and we
20 appreciate you coming up here to visit with us.

21 CHAIRMAN DEANDA: Thank you. Thank
22 you very much, sir.

23 CHAIRMAN LEWIS: The next card we
24 have is from Pilar Rodriguez. Please come forward,
25 stating your name and who you're here representing

1 and give us the benefit of your thoughts, sir.

2 CHAIRMAN DEANDA: Chairman, I'm Pilar
3 Rodriguez. I'm with the Hidalgo County Regional
4 Mobility Authority. I just want to thank the
5 Commission for supporting the 365 project. I
6 especially want to thank your local TXDOT staff and
7 the staff here in Austin working with us diligently
8 through this loan process. This is a very important
9 project. It's a little over 12-mile segment. And
10 this approval will be on schedule to let the project
11 in November of this year. Thank you.

12 CHAIRMAN LEWIS: Thank you. Any
13 questions of Mr. Rodriguez? If not, thank you for
14 coming forward, sir.

15 MR. RODRIGUEZ: Thank you.

16 CHAIRMAN LEWIS: We also have a card
17 from Jose Reyes. Thank you, sir. State your name,
18 who you're here representing and give us the benefit
19 of your thoughts.

20 CHAIRMAN DEANDA: Jose Reyes on the
21 Board of Directors for Hidalgo County RMA. Chairman
22 Lewis, Commissioners, Director Bass, just want to
23 echo what my colleagues have said. We appreciate
24 the opportunity to be here today, the consideration
25 for this agenda item. We certainly appreciate your

1 staff working with us and making them available to
2 work through the process with us. And with approval
3 of this we'll embark on a critical milestone of our
4 infrastructure. And we appreciate your
5 consideration today. Thank you.

6 CHAIRMAN LEWIS: Thank you very much.
7 Any questions? If not, thank you very much for
8 coming all this way. We appreciate you and the
9 other members of the delegation.

10 Those are all of the comment cards that I
11 have at this time. So I would ask Mr. Asher to come
12 back up here.

13 Are there any other questions for
14 Mr. Asher at this time?

15 COMMISSIONER AUSTIN: Ben --

16 MR. ASHER: Uh-huh.

17 COMMISSIONER AUSTIN: -- just a
18 couple questions about the SIB in general. What is
19 our outstanding capacity -- after we advance this
20 loan, what would we have -- what would our remaining
21 balance be?

22 MR. ASHER: Approximately 290 million
23 after this one.

24 COMMISSIONER AUSTIN: I'll point this
25 out, I think this is an opportunity to say as we

1 begin looking at funding new projects whether it's
2 Prop 7, the UTP, the SIB was put in place, State
3 Infrastructure Bank in 1997 for cities, counties,
4 municipalities, entities to borrow if they need to
5 for right-of-way, purchases, et cetera and to pay
6 back. I think this is a great tool for these
7 entities to be able to use. And we hope that many
8 will consider, because we don't want -- I know there
9 was a topic of discussion yesterday on right-of-way
10 utilities. But also acquiring right-of-way, as we
11 start rolling this money out, our job is to execute.
12 We don't want to see these projects delayed, so this
13 is a tool to help fund that gap temporarily. Thank
14 you, Ben.

15 MR. ASHER: Yes, sir.

16 CHAIRMAN LEWIS: And I might add my
17 thought on this. A lot of people have worked very
18 hard. A lot of people locally in that region,
19 members of the Hidalgo County RMA and Legislators.
20 I think one of the first visits I had, I got calls,
21 I guess, Mando Martinez, Representative Martinez
22 called and wants to set up a meeting about this.
23 We're close with the Senator and his staff and
24 others in the legislature on this matter. But in
25 addition to that I should say the staff here and you

1 have worked so hard to make this happen, give
2 rights, give sound financing. You and your staff
3 have worked very hard on this, which I appreciate
4 that. You know that and we appreciate that.

5 MR. ASHER: Thank you.

6 CHAIRMAN LEWIS: If there are no
7 other comments, then Vice Chair Moseley --

8 COMMISSIONER MOSELEY: I guess one
9 other general comment before I move to approve the
10 staff recommendation, Chairman, and that is along
11 with Senator Hinojosa's observation, we know Mexico
12 over the next 30 years, the economists are saying
13 that their economy will eclipse that of Germany's
14 economy. And so this action today really, I think,
15 I'm hoping, is symbolic of a lot of actions that
16 we'll need to take along all of our international
17 border crossings with Mexico, because the demand for
18 capacity, the demand for efficiency, getting
19 freight, goods to market is just going to continue
20 to grow. That's very exciting for our State. I
21 think this is symbolic of an opportunity for the
22 Commission to continue investing in a lot of
23 international border crossings. I'm pleased to move
24 approval, Chairman, staff recommendation.

25 CHAIRMAN LEWIS: Commissioner Bugg,

1 do you second?

2 COMMISSIONER BUGG: I'd be honored to
3 second.

4 CHAIRMAN LEWIS: We do have a motion
5 and second to approve the application of Hidalgo
6 County RMA for SIB of \$42,210,000 in accordance with
7 the staff recommendation. I'm sorry. Let me say
8 that again.

9 We do have a motion and a second to
10 approve the application from Hidalgo County RMA for
11 a SIB loan of \$42,210,000 in accordance with staff
12 recommendation. If there's no further discussion
13 we'll proceed to a vote. All in favor of the motion
14 say aye.

15 (Chorus of "Ayes.")

16 CHAIRMAN LEWIS: Any opposed, no.

17 (No response.)

18 CHAIRMAN LEWIS: The motion carries.
19 And thank you, sir.

20 MR. BASS: All right. Mr. Chairman,
21 I think for our audience and for staff preparation
22 we will go now to Agenda Item 6, which will then be
23 followed by 7. And then we will return to the
24 normal order of business on the agenda. So,
25 therefore, our next item will be Item 6, which is

1 the Unified Transportation Program in our
2 Transportation Planning and Programming Division.
3 Interim Director Lauren Garduno will present.

4 MR. GARDUNO: Thank you, Mr. Bass.
5 Good morning. Mr. Chairman and Commission Members.
6 This presentation highlights the proposed changes to
7 the 2016 UTP that you saw last month and vote on for
8 this month. At the end of this presentation there
9 will also be some slides to talk about the
10 preliminary discussions on additional funding
11 considerations that will be included in the 2017 UTP
12 that you'll be voting on in August.

13 Slide 2, the proposed changes that are
14 being brought before you today for adoption were
15 previously discussed in the April UTP briefing.
16 These changes include a series of revisions to
17 projects with previously allocated funding in the
18 Austin, Dallas, El Paso, Laredo, Pharr, San Antonio
19 and Tyler Districts. I'll speak a little more about
20 the San Antonio project in a minute since there was
21 questions last month on that one. The proposed
22 changes also include updates to Proposition 1
23 Funding in Categories 2 and Categories 4 in the
24 project authorization in several districts. During
25 the April briefing we proposed changes to -- also to

1 State Highway 288 in Brazoria County in the Houston
2 District. That was the only additional funding
3 request on that particular presentation. This
4 recommendation has been removed from this package
5 before you today and deferred to the August to allow
6 for negotiation and -- and alignment with the
7 development of the project development agreement
8 that is being worked on at this time.

9 As with all the UTP actions, the revisions
10 that are included here today had to go through a
11 series of public involvement efforts beginning with
12 a public meeting in April and concluding with the
13 opportunity to comment during today's meeting. The
14 official public comment period closed on Monday and
15 there were no comments received at that time.

16 Today, this -- this UTP update today
17 includes a change, as I mentioned earlier, on the
18 San Antonio -- a scope change on the San Antonio
19 project on IH-10 just north of Loop 1604 and FM
20 3351. This change involves the removal of tolling
21 from the I-10 project as requested by the Alamo Area
22 MPO. The MPO did request that a high occupancy
23 vehicle or HOV component remain on the project and
24 that, of course, will be a topic of your next item,
25 Item 7, when it comes up.

1 This slide in front of you shows some of
2 the current HOV systems that's in place and some of
3 the proposed plan, plan managed lanes that the MPO
4 was looking at in their MPO area. And of course
5 this -- the Alamo Area MPO is currently
6 investigating the expansion of planned managed lane
7 system. At this time I'm going to afford an
8 opportunity for Mario Jorge, our San Antonio
9 District Engineer, to join us and discuss proposed
10 changes in the scope of this particular project on
11 IH-10. Mario.

12 CHAIRMAN DEANDA: Thank you, Lauren.
13 Good morning, Mr. Chairman, Commissioners. Pleasure
14 to be here. My name is Mario Jorge, District
15 Engineer for the San Antonio District.

16 I think the next slide that we're going to
17 look at here, this is a slide that depicts the level
18 of partnership that we have in -- in our Alamo area
19 region. And what you see there is a -- a
20 combination of projects that -- that have a
21 significant level of funding from local funding
22 initiatives. Our partners, Bexar County, City of
23 San Antonio, via the Alamo RMA and the Alamo Area
24 MPO have put a lot of local money on the table here
25 for these ongoing projects. And this is just a

1 sampling of projects that will have local leverage
2 of funds, not just in the future as well as we have
3 in the past.

4 Again, this -- this local funding
5 initiative allowed us to move forward with projects
6 such as 281, Interstate 10, Loop 1604, various
7 segments of it as well as very other important
8 corridors. So over 300 million have been
9 allocated -- committed locally to these projects and
10 are in ongoing project development activities. So a
11 very strong partnership that we'll continue to
12 foster in the future.

13 Now to get into a little bit more further
14 detail on the actual project change on Interstate
15 10. The limits are -- as you can see there, are
16 from just north of Loop 1604 officially from like La
17 Cantera Parkway out to FM 3351 in Bexar County.

18 It's about 5.7 miles in length. The
19 change involves, like Mr. Garduno mentioned, the
20 removal of the tolled managed lanes. The original
21 plan included the addition of two toll-managed lanes
22 in each direction to the existing system. The
23 proposed change that the MPO has recommended for you
24 all's consideration is to add one additional general
25 purpose lane plus one HOV lane in each direction.

1 Have the same costs as we had before.

2 The other change to the -- to the UTP
3 that -- that is part of this project scope change is
4 that the northern direct connectors on 1604 and
5 Interstate 10 are -- are being separated from the
6 project and will be now considered with the
7 remainder of the Loop 1604 expansion that is
8 currently being led by the Alamo Regional Mobility
9 Authority.

10 So at this point I'll turn back to Lauren.

11 MR. GARDUNO: I didn't know if you
12 had any questions for Mario or not.

13 COMMISSIONER AUSTIN: Can I ask -- do
14 you want to wait to do them or --

15 CHAIRMAN LEWIS: If you have
16 questions, ask him now while he talks.

17 COMMISSIONER AUSTIN: Yeah. Mario,
18 on this slide right here -- this one thing I learned
19 when I came down to San Antonio. This intersection,
20 the connectors in the green, this -- by removing
21 this, this changed the scope of the project. And if
22 I understood you right that was about \$100 million
23 or was that --

24 MR. JORGE: Yeah. The direct
25 connectors -- the northern direct connectors of 1604

1 and 10 were always part of the 1604 mainland
2 expansion project. If you go back one slide -- oh,
3 two slides, that 1604 project you see there from
4 State Highway 16 on the west side all the way to 35
5 included the direct connectors of 1604 and 10.

6 What we were originally doing with the --
7 the previous scope, we took the interchange, the
8 northern direct connectors and included them in the
9 Interstate 10 project as a tolled managed lane
10 system. By doing this action now will remove the
11 direct connectors and put them back with the 1604
12 project, which is how they're being developed by the
13 RMA, separate the Interstate 10 project from the
14 direct connectors.

15 The direct connectors -- the current
16 funding available for the direct connectors is about
17 \$71.8 million. We still -- obviously leaves us a
18 funding gap to construct the direct connectors and
19 the rest of 1604, which is, again, a project that
20 the Alamo Regional Mobility Authority is pursuing as
21 a tolled managed lane project.

22 COMMISSIONER AUSTIN: One other
23 question on this. We have Commission discretion
24 dollars of about 72 million, approximately --

25 MR. JORGE: 70 million.

1 COMMISSIONER AUSTIN: -- 70 million
2 that's in this project. And that will stay?

3 MR. JORGE: Correct.

4 COMMISSIONER AUSTIN: Okay. Good.

5 Also, I believe, we have a match. Going
6 back to the vehicle registration comment I made
7 earlier, we matched some of those funds coming back
8 to Bexar County, and that's going to be applied
9 to -- is it this project, I-10?

10 MR. JORGE: Yes, sir, the -- the --
11 actually, no. The local match for the vehicle
12 registration fees is being applied to the 1604
13 project, which we're about to receive bids this
14 summer.

15 COMMISSIONER AUSTIN: Okay.

16 MR. JORGE: It was part of the
17 original financial plan that was put together for
18 10, 281 and 1604. So it's part of that local
19 funding partnerships that we have in the region.
20 And the RMA just issued the debt for the 70 million.
21 So we'll be utilizing those funds for 1604.

22 COMMISSIONER AUSTIN: Well, again, I
23 want to compliment, I think, local leadership at all
24 levels of coming forth and supporting that vehicle
25 registration fee, because that's bringing local

1 funding that's raised and generated locally to help
2 advance projects that are desperately needed. I
3 think it sets a great example for other parts of the
4 State.

5 One other question that I have, and this
6 may be as we look at just this overall plan, if I
7 understand -- let me go back to Slide 4. Oh, there
8 it is, right there.

9 MR. JORGE: Yes.

10 COMMISSIONER AUSTIN: 1604, we're
11 about to receive bids. You talked a little bit
12 about the timeline for 1604. What's anticipated to
13 happen? Then also I want to ask about 35, as well.

14 MR. JORGE: Let me kind of walk you
15 through the timeline of events over the next few
16 months on 1604. I want to go to this slide.

17 COMMISSIONER AUSTIN: Sure.

18 MR. JORGE: The segment you see there
19 on the west side of 1604 from U.S. 90 to 471, that
20 is the -- the non-toll expressway expansion that
21 we're about to receive bids in. And that's funded
22 with the Alamo RMA vehicle registration fees as well
23 as the -- via Bexar County ATD funds. So it's \$187
24 million of expansion that is all locally funded,
25 non-toll and go out for bids this summer.

1 The -- now, let me go back to this one.
2 The segment of 1604 that you see there from Bandera
3 Road or State Highway 16 all the way to 35,
4 including the Interstate 10 interchange, that is a
5 toll managed lane project that is currently being
6 managed by the Alamo Regional Mobility Authority.
7 It is an \$830 million project, total cost for the
8 project. We are in the process of going through the
9 environmental assessment and getting all the
10 financial planning in place. There's toll revenue
11 that the RMA is looking at and we'll have a
12 financial analysis sometime this summer.

13 COMMISSIONER AUSTIN: I did review
14 the financial -- the feasibility on Interstate 10,
15 and I agree with something you had told me that is
16 not viable using static pricing. So I do want to
17 acknowledge that, because I've asked that last time.

18 I do want to talk about 35 just for a
19 second.

20 MR. JORGE: Yes, sir. Okay. So
21 Interstate 35 that you see on the map there, that is
22 a project to add some elevated toll managed lanes
23 from -- essentially AT&T Parkway all the way out to
24 Schertz. It is a project that is environmentally
25 cleared. It is all within, for the most part, very

1 minimal right-of-way that will be needed. It's an
2 elevated, so it's really leaving everything else
3 alone underneath on 35 and all the existing on and
4 off ramps. The project does cost about 1.5 billion.
5 So it's -- it's a fairly expensive project. As
6 anything you do on 35, it's just so costly, because
7 of the infrastructure you're dealing with. But
8 that's a project that we have run some preliminary
9 toll revenue and financial analysis and it's one, I
10 think, that has potential as we move forward with
11 the RMA to pursue a CDA or some form of partnership.

12 COMMISSIONER AUSTIN: So you answered
13 my next question. This is going to be the local --
14 local project --

15 MR. JORGE: Well, right now that
16 hasn't been -- I guess those kind of decisions have
17 not been finalized, Commissioner. The RMA could
18 take on this project. They have not at this point
19 taken on that initiative.

20 COMMISSIONER AUSTIN: Where does this
21 segment rank in the top 100, if it does rank, and I
22 think it does --

23 MR. JORGE: Yes.

24 COMMISSIONER AUSTIN: -- of congested
25 roadways?

1 MR. JORGE: It's actually our
2 second -- in San Antonio our second most congested
3 corridor, 281 being the first. I think in the
4 State -- and it moves, but it's in the high 20s, low
5 30s statewide. And like I said that's a moving
6 target every year. But it's definitely -- and we've
7 done some projects to add a lane here, add a lane
8 there, that sort of softens the blow for a time, but
9 long-term we know that's not viable.

10 COMMISSIONER AUSTIN: I support and I
11 shared this with Judge, local control and local
12 input -- I support it 150 percent. And -- you know,
13 and I think by demonstration -- I asked the
14 question, "Is this informed local control?" And I
15 did -- somebody did share a copy of the E-mail
16 making sure everybody came to share with me. So,
17 Judge, duly acknowledged and thank you.

18 Mario, my final question on this is with
19 San Antonio being non-attainment, what impact could
20 this have on any of the projects we're talking
21 about? I believe it just went non-attainment last
22 year and it will take effect in '18.

23 MR. JORGE: So, yeah. We're fixing
24 to run into -- become a non-attainment district.
25 That's an excellent question, Commissioner. Really

1 a system of HOV lanes, managed lanes, projects like
2 these, especially the I-10 project that we're
3 considering, I think that's a critical element not
4 only to saving commuter travel time, but also it
5 will assist us with the air quality conformity
6 reports that will need to be formalized. And so we
7 see this system, and the MPO is really looking at
8 even extending some of this system into downtown
9 along some of the other corridors, again, to assist
10 with the conformity issues and things that will have
11 to be, so there is a significant potential for
12 projects if we don't pursue the current plan to be
13 delayed in the future.

14 COMMISSIONER AUSTIN: So expanding on
15 what you just said, trying to do these projects
16 sooner versus later will help.

17 MR. JORGE: Right.

18 COMMISSIONER AUSTIN: Now, another
19 risk that we face, if oil prices stay down, Prop 1
20 dollars are down. And if Prop 7 for some reason --
21 we're planning to go full speed ahead, fully
22 allocated. But if some reason those monies are cut
23 in half by the Legislature, could that have an
24 impact on this as well?

25 MR. JORGE: Well, obviously, we have

1 funding gaps on 1604 --

2 COMMISSIONER AUSTIN: Even with the
3 funding.

4 MR. JORGE: Yes, sir. On 281, the
5 northern portion, we still have a funding gap. We
6 have a funding gap on 1604, on 35. So absolutely,
7 future dollars are a key to, I think, getting these
8 projects moving forward.

9 COMMISSIONER AUSTIN: Well, I hope we
10 keep trying to figure out ways to fill that gap.
11 Anything we can do -- I think the critical time is
12 2018. We need to get these projects started. Does
13 that mean start construction or in the planning
14 process so non-attainment won't hurt us?

15 MR. JORGE: Well, I'm not an expert
16 in non-attainment, but once we get it in the plan,
17 then as long as you stay in the year that those
18 projects are planned in and you meet the conformity
19 requirement, then you're okay. If you start sliding
20 projects by year, then that can have an impact on
21 the entire --

22 COMMISSIONER AUSTIN: So the message
23 is double down and let's get going.

24 MR. JORGE: Absolutely.

25 COMMISSIONER AUSTIN: Thank you.

1 CHAIRMAN LEWIS: Any other questions
2 of our District Engineer or Director Garduno at this
3 time? No other questions. We do have some comment
4 cards? Do you have anything further, Lauren?

5 MR. GARDUNO: Sorry, Chairman. There
6 are a few slides at the end of this presentation
7 about the 2017 proposed additional funding
8 considerations. Slide 7 in front of you talks about
9 some of the anticipated funding that you're going to
10 be seeing over the next couple months. This
11 includes \$10.2 billion of the traditional State
12 Highway Funds from the FAST Act, federal end of
13 diversions from the State Highway Fund and also the
14 remaining unallocated fund in future years of our
15 UTP. It also anticipates about \$6.3 billion Prop 1
16 and about \$21.8 billion of Prop 7, giving us an
17 additional potential funding of 38.3 billion over 10
18 years. The idea on that would be is that we would
19 look at these distribution strategies to, you know,
20 allocated based upon Governor Abbott's priorities
21 for TXDOT. Of course, some of the legislative
22 guidance that we would receive in House Bill 20 and
23 those directives also with some of our planning
24 partners at the MPO level and the regional RMAs all
25 of our planning partners. And then we'll be also

1 looking at these funding strategies for the
2 standpoint of looking at our current goals and our
3 objectives for the Department. You see those broken
4 out there on Slide 10. Some of the focus areas of
5 course still to address safety, preserve our system,
6 target congestion, urban mobility needs and enhance
7 regional connectivity. And then also some of these
8 funding strategies that we need to consider looking
9 at some of your strategic priorities that you all
10 will be considering. You see it broken down into
11 those four strategic objectives. You can kind of
12 see what that additional funding would look like.
13 As you look at the investment over your preservation
14 of your assets and there are some subcategories of
15 that. You can see the energy sector, of course,
16 being focused on, your bridges, your maintenance,
17 your safety, having a focused area. You see it also
18 on the congestion urban mobility break out. You can
19 see where 16.2 billion potentially could be used
20 toward your MPO partnerships and your connectivity
21 and corridor congestion projects.

22 And then you can see, also, some in the
23 regional connectivity corridors some of our
24 statewide significance. Ultimately on that slide,
25 there is a -- you know, additional potential future

1 consideration, the funding of about 38.3. And you
2 can see that as we break it into our 12 categories
3 that we have -- that we have available today under
4 our -- under our tag. You can see that they -- the
5 greater detail breaks out and kind of get a feel for
6 how that would possibly be reflected. The point out
7 there is, is those additional funding is on top of
8 the current UTP base that you'll be considering in
9 August. So that's what we're looking at potentially
10 over ten years in the neighborhood of about
11 \$66 million. And I'll slow down there.

12 Our next steps for you would of course be
13 to outreach key stakeholders throughout the May and
14 June schedule. We've got to develop that 2017 UTP
15 with those funding allocations and you'll see them
16 on both the July and on the August Commission
17 meeting docket; the July of course look at the
18 proposal and then of course August to vote on the
19 2017 UTP.

20 At that point that concludes my
21 presentation, Chairman, on that.

22 CHAIRMAN LEWIS: Commissioner Austin?

23 COMMISSIONER AUSTIN: Lauren, thank
24 you for a great presentation. Can we go back to
25 Slide 12 --

1 MR. GARDUNO: Yes, sir.

2 COMMISSIONER AUSTIN: -- please, on
3 the category for breakouts.

4 First, I do want to acknowledge as
5 Commissioner Bugg did, we're missing one of our
6 colleagues today, Commissioner Vandergriff. I wish
7 he was here so we could discuss part of this. I
8 hope we'll have an opportunity in a workshop or
9 something else coming up where we have the benefit
10 of all Commissioners to be here to discuss this.

11 But I do have a couple of questions.
12 We're looking at the new increase in fund
13 categories. First, maintenance, we have to preserve
14 our assets. Is that enough?

15 MR. GARDUNO: Well, looking at the
16 numbers, there's been a lot of people that have been
17 looking at that matrix and looking at some
18 historical trends and looking at future trends. And
19 we feel like that the target that you see in front
20 of you today will -- will continue to address our
21 system in a preservation that we are looking for.
22 So we think that is getting in the ballpark to be
23 able to --

24 COMMISSIONER AUSTIN: Just as a
25 comment, you know, Commissioner Moseley was talking

1 about all the floods that we've had. That causes
2 damage to a lot of our roads. We've had droughts.
3 I hope we don't have any hurricanes that cause
4 erosion. What flexibility does the Department
5 maintain in the event of an emergency to move and
6 shift funds around, if needed, to take care of and
7 preserve those assets over and above the maintenance
8 dollars or does something else get pushed back?

9 MR. GARDUNO: Well, two of those
10 categories have some discretion in it. One of them
11 is your Category 12, your strategic priority.
12 You -- as the Commission, you have some flexibility
13 and be able possibly to redirect to address whatever
14 that is, that kind of issue. The District Engineer
15 had some discretion in Category 11, discretionary.
16 So there are a couple of categories that are up
17 there in front of you that some -- a little bit of
18 discretion in them that would allow you to address
19 those -- you know, those kinds of issues that come
20 up.

21 MR. BASS: I would just add keep in
22 mind that while Category 1 is defined maintenance,
23 there are a lot of maintenance and preservation
24 activities that occur with funding in the different
25 categories, even with Category 2, a lot of times we

1 rebuild the lanes that are out there. At the same
2 time we may be adding additional lanes, which is
3 preserving the assets. And in case of an emergency,
4 I would expect it to only be perhaps a temporary
5 shifting of funds, because of the FEMA dollars if
6 it's a significant event. We would anticipate
7 getting reimbursed by, but we wouldn't have to wait
8 for that. We could move forward and shift dollars
9 working with the Commission in addition to what
10 Mr. Garduno stated and then be able to replenish
11 that with the FEMA dollars as they came in later.

12 COMMISSIONER AUSTIN: That's -- thank
13 you, James.

14 If you can kind of tie it into
15 maintenance. You know, a couple years ago prior to
16 Prop 1 and Prop 7, you know, we were stating
17 publicly we had an additional need of \$5 million a
18 year, 3 connectivity, 1 maintenance and 1 energy
19 sector.

20 I want to jump down to Category 11,
21 additional \$2 billion and this is for ten years
22 going into the energy sector. Based on what we're
23 saying our need to be, a billion a year, that would
24 be 10 billion if we're looking at 38 or -- is this
25 enough? I know we have another item to talk about,

1 but I want to go back to many year -- several years
2 ago. Commissioner Underwood led an effort looking
3 at the energy sector. There was a lot of work done
4 identifying pressing needs and another tranche and I
5 think two more tranches of needs. This may be
6 better served later, but if we're looking at funding
7 I would suggest we may not have enough here to
8 preserve -- to rebuild the energy sector.

9 MR. GARDUNO: Let me kind of add --
10 to answer that question, Commissioner, let me add a
11 little bit to what Mr. Bass also said about those
12 categories. Sometimes it's hard for us to see
13 how -- you know, at some point we're going to be
14 able to tie our performance matrix to our strategic
15 priorities and so you can actually address
16 preservation. You know, you could ask that question
17 from that perspective. But a lot of times that
18 preservation is -- is commingled throughout those 12
19 categories, and so there's kind of a crosswalk of
20 impact. So when an MPO, for example, decides to
21 invest some of their Cap 2 money, you know, for a
22 congestion issue, for example, there will be some
23 preservation implications, you know, on that highway
24 network. As we discussed earlier some of the impact
25 that we're going to do even on our energy sector

1 we're going to be doing some features on our energy
2 sector upgrades that will include safety elements to
3 it. So there's a crosswalk across those categories
4 that I think we need to make sure we're capturing.
5 So to answer that question, I hope I didn't get
6 around it, but I think that when we get a better
7 feel for our performance matrix as it relates to
8 those strategic missions, we'll be able to see where
9 we sub-allocated to these categories what that
10 impact will be on our funding need for -- to address
11 that concern that you brought up.

12 COMMISSIONER AUSTIN: My only
13 comment, I just hope we don't shortchange this,
14 because a lot of those roads are not MPOs and aren't
15 going to be receiving Category 2 dollars. I just
16 want to make sure we're doing this. I'm reminded --
17 Commissioner, when I was over -- I think James was
18 there. We had a hearing last year. As we talked
19 about that additional need, Senator Garcia asked a
20 question, "Does that include county roads?" And the
21 answer is no.

22 So we need to be careful that -- you know,
23 there are a lot of these roads that are -- our
24 system are Farm To Market, U.S. Highways that are
25 damaged that are not in the MPO. And I know Cat 4

1 could help with that.

2 Let's talk about Cat -- Category 4 for a
3 second, connectivity. We kind of have a new
4 category here, you know, regional and congestion.
5 You talk about the definition for -- what your
6 methodology is for the congestion allocation.

7 MR. GARDUNO: So what you see in
8 front of you is the potential to look at the
9 corridors of statewide strategic significance that
10 runs through our urbanized areas. That would be,
11 you know, your interstate systems, your trunk
12 systems, your national highway system corridors that
13 actually run into those urbanized areas. The
14 thought is with that -- and, of course, this is just
15 for information for you guys to start thinking
16 about. But the thought there would be, is that we
17 would have the opportunity to address the
18 connectivity. It's kind of like, you know, we can
19 spend the money outside of the MPO boundary on
20 connectivity. And then we get it into -- we bring
21 that connectivity into the metropolitan area and we
22 bottleneck it, you know, that connectivity corridor
23 with the congestion issues. So the attempt with
24 that allocation there would be to look at
25 considering those projects that would be on those

1 connectivity corridors coming into those urbanized
2 areas.

3 COMMISSIONER AUSTIN: So coming into
4 the urbanized area, so within the MPO boundaries?

5 MR. GARDUNO: Yes, sir.

6 COMMISSIONER AUSTIN: All MPOs --

7 MR. GARDUNO: I think that's open for
8 debate.

9 COMMISSIONER AUSTIN: What is your
10 initial thought?

11 MR. GARDUNO: I think -- I think that
12 allocation -- some of that allocation there that you
13 see is folks in some of the more -- probably the
14 more congested areas in the State, which would be
15 your larger MPOs. I then -- of course, I think you
16 also see some of the funding that's still sitting
17 down in cat -- well, excuse me, sitting -- the one
18 funding level up, the 6.2 billion, I think there
19 could still be some potential use of that in some of
20 your other smaller MPOs.

21 COMMISSIONER AUSTIN: Well, I think
22 part of the discussion that we've had where I'm
23 leading is that you're focusing on this right here
24 for MPOs over a million in population.

25 MR. GARDUNO: Population.

1 COMMISSIONER AUSTIN: Is that right?

2 MR. GARDUNO: I think that target is,
3 yes, targeted to that.

4 COMMISSIONER AUSTIN: I just want to
5 say, kind of going back, while I agree with the
6 congestion relief initiative, congestion is more --
7 is in other areas also, we have other bottlenecks
8 besides just the five big areas. I just want to
9 caution, because I've heard from communities that
10 are not over a million that have severe congestion,
11 that they were excluded from this program. And as a
12 Commissioner serving an entire State we need to be
13 mindful of those corridors. If it was just Cat 4
14 regional, we could still -- is it a fair statement
15 we could still use that money in that area if
16 needed?

17 MR. GARDUNO: Yeah. Those will be
18 project specific selected projects in Cat 4. You
19 have the flex -- you have the option to use those
20 where you need to use them.

21 COMMISSIONER AUSTIN: So the ones on
22 Interstate -- now, hypothetically, if you're using
23 your methodology here, take Hidalgo County, you
24 know, we just talked about their congestion.
25 They're not at a -- they're not at a million

1 residents right now.

2 MR. GARDUNO: That's correct.

3 COMMISSIONER AUSTIN: But
4 hypothetically, if they were a MPO they would
5 qualify over and above and that would -- that could
6 help.

7 MR. GARDUNO: On that --

8 COMMISSIONER AUSTIN: I'm saying
9 hypothetically.

10 MR. GARDUNO: Yeah, hypothetically.

11 COMMISSIONER AUSTIN: Safety -- you
12 know, every project I was reminded by a member of
13 the Legislature that every project could be a safety
14 project. What index or what are we using for matrix
15 on the safety -- identifying which safety projects
16 get bubbled up?

17 MR. GARDUNO: Today as far as
18 Category 8 is concerned that program is managed
19 through our Traffic Operations Division and we have
20 that safety index. There's a safety index rating
21 that's based upon several factors including
22 fatalities, accident frequencies and those kind of
23 things that actually generates that list of projects
24 now for Category 8.

25 COMMISSIONER AUSTIN: Is that what

1 TTI does?

2 MR. GARDUNO: Well, no, not TTI.

3 COMMISSIONER AUSTIN: Or this have --

4 MR. GARDUNO: It's our internal

5 SSI -- safety index.

6 COMMISSIONER AUSTIN: How does that
7 compare if you line them up side by side what TTI
8 does and what -- internal?

9 MR. GARDUNO: Couldn't tell you at
10 this time. I'd have to look. Sorry.

11 COMMISSIONER AUSTIN: As we look at
12 these projects going forward - I know we did this
13 with the congestion relief - I want to make sure
14 that as we come forward we start looking at more
15 project-specific. How do they rank in the top 100?
16 I think that would be very important to see to make
17 sure we are attacking. But if we limit the state
18 just to the top 100, I would just remind you when
19 you leave a Metropolitan area you're going through
20 other areas. So we do have other choke points and
21 bottlenecks.

22 As it relates to connectivity, I've asked
23 staff and I know Tim was working on -- I hope --
24 Commissioner Bugg and I have talked about having a
25 workshop to talk about Interstate 35. What would it

1 tale to fix I-35? It's probably going to be a
2 really big number, you know, from Alpha to Omega
3 from the Oklahoma border down to Laredo with what's
4 in the plan for ten years. But as we look at 30 --
5 I say Main Street, Texas, what, also, do we need to
6 work on Interstate 10, 20, 30, 40 and in the -- 35,
7 45, 37, 14, 69? We have got a lot of interstates.
8 So what are -- how are we going to be allocate this
9 and what are those next bit project -- what would it
10 take to really fix those? As we go into discussion
11 if you would -- workshop maybe to bring those back.

12 MR. GARDUNO: Sure. Yes, sir, we
13 can.

14 COMMISSIONER AUSTIN: Colleagues may
15 have other comments on how we identify those, but I
16 think that's -- I wanted to share what I've asked,
17 what is that number, you know, because we need it
18 fix -- we need to look at those.

19 That's all -- that's all I have right now.

20 MR. GARDUNO: Okay.

21 CHAIRMAN LEWIS: Any other questions
22 or comments? Yes. Commissioner Bugg.

23 COMMISSIONER BUGG: Yes, Lauren, I
24 have a question, and I'm looking at the draft of the
25 UTP for 2017 that was dated May 9. And I believe

1 this is the one that we reviewed yesterday. And I
2 note that on the presentation that you have today on
3 Slide 11 --

4 MR. GARDUNO: Yes, sir.

5 COMMISSIONER BUGG: -- that there was
6 yesterday a \$5 billion allocation under congestion
7 urban mobility for strategic congestion initiative.

8 MR. GARDUNO: Yes, sir.

9 COMMISSIONER BUGG: And it looks like
10 that's been removed from what you're presenting
11 today. And just doing quick math, looks like it got
12 moved down to Category 12 under strategic
13 priorities. What's the purpose of changing that
14 from yesterday to today?

15 MR. BASS: I'll respond to that.
16 That was based upon conversations with your
17 colleagues and to the point even when the \$5 billion
18 was separated, it was still part of Commission
19 discretion. And so a comment and discussion, if it
20 Commission and strategic priority, would the
21 Commission want to -- and again, this is not being
22 voted on today; it's to spur the discussion that
23 we're having here which is great - was since it is
24 strategic priority of a 10-year period would the
25 Commission want to predetermine suballocations

1 within that today at the very beginning or keep it
2 open and can continue to do as you initially saw in
3 an earlier draft -- do that. But one of the
4 challenges has been over a 10-year period once
5 something -- the Commission, you know, states and
6 adopts something even though it is a plan that is
7 built and developed to change over time that has
8 been difficult to do over time.

9 And so to keep the options and the
10 flexibility under the strategic priority category,
11 the ultimate decision was to combine that and list
12 it under one. I don't believe that that changes the
13 intent if that's the will of the Commission
14 ultimately.

15 CHAIRMAN LEWIS: Yeah. If I might
16 comment on that, as well. Category 12 being
17 strategic priority, it is -- it really is truly up
18 to this Commission. It's what would we see as
19 strategic priorities. I think there might be some
20 discomfort on staff as saying -- or suggesting to us
21 how we allocate that money. I think there's a very
22 strong feeling about -- on -- on this Commission for
23 doing something about congestion and the priorities
24 that the public has voted on directly and what they
25 want to see. We'll be coming up to that. There

1 will be more Commission-driven I think than
2 staff-driven. I think that's the reason that sort
3 of the numbers were combined for that reason for
4 this presentation.

5 COMMISSIONER BUGG: Thank you, Mr.
6 Chairman, and thank you James, for that
7 clarification, because -- you know, to be continued
8 discussion.

9 COMMISSIONER MOSELEY: Exactly.

10 COMMISSIONER BUGG: I'm just an old
11 country boy and when I'm missing \$5 million from
12 congestion relief, you know, after a while that
13 starts adding up. That's right. That's right. I'm
14 just an old country boy at heart.

15 And then Commissioner Austin, I did want
16 to just say that I appreciate -- I made notes of
17 your comments. And No. 1, the five major
18 metropolitan areas were selected for congestion
19 relief to be purposeful for -- it's a million in
20 population and over. And as we did our matrix and
21 analysis, that's about where two-thirds of Texans
22 appears live is in those five major metropolitan
23 areas. However, we're very aware of what you said,
24 and we have been very conscious of making sure --
25 you know, I think I've said up here before that even

1 in Bandera, Texas -- you know, I mean, congestion
2 and choke points are all relative. So in Bandera,
3 Texas, if you've got a backup by the Busby's BBQ
4 everybody is saying what in the world is going on
5 with all this traffic. So congestion is relative,
6 but we're aware of that.

7 The other thing I wanted to mention at our
8 task force meeting yesterday, we're actually
9 slotting in where the rankings on the top 100 are.
10 We're very mindful of that. Mr. Moseley, that was
11 your idea many months ago. And I shared with the
12 task force yesterday that I would like to take that
13 top 100 and just keep knocking it down.

14 COMMISSIONER MOSELEY: Right. Yeah.

15 COMMISSIONER BUGG: That's where
16 we're really putting the 18-inch guns on. So I just
17 wanted to quickly respond to that. Thank you.

18 COMMISSIONER AUSTIN: Thank you.

19 And I want to go back to -- when you look
20 at connectivity, it's not just the interstate
21 system, as well. But we have the trunk system. And
22 that is -- I call that the Texas Interstate. As we
23 look at the U.S. Highways, because these are true
24 relief routes as we look at going back -- you know,
25 getting around the large -- these major metropolitan

1 cities that can relieve congestion probably at a
2 lower cost. I think of Waco as an example. We
3 talked about it last month. Two-thirds of the
4 traffic that goes through there is pass-through;
5 it's not local, but it's on the interstate system.
6 There's not a viable -- not a viable alternative.
7 But I want to go back, you know, let's don't throw
8 out -- I would encourage the staff, you all come
9 back and look at the studies that we've spent a lot
10 of time on over the years.

11 Madame Chair, when you were here you
12 worked on Phase 1, Phase 2 corridors. That was the
13 trunk system of coming back -- of stopping of four
14 lane to two lane to four lane to two lane and
15 removing stoplights. Let's come back and look at
16 those, because those are real game changers to
17 change traffic and took them out of the big cities.
18 And also, let's don't forget about some of the
19 relief routes around towns that may need to help to
20 get around. You know, I think of -- whether it's
21 Woodville or other places where we can help move
22 traffic. So it -- congestion is finding good
23 alternatives where people -- continuous flow of
24 traffic. Not just -- I've got to take a look at the
25 ports, too. So thank you.

1 CHAIRMAN LEWIS: Thank you. If there
2 are no other questions or comments for Director
3 Garduno, we'll go to our comments cards.

4 Judge Wolff, please come forward and after
5 stating your name and who you're representing, let's
6 have the benefit of your thoughts.

7 JUDGE WOLFF: Hi. Nelson Wolff,
8 Bexar County Judge. Thank you. Thank you, Chairman
9 Lewis. I saw our mutual friend John Montford last
10 night, former Senator John Montford. I told him I
11 would be appearing before you, and he said send us
12 as much money as you possibly can today.

13 CHAIRMAN LEWIS: In the 30 years I've
14 known Senator Montford it's never changed. He's
15 consistent.

16 JUDGE WOLFF: I wanted to thank James
17 Bass for coming down this past week and giving a
18 speech. I think we had a much better understanding
19 of the overall complexity of the funding that you
20 will be facing in the next several years. So thank
21 you very much for doing that. And then Jeff Austin
22 for coming down. We had a great meeting together.
23 Jeff Moseley hosted us over in Houston the other day
24 as we met at the Houston -- City of Houston and
25 TXDOT. And I think you need to put as much pressure

1 on us to do a much better job of removing those
2 vehicles -- stalled vehicles and wrecks from the
3 freeways. We're clogging up your system, because I
4 don't think our local governments are acting as good
5 as we should be using. And we're going to try to
6 change that in San Antonio.

7 I want to thank Bruce for all the
8 leadership that he has done, not just for us, for
9 all the major metropolitan areas. And it's a --
10 significant changes that are occurring.

11 Mr. Chairman, would it be okay if our
12 delegation stood up just to be able to show you how
13 many folks made the effort --

14 CHAIRMAN LEWIS: Please feel to
15 proceed.

16 JUDGE WOLFF: Stand up from San
17 Antonio, Texas, today.

18 CHAIRMAN LEWIS: We appreciate you
19 all being here.

20 JUDGE WOLFF: Thank you. Thank you
21 very much.

22 We -- we -- we want you to -- we -- we
23 appreciate very much the work that -- that you have
24 done with us in San Antonio and the job that Mario
25 Jorge is doing in San Antonio. Bexar County through

1 our RMA, which you've heard about, through our
2 advanced transportation district allocation and
3 through our passthrough we've invested something
4 like \$527 million in projects over the last 4 or 5
5 years. In fact, just on May the 18th we issued
6 another \$150 million through an RMA. Mario's got
7 this thing about wanting a check right away, so we
8 had to get him a check and so issued it to be able
9 to get that done.

10 As you saw what -- what was before
11 you, we've concentrated on 1604, IH-10 East, Highway
12 90 West through all the funding mechanisms now we're
13 able to get 4 free -- 4 free freeway lanes all the
14 way -- the connectivity all the way down -- all the
15 way across there. Then what you'll hopefully be
16 doing today on IH-10 where we're not having to be
17 able to toll that. And then you've already taken
18 action on 281. So we appreciate very much the
19 support for -- for prop -- for -- for Item No. 6.
20 And then we also support the -- the HOV lanes that I
21 think we're taking up now in the next section. So
22 thank you very much for allowing me to say a few
23 words. We may have some other folks signed up.

24 CHAIRMAN LEWIS: Any questions for
25 the Judge or comments at this time? Commissioner

1 Bugg?

2 COMMISSIONER BUGG: Nelson, if you
3 don't mind, I just want to thank you for the
4 leadership that you're providing on transportation
5 in San Antonio and Bexar County. You've been at the
6 forefront of this for many, many years. It's an
7 honor now, as Commissioner of the Texas
8 Transportation Commission, to work with you and your
9 folks. And this is the perfect example of working
10 with the local communities, your leadership with the
11 MPO over the years. And we listen to the local --
12 local recommendations, the local decisions that you
13 all are making. And you make the recommendations.
14 We have to approve them here. But I really want to
15 thank you for that sense of partnership and
16 cooperation.

17 JUDGE WOLFF: Let me just quickly
18 say, since you came on the Commission and Prop 1 and
19 Prop 7 dollars have been available, for 15 years
20 I've had the anti-toll people ready to string me up.
21 And I'm so glad that we're not going to have any
22 tolls today.

23 COMMISSIONER BUGG: Thank you. Thank
24 you, Nelson.

25 CHAIRMAN LEWIS: Commissioner Austin.

1 COMMISSIONER AUSTIN: Thank you for
2 your comments and hosting down there. Two things
3 were learned. I learned a lot about your project.
4 I think you also learned from Mario his rules of
5 seniority when you're driving the roads. For those
6 of you all that don't know Mario had a rule of
7 practice down in the Pharr District before he come
8 to San Antonio. I see Commissioner Wolff smiling,
9 because you may in the car with him, too. Whoever's
10 the most senior person in the car when you're riding
11 around has to stop and pick up the trash and the
12 roadkill. So that's Mario's rule. So he promptly
13 asked me, "Are you ready to go for a ride?" I had
14 to catch a plane back. Mario, that's a great
15 example, because it starts at the top with what you
16 do.

17 Judge, thank you. You mentioned 15 years
18 trying to work on some challenges. I know as I said
19 last month, ever since I've been on the Commission
20 we've been trying to figure out what can we do to
21 help San Antonio. We have some solutions coming.
22 Now it's going to be up to the district to execute
23 and keep the leadership tight where things aren't
24 changing back and forth. That's going to be a real
25 message. Let's keep it tight and execute the plan

1 that we have. Thank you for your leadership and
2 being open and having a good conversation. I
3 learned a lot.

4 JUDGE WOLFF: Thanks a lot.

5 CHAIRMAN LEWIS: Thank you very much,
6 Judge, for coming forward.

7 Commissioner Wolff if you would please
8 come forward, state your name, who you're here
9 representing and give us the benefit of your
10 thoughts.

11 COMMISSIONER WOLFF: Kevin Wolff,
12 County Commissioner for Bexar County. Thank you all
13 very much. Commissioner Bugg, thank you -- I mean,
14 you talk about somebody jumping in, you jumped in
15 and really got up to speed very quickly on this
16 stuff. I can't tell you how much I appreciate that.
17 I did want to echo some of the Judge's comments.

18 Commissioner Moseley, thanks for hosting
19 us in the Houston District. We came away with some
20 great learnings there.

21 Commissioner Austin, thank you for coming
22 down the past couple weeks and visiting with us. I
23 mean, you gave some great advice, and I really
24 appreciate it.

25 But I also wanted to make some specific

1 comments to Commissioner Moseley and Commissioner
2 Austin. You two were instrumental in helping us
3 locally put together what is commonly referred to as
4 the 825 plan, which is that very large plan that
5 covers 1604, I-10 and 281. This is the -- almost
6 the final piece that will allow us to implement all
7 of the myriad of projects that have to be done in
8 order to complete that 825 plan. And while the
9 funding sources and types of funding have changed
10 over the years as Prop 1 has become available, as
11 planned Prop 7 has become available, it does not
12 remove tolls from the toolbox. They're still there.
13 And we may have to use them at some point. So,
14 Judge, I know you might be happy today, but you
15 might be upset tomorrow.

16 So -- so we do understand locally how --
17 how difficult it is. But we also appreciate the
18 flexibility that you have shown as things have
19 changed and new dollars have become available as we
20 modify our plans as you are modifying your plan
21 today.

22 So please let my comments serve as support
23 for both Items 6 and 7. And again, I thank you very
24 much for all of your help.

25 CHAIRMAN LEWIS: Thank you,

1 Commissioner. Any questions for Commissioner Wolff
2 or expects? Commissioner Bugg.

3 COMMISSIONER BUGG: I would just like
4 to thank you, Commissioner Wolf, for all the work
5 you're doing. I know you're Vice Chairman of the
6 Alamo Area MPO, have served as Chairman. But you're
7 the go-to guy with the county on day-to-day things.
8 And appreciate the red phone relationship we have on
9 these projects. So thank you for your work on
10 transportation.

11 COMMISSIONER WOLFF: Thank you,
12 Commissioner.

13 CHAIRMAN LEWIS: Any other questions
14 for the Commissioner?

15 If not, any other questions or comments
16 for Director Garduno? And if there's nothing
17 further, Commissioner -- Commissioner Bugg, do you
18 have a motion?

19 COMMISSIONER BUGG: I'd be honored to
20 make a motion to approve.

21 CHAIRMAN LEWIS: All right. So you
22 move to approve the updates to the 2016 Unified
23 Transportation Program in accordance to staff
24 recommendations?

25 COMMISSIONER BUGG: I do.

1 CHAIRMAN LEWIS: You do. And
2 Commissioner Austin --

3 COMMISSIONER AUSTIN: I'd be happy to
4 second.

5 CHAIRMAN LEWIS: And thank you both
6 for all your work on this. It's been terrific, and
7 appreciate it on behalf of all of us. If there's no
8 further discussion, we'll proceed to a vote. All in
9 favor of the motion, please say aye.

10 (Chorus of "Ayes.")

11 CHAIRMAN LEWIS: Any opposed, no.

12 (No response.)

13 CHAIRMAN LEWIS: Motion carries.

14 MR. BASS: Mr. Chairman, we'll now
15 move on to Item 7, designation of high occupancy
16 vehicle lane on U.S. 281 and on Interstate 10 in San
17 Antonio. Traffic Operations Division Director Carol
18 Rawson will present.

19 MS. RAWSON: Good morning. Waiting
20 for my map to come up. I think you all are familiar
21 with this.

22 The -- this minute order before you
23 authorizes the Department to designate and construct
24 a high occupancy vehicle, an HOV lane, in each
25 direction of U.S. 281 from Loop 1604 to the Bexar

1 Comal County Line and on I-10 from La Cantera
2 Parkway to FM 3351 in Bexar County. The Department
3 in conjunction with the Alamo Area Metropolitan
4 Planning Organization and local jurisdictions are
5 proposing these HOV lanes to maximize the
6 effectiveness of existing roadways and address --
7 and address congestion due to projected long-term
8 population and employment growth.

9 On September 14th, 2015 the Alamo Area MPO
10 passed a resolution supporting funding and
11 implementation of the U.S. 281 HOV lanes.

12 Moreover, on March 28th, 2016, the Alamo
13 Area MPO passed a resolution supporting the funding
14 and implementation of the I-10 HOV lanes.

15 The U.S. 281 and the IH-10 HOV lanes are
16 included in the Alamo Area MPO's congestion
17 mitigation plans, their transportation improvement
18 program and the 2014 Metropolitan transportation
19 plan.

20 Additionally, the construction of these
21 HOV lanes conforms to the VIA Metropolitan Transits
22 long range plan and the City of San Antonio's
23 multimodal transportation plan. Transportation Code
24 224.153 authorizes the Department to finance,
25 design, construct, operate or maintain one or more

1 lanes of a multilane highway facility as a dedicated
2 designated HOV lane on the state system. The
3 Commission adopted rules in the Texas Administrative
4 Code 25.40 through 25.47 to implement this statute.
5 These rules require the Department to perform a
6 study that considers whether the potential HOV lane
7 will, No. 1, maximize the effectiveness of the
8 existing roadways; two, increase the number of
9 persons moved on a roadway; three, improve transit
10 operating efficiency; four, limit any negative
11 effect on general purpose lanes; five, provide
12 connectivity to or enhance the effectiveness of the
13 existing HOV toll and exclusive lanes; No. 6,
14 enhance the effectiveness of a conforming
15 metropolitan transportation plan or transportation
16 improvement program for a metropolitan planning area
17 that includes geographic area that is classified as
18 non-attainment, near non-attainment or maintenance
19 free or quality; No. 7 is enhance the effectiveness
20 of an improved congestion management plan for a
21 geographic area that has been designated as a
22 transportation management area. And eight would
23 be -- No. 8 would provide a more cost effective
24 alternative to capacity improvements for a given
25 corridor.

1 A study has been completed for both U.S.
2 281 and IH-10 proposed HOV lanes and all of the
3 above-mentioned criteria has been considered. This
4 minute order also authorizes the Executive Director
5 to enter into an agreement with VIA Metropolitan
6 Transit for the operation and maintenance of the
7 designated lane.

8 Staff recommends approval for this minute
9 order.

10 CHAIRMAN LEWIS: Thank you. Any
11 or -- any questions for the Director at this time?
12 Yes?

13 COMMISSIONER AUSTIN: Carol, I have a
14 question, and this may be a Mario question, as well.
15 Look at these lanes with HOV, what will be
16 the total capacity in each direction? Will it be
17 three, four lanes?

18 MS. RAWSON: Let's see. I'll let
19 Mario --

20 COMMISSIONER AUSTIN: Where I'm
21 leading will we have the ability to put up something
22 to have trucks not in the left-hand lane with the
23 HOV?

24 MR. JORGE: Yes, Commissioner.
25 Again, Mario Jorge, TXDOT District Engineer in San

1 Antonio. On the 281 project, for example, the
2 ultimate configuration will be from -- from 1604 all
3 the way to the county line a minimum of two general
4 freeway lanes plus one HOV lane in each direction
5 plus frontage roads from Stone Oaks to 1604 is
6 really three general purpose lanes in each direction
7 plus the one HOV lane in each direction. So we do
8 have ample capacity for that.

9 COMMISSIONER AUSTIN: So we'll be
10 able to put --

11 MR. JORGE: Correct.

12 COMMISSIONER AUSTIN: I know John
13 from the trucking industry is here. I appreciate
14 his leadership in working with the industry. I also
15 have a couple friends that were out of state and
16 they made note as we look at those lanes, there's a
17 practice for all the trucks that were in the
18 dedicated right lane, and it really allowed traffic
19 to move. And I don't know where appropriate --
20 hopefully it's safer for the trucks to move, too.
21 But where appropriate I hope we can look at
22 instituting something like that to help the traffic
23 move and keep the trucks on one side.

24 MR. JORGE: And one more on the
25 Interstate 10 project, Commissioner, we'll wind

1 up -- the ultimate configuration will have three
2 general purpose lanes in each direction plus one HOV
3 lane. So again, we'll have the ability to do
4 that, as well.

5 COMMISSIONER AUSTIN: Good. Thank
6 you.

7 CHAIRMAN LEWIS: Any other questions
8 of the Director at this time? If not, thank you
9 very much. We have some comment cards. Judge
10 Wolff, do you have any additional thoughts on this?

11 JUDGE WOLFF: I believe -- Hope
12 Andrade is going to speak to this. We support it.

13 CHAIRMAN LEWIS: Thank you, Judge.
14 Then we'll certainly call on Secretary Andrade.
15 Please come forward after stating your name, who
16 you're here representing, give us the benefit of
17 your thoughts.

18 SECRETARY ANDRADE: Sure. Hope
19 Andrade, Chair of the VIA Metropolitan Transit
20 Authority in Bexar County. Mr. Chairman,
21 Commissioners, Mr. Bass -- I must say, Mr. Bass, you
22 look very good there. Congratulations.

23 Good morning. It's always a pleasure to
24 be back in this special place where I spent many
25 hours during my tenure as TXDOT Commissioner. And

1 I'm honored to join our regional partners this
2 morning, especially our fearless leader, County
3 Judge Nelson Wolff, as we discuss the role of
4 transportation and ultimately the role of congestion
5 in our region's future and our continued quality of
6 life.

7 You know, in the years that I spent on the
8 TXDOT Commission dais, I was proud to be an
9 outspoken advocate for public transportation. And
10 I'm honored to continue this work now as the Chair
11 of VIA, an organization that serves more than 1,200
12 square miles and 13 member cities and provides over
13 41 million passenger trips per year.

14 Public transportation provides options for
15 commuters. It makes the entire transportation
16 system work more efficiently. And it even provides
17 benefits for those who do not use it personally.

18 You know, as we look at the next 25 years,
19 we recognize the challenges that are facing us as a
20 growing region and a state. We also recognize that
21 we cannot build roadways wide enough or long enough
22 to build our way out of congestion. So VIA is
23 committed to innovate and collaborate in a
24 multimodal fashion. And we appreciate the
25 Commission's understanding and supporting our

1 region's interest in including public transportation
2 as part of our Committee's plan to address
3 congestion. VIA is proud to play a substantial role
4 in helping congestion in our region by getting
5 people out of single occupancy vehicles.

6 Think about it, for every primo bus on the
7 road, 100 less people will be in single occupancy
8 vehicles. And with the approval of the item before
9 you, VIA will be honored to partner with TXDOT for
10 the operation and maintenance of these designated
11 HOV lanes in Bexar County. HOV lanes are indeed an
12 important tool in our transportation toolbox as they
13 will help increase frequency and travel time
14 reliability for our public transportation. And I
15 must say, Mr. Chairman, Commissioners, HOV lanes are
16 long overdue for the City of San Antonio and Bexar
17 County.

18 So please be assured that VIA stands ready
19 to do our part and play a role in the opportunities
20 and solutions that will allow us together to address
21 our congestion issues.

22 Commissioner Bugg, we're so proud of you.
23 And we thank you for all that you do, not just for
24 our region, but for the great State of Texas.

25 I'm proud to say that I've worked with

1 each one of you and I'm so -- I believe that this
2 agency is blessed to have your leadership because of
3 the important work that you do for the great State
4 of Texas. And, Mr. Bass, I have to tell you that as
5 I walked up the stairs someone asked me, "How does
6 it feel to walk in again?" And I said "I walk in
7 with tremendous pride." And I will tell you that
8 one of the things that I was most proud of was
9 working with along the staff, great staff. You
10 know, Mario Jorge does an incredible job in our San
11 Antonio District, but everyone. And throughout
12 Texas as I travel, I always feel comfortable when I
13 see a TXDOT maintenance office, because I know that
14 if I needed to, I could always stop in and you've
15 got some incredible staff. So thank you for
16 everything that you all do. Employees are always
17 great, and I'm always so proud to have been part of
18 this TXDOT family. So thank you, Commissioners,
19 once again, for all that you do to ensure continued
20 mobility of the greatest State in the nation. I
21 can't take my Secretary of State hat off. Texas is
22 the best, you know. And thank you for your
23 thoughtful consideration of that agenda item. Thank
24 you.

25 CHAIRMAN LEWIS: Thank you, Madame

1 Chair. Commissioner Austin.

2 COMMISSIONER AUSTIN: I was going
3 say, Madam Secretary, Madam Chair, you've worn so
4 many hats. I'd love to ask you what questions have
5 we not asked today? I'm sure they're running
6 through your mind. Thank you for all your
7 leadership. I want to share with my colleagues --
8 you all may not know this. We've spent a lot of
9 time talking about RMAs. When you're on the
10 Commission she called and I said oh, boy, am I in
11 trouble, what have we done. But she raised a
12 question, given the powers and authority that the
13 RMAs have, would you consider or have you thought
14 about handling the regional transportation in East
15 Texas? Well, that's an authorized project, you
16 know, we weren't ready at the time. Randy, I know
17 you were there. We were not ready at that time, but
18 it's that type of thinking that looked at what is
19 possible, not all the reasons why you can't do
20 things. And the local control is what the
21 Legislature gave the RMAs. And that's what it's all
22 about. And you exemplify that with a lot of
23 questions. And I see you still living that and
24 following through on everything that you asked a
25 long time ago. So thank you.

1 SECRETARY ANDRADE: Absolutely. You
2 know one of things I still remember that when you
3 accepted that position it was like you had a
4 tremendous fan club. And I had people calling me
5 asking me how they could get on the RMA with you,
6 because they were so excited about what you were
7 going to be able to provide for that region. And
8 you certainly did an amazing job. Thank you very
9 much.

10 CHAIRMAN LEWIS: Any other questions?
11 Commissioner Bugg, do you have any?

12 COMMISSIONER BUGG: I just want to
13 echo what Commissioner Austin said, but first of
14 all, thanks for our friendship, Hope. We've been
15 friends a long time. I want to thank you for all
16 your service to the State of Texas, not only as
17 Secretary of State, not only as Commissioner of the
18 Texas Transportation Commission, Texas Workforce
19 Commission, so many different things that you've
20 done to serve the State. And now you continue to
21 serve our community, San Antonio, as the Chair of
22 VIA. So thank you for your friendship, thank you
23 for your service to our State and our community.

24 SECRETARY ANDRADE: Thank you very
25 much. Thank you very much.

1 CHAIRMAN LEWIS: I believe that Vice
2 Chair Moseley has comments.

3 COMMISSIONER MOSELEY: Secretary
4 Andrade, what a delight to see you and what a
5 pleasure to have worked alongside with you promoting
6 the State of Texas. Your comment about how we can't
7 just keep building roads longer and wider resonates.
8 And I wanted to just add what a delight to see that
9 San Antonio is embracing HOV, because of course in
10 Houston we've enjoyed that conveyance system for a
11 long time. And so I appreciate your leadership and
12 VIA's willingness to really use what we know is a
13 very wonderful people mover tool.

14 Mayor Turner last week made a speech and
15 it resonated with the same speech you brought to
16 this Commission. And it was something like the
17 votes to approve the propositions are in the urban
18 areas. We should make sure that when the monies
19 come to us they have the flexibility to serve the
20 urban areas. And so perhaps that's a dialogue San
21 Antonio would want to open with Houston, with
22 Dallas, with Fort Worth, to make sure that when the
23 dollars are approved by we, the voters, they have
24 the flexibility to serve we the voters.

25 SECRETARY ANDRADE: Thank you. We're

1 very optimistic about the future of public transit
2 in the City of San Antonio and our CEO and his
3 staff. You know, our CEO was with the Houston
4 Metro. He brings great experience. And so we
5 believe that stars were aligned, and we're going to
6 take advantage of that. So stay tuned.

7 COMMISSIONER MOSELEY: Thank you.

8 SECRETARY ANDRADE: Thank you.

9 CHAIRMAN LEWIS: Thank you. If
10 nothing further, thank you very much for coming
11 forward. Commissioner Wolff, did you have anything
12 in addition to your prior comments?

13 COMMISSIONER WOLFF: No, Mr.
14 Chairman.

15 CHAIRMAN LEWIS: Apparently not.

16 I believe we have Don Dixon. Don, I saw
17 you here. Please come forward. State your name and
18 if you're here representing anyone, if any
19 organization. Otherwise give us a benefit of your
20 thoughts on this issue.

21 MR. DIXON: Thank you, Mr. Chairman.
22 My name is Don Dixon, and I want to echo
23 Commissioner Bugg's remarks about my friend Nelson
24 Wolff making sure that we didn't have tolls in San
25 Antonio. The people in San Antonio have worked for

1 years and years and years to try to keep our costs
2 low for the citizens and our travelers in San
3 Antonio, our small businesses. And I want to let
4 you know that it was a very privilege [sic] in the
5 early '80s that Nelson and I sat on the Texas
6 Association of Business Board of Directors to kind
7 of protect small businesses and keeping costs low
8 for us and regulations low. And that was a -- that
9 was a privilege.

10 Certainly, this motion needs to be passed
11 in terms of the -- getting the tolls out of the --
12 out of this system.

13 As I have commented previously, I think
14 last month and maybe even the month -- month before,
15 I have some reservations about the HOV lane -- HOV
16 lanes for San Antonio. Even for -- for -- even for
17 the Liberty issue, I probably -- probably couldn't
18 support it, because when we use taxpayer funds to
19 build roads to relieve congestion, have safety,
20 mobility for our citizens, we want to make sure
21 those funds are maximized. And I will assure you
22 since I work on both sides of this over in -- over
23 in -- over in the hill, the public is really paying
24 attention to the funds that's coming to this agency
25 to make sure that it meets your goals of --

1 economical system for us -- for the public and also
2 the congestion and safety relief.

3 I'll -- I'm going against a whole lot of
4 people here, but when you look at this -- and I
5 heard that they followed all of the -- all of the
6 eight points. Some of the HOV lanes -- and they
7 even mentioned it yesterday, James, in the in-house
8 hearings, that HOV lanes in -- I think it was in
9 Dallas were not used. So they converted them back
10 over to toll lanes to generate revenue, give people
11 a -- you know, pay a toll and you can use this --
12 use this lane. And we certainly don't want to go
13 there for -- in San Antonio.

14 So -- and I know you're going -- I know
15 you're going to vote for this. I mean, you've all
16 talked to it, and you been -- you've been, you know,
17 talked to by all this delegation. But I don't think
18 they're going to work in San Antonio personally.

19 So at some point, take a look and make
20 sure that we maximize the dollars that we spend for
21 these lanes. And you're putting \$70 million of
22 taxpayer money into these four lanes. And to me,
23 one of those lanes are going to be very
24 under-utilized. So consider that for whatever's
25 it's worth. I'll pledge to you I'm continuing to

1 work on this side of that hill over there to make
2 sure that this agency has the proper funding and
3 that this -- this agency uses those funds for the
4 maximum benefit for the people of Texas. That's it.
5 So if you have any questions, I'll be happy to
6 answer.

7 CHAIRMAN LEWIS: Thank you, sir. Any
8 questions?

9 COMMISSIONER AUSTIN: I just have a
10 comment. Don, as always, thank you for your
11 comments. I was hoping you were going to help
12 celebrate --

13 MR. DIXON: I did celebrate today.

14 COMMISSIONER AUSTIN: -- our history
15 for San Antonio. We need to move forward. Thank
16 you for your comments.

17 CHAIRMAN LEWIS: Any other comments?
18 Thank you very much for coming forward, sir.
19 Director --

20 COMMISSIONER MOSELEY: Chairman --
21 Chairman, before we move away from witnesses
22 speaking, I wonder if it would be appropriate to
23 invite the Executive Director of Alamo Area Council
24 of Governments, Diane Rath, forward.

25 CHAIRMAN LEWIS: We certainly can.

1 COMMISSIONER MOSELEY: I notice that
2 we've got some collateral material in here from
3 the Alamo COG and --

4 CHAIRMAN LEWIS: Let me ask this, if
5 you would state your name for the record, who you
6 represent and then when you've finished your
7 remarks, if you'll come up here and fill out a card.
8 Go ahead. Just state your name and who you're here
9 representing.

10 MS. RATH: Glad to. Thank you. I'm
11 Diane Rath. I'm the Executive Director of Alamo
12 Area Council of Governments. I can tell you that my
13 member governments, all 13 counties, see great value
14 in this. We do connect on the northern edge, so we
15 represent members both City of San Antonio and Bexar
16 County. But in addition, we have Medina, Comal,
17 Guadalupe and Kerr connecting with Boerne and
18 Kendall. So they are greatly impacted with traffic
19 and flow and the ability to commute into San Antonio
20 for both economic development, for work and for
21 recreational issues. So this affects not just San
22 Antonio, not just Bexar County, but a tremendous
23 regional impact. So I do appreciate that. And we
24 wholeheartedly support it.

25 Mr. Chairman, if I can take one moment, I

1 want to really thank our San Antonio Engineer on
2 behalf of our Regional Planning Organization. I had
3 shared with Commissioner Moseley that the
4 partnership of TXDOT through Mario and ACOG is being
5 recognized as one of the national organizations,
6 National Association of Development Organizations,
7 with an award because of the great working
8 relationship and that we have reinvigorated and
9 resurrected the RPO. And really appreciate all the
10 effort and support and hard effort they've put into
11 it. So thank you very much for that. I'm available
12 for any questions you may have.

13 COMMISSIONER MOSELEY: Chairman,
14 Commissioner Bugg said that it would be appropriate
15 to do this. Diane Rath used to Chair the Texas
16 Workforce Commission. And so she and I were pleased
17 to work alongside Judge Wolff and Secretary Andrade
18 and others of the leadership here on Toyota assembly
19 plant that came to San Antonio, that seemed like
20 yesterday --

21 MS. RATH: It did.

22 COMMISSIONER MOSELEY: -- but we like
23 to kind of razz people for the first time they come
24 to the microphone. And she's kind of like an
25 extension of our family, we wanted to get you up

1 here. But thank you for your statement today.

2 MS. RATH: Thank you.

3 COMMISSIONER MOSELEY: We're so
4 pleased you're in a leadership position --

5 MS. RATH: Appreciate it. Thanks to
6 all of the Commission. Appreciate it very much.

7 CHAIRMAN LEWIS: Thank you for coming
8 forward.

9 MS. RATH: Look forward to seeing you
10 when you're with Congressman Cuellar next week.
11 Thank you.

12 CHAIRMAN LEWIS: Thank you for coming
13 forward. Director Rawson, can you come forward?
14 Any other questions for Director Rawson at this
15 time?

16 If not, then Commissioner Bugg do you move
17 to designate High Occupancy Vehicle Lanes on U.S.
18 281 and I-10 in Bexar County in accordance with the
19 staff's recommendation?

20 COMMISSIONER BUGG: So move,
21 Mr. Chairman.

22 CHAIRMAN LEWIS: And Commissioner
23 Austin, do you second that motion?

24 COMMISSIONER AUSTIN: I'll be happy
25 to second.

1 CHAIRMAN LEWIS: Thank you. We have
2 a motion and a second. Any further discussion? If
3 there's not, we'll proceed to a vote. All in favor
4 of the motion please say aye.

5 (Chorus of "Ayes.")

6 CHAIRMAN LEWIS: Any opposed, no.

7 (No response.)

8 CHAIRMAN LEWIS: The motion carries
9 then. Thank you.

10 MR. BASS: All right. Mr. Chairman,
11 we will now return to the regular order of the --

12 CHAIRMAN LEWIS: Let me do this. Of
13 course, the San Antonio Delegation need to go on
14 their business. Thank you all very much for being
15 here. We are also honored to have Representative
16 Harris here as well along with the rest of the
17 delegation. Thank you very much.

18 At this time we're going to take a
19 10-minute break and then we'll resume.

20 (Off the record 10:53 to 11:05)

21 CHAIRMAN LEWIS: Thank you. We do
22 have a quorum. We are ready for the next item. I
23 will turn it over to Mr. Bass.

24 MR. BASS: We will now present Agenda
25 Item 3, which is discussion of Department's Energy

1 Sector Program. District Operations Director Randy
2 Hopmann will present.

3 MR. HOPMANN: Good morning, Chairman
4 Lewis, Commissioners and Director Bass. Thank you
5 for the opportunity to be before you this morning.
6 You may recall just two short months ago I was up
7 here before you talking about this program. And I
8 think each of you in your own unique special way
9 encouraged me to put this program together much
10 faster than what we were anticipating. So I'm
11 pleased to be back here in front of you just two
12 short months later. But I have to compliment the
13 Districts, because the Districts did the work. The
14 Districts did all the planning. They've worked
15 extremely hard to accommodate your direction and
16 your guidance, and I'm very pleased to be able to
17 discuss it with you again today.

18 These are -- just as a reminder, these are
19 the five energy sector areas in the State of Texas
20 that we are focusing our attention on. I will just
21 list them very quickly. The Anadarko Basin, in the
22 northeast corner of Panhandle, the Barnett Shale
23 just to the west of the DFW Metropolitan area,
24 Haynesville/Bossier, the East Texas Biophil
25 (phonetic) the Eagle Ford Shale in South Texas and

1 the Permian Basin out in West Texas.

2 As we discussed last time we are focusing
3 on corridors, and we're focusing on reinforcing and
4 strengthening the pavements along these major
5 corridors while the drilling activity in the State
6 of Texas is more or less normalized. Gives us a
7 chance to kind of get out in front of this and take
8 advantage of these times that we have available. We
9 have worked very closely with the Texas A&M
10 University Transportation Institute, and you may
11 recall that in 2012 there was a task force on Texas
12 Energy Sector Roadway Needs that was produced and
13 Texas A&M was involved in this. And they determined
14 at that time through their analysis and through
15 their research that by strengthening the pavements
16 rather than always being in a reactive mode of going
17 out and repairing the pavements in the energy sector
18 area that it actually saves us money to the tune of
19 about 700 percent savings in cost by trying to be
20 proactive and go out and strengthen and reinforce
21 these pavements prior to drilling activity
22 increasing. And we know that drilling activity will
23 increase, so it's not a question of if. It's just
24 simply a matter of when.

25 Major intersecting corridors, you looked

1 at primary corridors used by the industry. And we
2 are trying to connect those areas where the drilling
3 activity is occurring and will occur where -- to
4 where the energy service companies are coming from
5 normally out of some urbanized area. So in
6 reinforcing pavements we looked at, as I said,
7 strengthening the pavement structures. We also
8 identified roadways and corridors that needed to
9 have shoulders added to them to protect the pavement
10 edges. In our maintenance of our transportation
11 system we focus our maintenance operations on
12 protecting the edges of the payment. And oftentimes
13 especially in these heavy drilling activity areas,
14 these large trucks tend to run on the outside edge
15 of the pavement breaking the asphalt off. Before
16 you know it, your 24-foot roadway becomes a 22-foot
17 roadway and then eventually becomes a 20-foot
18 roadway. So if you can protect the edges you
19 protect the entire roadway. So having shoulders on
20 many of these roadways is very key to our
21 maintenance operations.

22 We also looked at adding some turn lanes
23 at key intersections from a safety perspective to
24 make sure that these large vehicles have adequate
25 room to decelerate and make left turns onto other

1 systems around the State of Texas. And we also
2 identified corridors that would make good Super 2
3 candidates. A Super 2 is basically an alternating
4 passing lane on a particular corridor, so you're
5 providing opportunities to pass. We've learned over
6 time and through experience and research that many
7 drivers sometimes take unnecessary risks in trying
8 to pass a slower-moving vehicle, and then that's
9 when we have some very bad things happen in the way
10 of head-on collisions and usually results at high
11 speed and a fatality in the end. So if we can
12 provide some passing opportunities, we feel like we
13 have done a lot for improving safety and these
14 areas.

15 Districts have identified the major
16 corridors in the areas, and they have prioritized
17 the projects. And I'll go through that with you
18 this morning. They've also developed scopes of work
19 for each of the projects and obviously estimates to
20 go along with each scope of work.

21 We do have, and you encouraged at the
22 March Commission meeting, that TXDOT do some
23 outreach. And we have scheduled some workshops with
24 the oil and gas industry in early June. We've got
25 one planned on June 7th in Victoria, Texas, at the

1 University of Houston Victoria campus, and then we
2 also have another workshop planned in the
3 Odessa/Midland area the very next day on June the
4 8th. Both of those workshops will be scheduled from
5 1:30 to 3:30 p.m. in the afternoons. We are working
6 hard to move in that direction.

7 I will also say that had an opportunity
8 earlier this week to go speak with the Texas Oil and
9 Gas Association about this program, and they were
10 very excited about the program and what it's going
11 to do in support of their industry.

12 We have developed -- or actually this
13 website was created in 2012. It's
14 roadsfortexasenergy.com. There's a link to it off
15 of TXDOT.gov. And we have information from the
16 Energy Task Force from 2012 on this website. We
17 also are in the process of uploading some of the
18 newest information that we're discussing this
19 morning as well as these workshops will be included
20 on that website, as well.

21 In 2012, the task force recommended some
22 public education campaigns. And our Traffic
23 Division worked very hard to put some of these
24 campaigns together. It was Stay Alert, Staff Alive
25 and that was released in 2012. And that campaign is

1 still ongoing today in those energy areas to promote
2 safety for our -- our citizens that drive in these
3 areas.

4 Safety is very important, obviously, to
5 the energy sector. We want to take care of the
6 roads and the bridges that we have out there, but we
7 really are trying to enhance safety, as well.

8 This is a graph that shows that when
9 energy sector increases, unfortunately, so do the
10 fatalities in those particular areas of the State.
11 So, again, this is simply not about maintaining and
12 rehabilitating roadways. It's about saving lives,
13 as well. You can see -- when the energy sector
14 dropped off in some of these areas around the State
15 from 2014 to 2015, you can see the number of
16 fatalities tends to dip down. One exception is the
17 Barnett Shale, which is just outside the Fort Worth
18 area to the west. And we believe that the reason
19 why the fatality count has not dipped down there is
20 simply because of the increasing population that's
21 moving to our state to the tune of about 1,000 to
22 1,200 new Texans a day moving in. So obviously the
23 metropolitan area is a growing area, and we believe
24 this is affecting this crash rate that you're
25 seeing.

1 This Commission has invested previously in
2 energy sector activities and in trying to repair our
3 roadways. About \$1.5 billion has been invested in
4 the energy sector in the past several years.
5 Actually, beginning in 2014 and 2015, and even
6 currently, some of the various sources of those
7 funds are listed there before you. And here's what
8 your investment has done. About 900 miles of
9 pavement has been repaired in these energy sector
10 areas, and those may be spots. It may be repairing
11 500 feet here, and then moving down the road 1,000
12 feet and repairing the next spot. We've also added
13 some shoulders, over 200 miles of roadway. We've
14 done some light rehabilitation on over 900 miles of
15 roadway. We've improved some intersections, and
16 we've also widened some of the narrow roadways,
17 again trying to protect those edges of about -- a
18 little over 900 miles of roadway. So significant
19 investment on the part of this Commission in the
20 past. And this has been more reactive. This has
21 been going in as drilling activity had already begin
22 to distress our pavements, and we needed to move in
23 to repair these pavements and take care of some
24 immediate safety needs. This is largely what this
25 \$1.5 billion investment in the past has gone

1 towards.

2 So in this new program of taking a
3 corridor approach and trying to reinforce pavements
4 prior to increased drilling activity, we have worked
5 very closely again with Texas A&M University
6 Transportation Institute as well as our Maintenance
7 Division here at TXDOT and all the TXDOT districts
8 that are involved in energy sector activities. So
9 we've worked very closely in identifying the
10 materials that may be more locally available and
11 working with some industry standards.

12 One of the big challenges that we have had
13 over the years is trying to project how much traffic
14 it will be on some of these corridors. And the
15 reason that's key is because that is a major
16 criteria when we do our pavement design and pavement
17 engineering. It's very difficult to look backwards
18 and try to project forwards on how much traffic we
19 can expect on a particular roadway.

20 But, again, through our research and our
21 experience in the last several years we believe
22 we've got a much better methodology that's been put
23 in place recently that allow us to do a better job
24 of engineering the pavements along these corridors.
25 We also track very closely with the Texas Railroad

1 Commission of the number of well sites that are
2 being permitted through that agency. And we also
3 know roughly how many loaded trucks it takes to --
4 to drill a well and start producing out of that
5 well. The -- the number is about 1,200 loaded
6 trucks per well in order to bring that well to
7 success. And in -- and in to just service that well
8 ongoing, it's about 350 trucks per year. So we're
9 talking about a lot of vehicles on our roadways, lot
10 of large vehicles, lot of heavy vehicles, which is
11 exactly why we've got to monitor distress during --
12 in these energy sector areas especially when there
13 is high drilling activity.

14 We looked very closely at identifying
15 corridors. And we tried to approach this as a -- a
16 citizen in the State of Texas would see it. We did
17 not look at county lines. We did not look at
18 district boundaries. We looked at it as our
19 customers driving down the road, and they may not
20 necessarily know where a county line is or where a
21 district boundary is. And they shouldn't really
22 care, from our perspective. That was our focus in
23 trying to identify corridors in going through
24 various counties and through various TXDOT districts
25 in order to prioritize the corridors that have been

1 identified. And you see some of them listed there,
2 and I'll show you the rest as we get on to our maps.
3 But that's how we focused our efforts is trying to
4 ignore district boundaries and really approach it
5 from a customer perspective.

6 We also looked at a three-year average
7 crash history along these corridors to help us
8 prioritize the routes to make sure we are using the
9 statistics we have available to us to address these
10 fatalities and incapacitating injuries within these
11 energy sector areas.

12 This is a map of the Eagle Ford Shale
13 corridors that have been identified. Obviously this
14 is a large part of South Texas, just south of San
15 Antonio. The black dashed line indicates the rough
16 boundary of the Eagle Ford Shale area. And then the
17 red routes that you see are the priority one
18 corridors that have been identified within these
19 routes. There were -- the yellow routes also
20 indicate corridors of significance; however, our
21 districts are recommending that we prioritize our
22 efforts on these red routes. And you'll see them
23 listed onto the left of the slide.

24 You also see the appropriate districts
25 listed there, as well, for each of the corridors.

1 And obviously, they are going through more than one
2 TXDOT district.

3 And as I said earlier, projects have been
4 identified along each of these corridors and scope
5 of works have been identified as well as estimates.

6 This is the Permian Basin. It's one of
7 the largest energy areas in the State of Texas.
8 Again, the black lines indicates the rough
9 boundaries of that energy area. The red lines,
10 again, are the priority corridors. There's a good
11 number and a lot of miles in the Permian Basin
12 associated with this particular area of our State.
13 And you'll see that reflected in the estimates that
14 I'll show you here shortly.

15 This is the Barnett Shale just west of
16 Fort Worth. Actually dips all the way down and
17 close to the Austin area. Again, you see the
18 priority corridors identified and the districts
19 associated with each of those corridors.

20 The Anadarko is one of the smallest areas
21 in our state that we were focusing on. This is in
22 the northeast corner of our Panhandle with Oklahoma.
23 There's a fair number of needs up in that area of
24 the State. There's one obvious red corridor. It's
25 U.S. 60 that actually goes over to Amarillo.

1 Obviously that's where many of these energy sector
2 companies are coming out of, and they need a way to
3 safely get into the energy sector areas to do what
4 they do best.

5 This is the Haynesville/Bossier out in
6 East Texas, and it is one of the oldest energy
7 sector areas in our State of Texas, dating back to
8 the early 1900s. The majority of the corridors have
9 been strengthened over a period of time because
10 we've had 100 years to kind of practice and get it
11 right. And many of those districts out there have
12 strengthened the pavement over the many decades that
13 this oil field has been in place.

14 But that doesn't mean that there aren't
15 capacity issues and needs out there. It also means
16 that there are some safety needs in East Texas, as
17 well. These corridors that you see listed here,
18 again, came from those respective districts. And we
19 offer them before you today.

20 Here's the bottom line, in the Eagle Ford
21 Shale the priority one corridors total about
22 \$569 million in needs. The Permian Basin being the
23 largest with \$676 million. Barnett Shale was about
24 271 million. The Anadarko Basin was just under
25 \$100 million, and in East Texas just under

1 \$180 million for a total of the priority one
2 corridors being a \$1.8 billion program.

3 And if I mentioned priority one, you're
4 probably obviously asking the question to yourself
5 what about priority two or is there a priority two?
6 Yes, there is. There is a secondary priority list
7 of roadways and needs that have been identified
8 already. And it totals about \$1.25 billion.

9 Here's kind of what you get for this
10 investment in East Texas to be proactive and get out
11 here and address these corridors and provide for
12 some immediate safety enhancements. And again,
13 being proactive and strengthening these pavements
14 ultimately will have a reduced affect on the amount
15 of money that is needed to maintain and continuously
16 repair these corridors. So all total over
17 1,700 miles of corridors are planned to be addressed
18 in this priority one corridor program that we're
19 presenting to you today. And that concludes my
20 slides. And I'd be happy to answer any questions
21 you may have.

22 CHAIRMAN LEWIS: Commissioners? Yes
23 Commissioner Austin.

24 COMMISSIONER AUSTIN: Randy, great
25 work on this. And I really appreciate you

1 referencing the prior work that was done by many
2 members of the public and staff (inaudible) 2012.

3 Couple of questions. As you go through
4 these items that were listed here for each of
5 corridors, were any of these or are any of these in
6 the UTP?

7 MR. HOPMANN: Some --

8 COMMISSIONER AUSTIN: Some.

9 MR. HOPMANN: -- perhaps are. We're
10 always in flight. We're always working on projects.
11 So I'm sure there are some districts that -- I mean,
12 I'm sorry, some projects in these districts that
13 have already been programmed and are currently in
14 the UTP. But you're asking a good question about
15 where does this money come from --

16 COMMISSIONER AUSTIN: That's where --

17 MR. HOPMANN: That's where you're
18 headed. So where does the \$1.8 billion come from to
19 afford this program? That is being proposed in
20 the -- for your consideration in the 2017 UTP that
21 you'll be considering in the coming months. So we
22 have worked within other divisions within TXDOT to
23 make sure we're all on the same page. And they have
24 these program numbers included in that UTP document
25 that is being proposed.

1 COMMISSIONER AUSTIN: Well, you
2 jumped ahead. And I appreciate that. But I want to
3 say I still think we need to add more into that
4 formula to help make sure we fix these energy sector
5 roads, because this has been a hot topic for the
6 last few years. This is also the industry that
7 supports Texas. We need to be ready to protect it.
8 I know especially out in Midland/Odessa I was asking
9 the Chair about a particular road. When I was out
10 there looking at some of those roads, they're
11 dangerous. And what a two-foot shoulder will do to
12 add safety, prevent swerves, compound water and
13 drought, great job in looking at that.

14 Couple more questions. As we go forward
15 in looking at this, can you share with us a little
16 more detail, maybe some maps, show which ones are
17 going to have shoulders, which are going to go to
18 Super 2s, just a little more detail as you get
19 forward?

20 MR. HOPMANN: Certainly. As I said,
21 these projects have been estimated and the scopes of
22 work have been put together. We can actually put
23 some more detailed maps together for you to indicate
24 that, yes, sir.

25 COMMISSIONER AUSTIN: I appreciate

1 that.

2 And last thing, you know, as we talk about
3 energy sector roadway, the Legislature authorized us
4 with a special county grant program of 225 million a
5 couple of years ago.

6 MR. HOPMANN: Yes, sir.

7 COMMISSIONER AUSTIN: Where are we
8 right now? We're about, what, 52, 53 percent of
9 that money being utilized?

10 MR. HOPMANN: A little over
11 55 percent.

12 COMMISSIONER AUSTIN: 55. That's a
13 good number. But it's also very disappointing.
14 Because the counties that needed it and those --
15 here we are almost 2 years after that. And we still
16 have 45 percent that has not been drawn down. We
17 have that money sitting in the bank, and we have
18 places, other counties that have more needs than
19 what they were awarded. Kind of one note that when
20 staff is asked by the Legislature when crafting
21 something like this or even for Sunset, put a time
22 limit on it. If you don't draw it down within two
23 years, then give us the discretion to
24 reauthorization or re-allocate it back to those
25 counties that need it, because we need to get that

1 money out the door. Even though that's county --
2 we're talking about State roads, but we're still
3 administering that program and we just need to put
4 it to use.

5 MR. HOPMANN: Yes, sir. In fact, at
6 the March Commission meeting you asked that we
7 engage our District Engineers to go out and visit
8 with our county judges that are participating in
9 that program. And we have asked for that
10 communication to occur.

11 COMMISSIONER AUSTIN: Thank you.

12 CHAIRMAN LEWIS: Any other questions?
13 Randy, with -- let's see. We do have a comment
14 card, so before we finish, we'll get this comment.
15 Thank you very much, Director.

16 MR. HOPMANN: Yes, sir.

17 CHAIRMAN LEWIS: Bill Stevens, please
18 come forward. After identifying yourself and who
19 you represent, please give us your thoughts.

20 MR. STEVENS: My name is Bill
21 Stevens. I'm a consultant representing today the
22 Texas Alliance of Energy Producers. It's a group of
23 oil and gas producers, about 3,400, who operate
24 literally in every Railroad Commission district and
25 every TXDOT District in the state.

1 And so I'm here today just to provide --
2 Mr. Chairman, Commissioners, Executive Director
3 Bass, to provide an attaboy. Thank you.

4 No. 1, we appreciate the transparency and
5 the briefing on this program by -- by your staff.
6 And Mr. Hopmann gave a good presentation to us
7 earlier this week, as well.

8 We, also, really do appreciate and applaud
9 your recognition of the oil and gas, what it
10 provides in this state, the needs that it has for --
11 for good roads. And -- but also, I want to -- just
12 to put a -- a -- an asterisk on that safety point of
13 what you're doing. We applaud you for that. The
14 Super 2 corridors, the passing lanes, those kind of
15 things just -- anecdotally, just have been going
16 back and forth between Austin and Midland/Odessa.
17 Highway 158 coming out north of San Angelo, which
18 has been a real, real problem. I've been there just
19 recently in the last bit both at peak traffic times
20 and at night driving that, and I know it's greatly
21 improved.

22 But we also want to offer our support to
23 help you in these projections. And that is
24 extremely hard for us as an oil and gas trade
25 association or the industry in general, but we'll

1 certainly try to make ourselves available to look
2 out into the future. Thank goodness, top \$50 for a
3 little while this morning we're glad to see that.
4 And I think activity -- activity is going to be
5 coming back, regardless. Thank you so much. We
6 appreciate and look forward to working with you on
7 it.

8 CHAIRMAN LEWIS: Any questions of
9 Mr. Stevens at this time? Thank you very much, Bill
10 for coming forward.

11 I believe that's the only comment card we
12 have.

13 Director Hopmann, if you please come on
14 back. Any other questions?

15 Let me just join in the voices of the --
16 lauding you for your efforts. Excellent work, and
17 it's been a lot of it. We look forward to working
18 with you in the future on this. Thank you.

19 MR. HOPMANN: Thank you.

20 CHAIRMAN LEWIS: Mr. Bass.

21 MR. BASS: All right. Next we move
22 to Item 4, the appointment to the Port Authority
23 Advisory Committee and Maritime Division. Director
24 Dan Harmon will present.

25 CHAIRMAN LEWIS: All right.

1 Director, you may proceed.

2 MR. HARMON: Thank you, sir.

3 Chairman Lewis, Commissioners, Director Bass, good
4 morning. For the record my name is Dan Harmon,
5 Director of the Maritime Division for TXDOT. This
6 new order is to appoint three members to the Port
7 Authority Advisory Committee. This will be a new
8 appointment for Mr. Chris Fisher from the Port of
9 Beaumont and reappointments from Mr. John LaRue and
10 Mr. Roger Gunther, the Port of Corpus Christi and
11 the Port of Houston respectively. All three
12 appointments meet statutory requirements. Staff
13 recommends approval.

14 CHAIRMAN LEWIS: Are there any
15 questions or comments? Yes, Vice Chair Moseley.

16 COMMISSIONER MOSELEY: Chairman, just
17 to say how much we appreciate these gentlemen
18 stepping forward. They're excellent volunteers and
19 they'll serve very well in this capacity.

20 CHAIRMAN LEWIS: All right. Thank
21 you. With that, do you --

22 COMMISSIONER AUSTIN: Any of the
23 members here?

24 MR. HARMON: No, sir. Mr. Clayton
25 Henderson is here from the Port of Beaumont, but

1 Mr. Fisher was unable to make it.

2 COMMISSIONER AUSTIN: We just want to
3 say thank you for your service and what you're
4 doing. I know we've got a water bill coming up
5 that's going to very important. Thank you.

6 CHAIRMAN LEWIS: Thank you. If there
7 are no other questions or comments Vice Chair
8 Moseley, do you move to appoint the members of the
9 Port Authority Advisory Committee in accordance with
10 the staff recommendation?

11 COMMISSIONER MOSELEY: So moved.

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

14 COMMISSIONER AUSTIN: I'll second
15 Commissioner Bugg. Yes, I will second.

16 CHAIRMAN LEWIS: Okay. Thank you
17 very much. We have a motion and a second. And if
18 there's no further discussion, we'll proceed to a
19 vote. All in favor say aye.

20 (Chorus of "Ayes.")

21 CHAIRMAN LEWIS: Any opposed, no.

22 (No response.)

23 CHAIRMAN LEWIS: Okay. Motion
24 carries. Thank you.

25 MR. BASS: Next we have Item 5, which

1 is the Department's strategic plan. Government
2 Affairs Division Director Jerry Haddican will
3 present.

4 MR. HADDICAN: Thank you,
5 Commissioners and James. I just want to briefly
6 thank you all for both the face-to-face meetings and
7 phone calls over the last month. Some of those
8 phone calls were after hours. In fact, one of them
9 was with Commissioner Austin while he was traveling,
10 so I do appreciate you all making the time to get
11 this done, particularly given the shortened
12 timeframe that we had for the turnaround of the
13 strategic plan.

14 Really, the main part of the plan or the
15 guts of the plan is the operational goals and action
16 plan and the redundancies and impediments, that the
17 portion of the plan that was subject to the 30-page
18 limit. And we -- the legislative leadership and the
19 Governor has really taken a new approach on this
20 where they don't just want you to say what you hope
21 to do but how you're going to get it done by
22 August 31st of 2021. That's a key part of the
23 action plan. They also gave us an opportunity to
24 say what's in your way, what's redundant, how could
25 you be more efficient, are there statutory changes

1 that you would recommend. So that's a good
2 opportunity that took roughly half of our -- of that
3 30-page limit.

4 Scheduling we submitted on May 12th, and
5 it was due the following day. The Legislative
6 Budget Board and the Governor's office is reviewing
7 that. That is currently listed as a draft item
8 until LBB -- unless and until LBB and the Governor's
9 office agree with it. Then it will be rolled into
10 the plan for our final submission. But we will need
11 their approval in order for that to be incorporated.

12 Here's just a quick list of the
13 attachments. Commissioner Austin, I'll note that we
14 did include the DBE plan as an attachment to the
15 Schedule C for the Historically Underutilized
16 Business portion. So thank you for that suggestion.

17 I'll also note that the customer service
18 survey, which I know Bob Kaufman had sent to you
19 all, I guess, about a week ago, that is due at an
20 earlier deadline, which is on Wednesday of next
21 week. So we'll get that in on time.

22 The next steps are that we have until
23 June 24th to complete this plan. And any -- we will
24 be revising one of the schedules to more completely
25 reflect that report. But other than that, I will

1 take any questions.

2 I did want to mention briefly in addition
3 to thanking the Commissioners, James, thank you for
4 your time, particularly on the truncated schedule
5 that we had and the members of your administration
6 for doing that. The other folks in the Department
7 who helped put this together professionally and
8 expeditiously. And I particularly want to thank
9 Tanya Norman, who was the real driving force of
10 getting us to this point, again in an expeditious
11 and professional manner. If you all have any
12 questions I'll be happy to --

13 CHAIRMAN LEWIS: Commissioners?
14 Commissioner Austin.

15 COMMISSIONER AUSTIN: Jerry, thank
16 you for a lot of work. I know we had some very
17 stringent deadlines and pulling everybody together
18 is almost like herding cats. Thank you.

19 Just a couple things. Schedule H, I'm
20 looking at I guess Slide 5, Assessment of Advisory
21 Committees. And I know we've approved two today for
22 the port.

23 MR. HADDICAN: Yes, sir.

24 COMMISSIONER AUSTIN: And we've done
25 some others recently.

1 These advisory committees provide a lot of
2 valuable input on an ongoing basis of grass roots.
3 One in particular, I see Dave Fulton here, Airport
4 Aviation Committee. And I think there's a bunch
5 like the Legislature controls right now the number
6 and the content of that. Would asking in this plan
7 maybe Sunset would allow that authority to be
8 delegated back to the Commission should we want to
9 raise it or what -- what we do?

10 Also, I believe with the Port Advisory --

11 MR. HADDICAN: Yes, sir.

12 COMMISSIONER AUSTIN: -- Jerry,
13 correct me if I'm wrong, isn't that statutorily set
14 by the Legislature, as well? And we'd like to ask
15 that potentially that be delegated back to us since
16 we're overseeing a lot of this, as well. What that
17 would do with the number if -- if we felt the need
18 to -- listening to the participants to increase it
19 maybe by 2, and here's where I'm going, to get up to
20 9 where you have some consistency among the advisory
21 committees. Do we have the right participants and
22 do we need more on that Advisory Commission,
23 especially as we look at the expansion of our ports?
24 And with the Panama Canal opening up, now we're
25 exporting a lot of fuel, a lot more aggregates

1 coming in, a lot more activity. Do we need to make
2 sure we're listening and have everybody there where
3 we can?

4 I know we have 1 seat because of the size
5 that was appointed where Houston has a permanent
6 seat. Just future consideration we're going to have
7 2 other deep water ports of Corpus and
8 Sabine-Neches. Maybe it's worth considering some of
9 that with those authorized deep water ports, make
10 sure we keep them on there.

11 MR. HADDICAN: Yes, sir. I
12 understand what you are suggesting. And Dan and I
13 had a brief conversation -- Dan Harmon, the Director
14 of the Maritime Division, had a brief conversation.
15 But it may be more appropriate if you all -- for
16 this body, if Dan wants to address that.

17 COMMISSIONER AUSTIN: No comment --
18 I'm just sharing a couple thoughts more than
19 anything, unless Dan, you want to talk about it.

20 CHAIRMAN LEWIS: Come on. Come on
21 down, Director, and give your thoughts on that.

22 MR. HARMON: Thank you, sir. For the
23 record, again, Dan Harmon, Director of the Maritime
24 Division.

25 Sir, to me, right now they're statutorily

1 at 7 members. Certainly any opportunity to increase
2 representation we would be -- we would welcome.
3 We -- we are -- we just want to make sure that the
4 composition accurately reflects the -- the -- the --
5 what's the port's -- ports of Texas and how they
6 are, they're kind of arranged. Because we have
7 disparity between shallow draft and deep draft and
8 want to make sure that the small and large ports are
9 both represented, sir.

10 COMMISSIONER AUSTIN: Well said
11 representations.

12 One last comment to Jerry, kind of to
13 both. I know with a lot of our advisory committees
14 right now for the most part we allow them to select
15 a chairman among themselves. And we would like to
16 have this included as part of our strategic plan,
17 but also a Sunset where -- and this may be an
18 internal change where we could appoint the
19 chairperson to make sure they're correctly aligned
20 with the goals and mission of the initiative, not
21 just from the Governor's initiative but ours, as
22 well.

23 MR. HADDICAN: Commissioner, you're
24 correct, it's by Commission rule in almost every
25 situation except for one, the BTAC [sic] Committee

1 where the Commission has by rule delegated and sent
2 to the Advisory Committee. So that would be a rule
3 change should the Commission decide to go that
4 route.

5 COMMISSIONER AUSTIN: And just for
6 clarification BTAC is Board of Trade Advisory
7 Council.

8 MR. HADDICAN: Sorry. Yes, sir.

9 COMMISSIONER AUSTIN: And I think we
10 have one other one, Eric's the rural transit.

11 MR. HADDICAN: The transit, that's
12 set in statute. But I believe the rule governs the
13 selection of the Chair similar to the Port Advisory.

14 COMMISSIONER AUSTIN: Fair enough.

15 CHAIRMAN LEWIS: Any other -- any
16 other questions at this time? If not, Commissioner
17 Austin, do you have a motion?

18 COMMISSIONER AUSTIN: So moved.

19 CHAIRMAN LEWIS: Okay. We have a
20 motion to adopt the 2017 to 2021 strategic plan for
21 submission to the Legislature Budget Board at the
22 Governor's office in accordance with staff's
23 recommendations.

24 Commissioner Austin has moved adoption.
25 Vice Chair Moseley, do you second this motion?

1 COMMISSIONER MOSELEY: Second.

2 CHAIRMAN LEWIS: We have a motion and
3 second. If there's no further decision we'll
4 proceed to a vote. All in favor say aye.

5 (Chorus of "Ayes.")

6 CHAIRMAN LEWIS: Any opposed, no.

7 (No response.)

8 CHAIRMAN LEWIS: Motion's adopted.

9 Thank you.

10 MR. HADDICAN: Thank you, Chairman
11 and Commissioners.

12 MR. BASS: Having previously
13 considered Item 6 and 7, we will now move on to
14 Agenda Item 8, which is the award of aviation grant
15 funding. Aviation Division Director Dave Fulton
16 will present.

17 MR. FULTON: This minute order
18 contains a request for grant funding approval for 4
19 airport improvement projects. Grants are requested
20 by the following cities and county, City of Hondo,
21 Wildlife Hazard Assessment for the South Texas
22 Regional Airport, estimated project cost \$10,900.
23 City of Llano, Runway Taxiway and Apron
24 Rehabilitation Project at the Llano Municipal
25 Airport, estimated project cost \$500,000. City of

1 Nacogdoches project for the design of perimeter
2 fencing at AL Mangrum, Jr., Regional Airport,
3 estimated project cost \$58,750. And the final one
4 is the City of Tulia and Swisher County runway,
5 taxiway and Apron Rehabilitation Project at the
6 Tulia Swisher County Municipal Airport, estimated
7 project cost \$1,483,400. Total -- the total
8 estimated cost of all grants requested is
9 \$2,053,050. That would \$1,847,745 in federal funds,
10 \$205,305 in local funds. All grants requested are
11 included in the Aviation Division's Capital
12 Improvement Program. A public hearing to solicit
13 comments on these grants requests was held on
14 April 27th. No comments were received. Staff
15 recommends approval of this minute order.

16 CHAIRMAN LEWIS: Commissioners?
17 Commissioner Austin?

18 COMMISSIONER AUSTIN: One quick
19 question. Wildlife Hazard Study, does that mean
20 that it's not fenced around or animals are coming
21 over --

22 MR. FULTON: It's basically how to
23 deal with birds. That was the reaction to miracle
24 on the Hudson. NFA is providing some extra money
25 for that. But we're doing some of those type

1 studies to try to -- because of that event. That's
2 basically why it became a priority with FAA.

3 CHAIRMAN LEWIS: Any other questions
4 for Director Fulton? If not, Vice Chair Moseley, do
5 you move to award federal grant funding for airport
6 improvement projects as recommended in the staff's
7 recommendations?

8 COMMISSIONER MOSELEY: So moved.

9 CHAIRMAN LEWIS: Commissioner Austin,
10 do you second?

11 COMMISSIONER AUSTIN: I'll second.

12 CHAIRMAN LEWIS: All right. We have
13 a motion and second. If there's no further
14 discussion, we'll proceed to a vote. All in favor
15 say aye.

16 (Chorus of "Ayes.")

17 CHAIRMAN LEWIS: Any opposed, no.

18 (No response.)

19 CHAIRMAN LEWIS: Motion carries.

20 Thank you.

21 MR. BASS: Next we have Item 9(A)(1)
22 consideration of the final adoption of amendments to
23 Chapter 1 concerning procedures in contested cases.
24 General Counsel Jeff Graham will present.

25 MR. GRAHAM: Good morning, just

1 barely. I'm Jeff Graham, General Counsel. This is
2 the final adoption of amendments to a couple of
3 sections in our TAC, Texas Administrative -- our
4 TAC.

5 Specifically what happened is the
6 Legislature made come changes to the APA,
7 Administrative Procedures Act, related to procedures
8 that go before SOAH, State Office of Administrative
9 Hearing. And as they change the law, we have to
10 change our rules to conform. Going forward this
11 should be not be much of an issue because we have
12 changed our rules to simply say as provided by the
13 statute as opposed to specifically specifying each
14 time what we change. We received no comments, and
15 staff recommends you adopting this minute order.

16 CHAIRMAN LEWIS: Are there any
17 questions of our General Counsel at this time? If
18 not we'll proceed. Received a motion. Is there a
19 motion -- Commissioner Austin motion to approve
20 adoption of amendments to Chapter 1 in accordance
21 with the recommendation?

22 COMMISSIONER AUSTIN: So moved.

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

25 COMMISSIONER MOSELEY: Second.

1 CHAIRMAN LEWIS: We have a motion and
2 a second. All in fair say aye.

3 (Chorus of "Ayes.")

4 CHAIRMAN LEWIS: Any opposed, no.

5 (No response.)

6 CHAIRMAN LEWIS: Motion carries.

7 MR. GRAHAM: Thank you.

8 MR. BASS: Next we have Item 9(A)(2)
9 final adoption of amendments to Chapter 15
10 concerning federal, state and local project
11 participation. Contract Services Section Director
12 Ken Stewart will present.

13 MR. STEWART: Good day. My name is
14 Ken Stewart. I'm from the Contract and Purchasing
15 Division. Department brings four final adoption
16 changes of 43 Texas Administrative Code Chapter 15
17 addressing federal, state and local participation in
18 Highway Improvement Projects. These amendments
19 include language changes to better mirror language
20 in federal requirements and to correct errors from a
21 2014 rule making addressing this chapter. There's
22 five language changes 15.52(a)(1)(i) changes the
23 phrase from "site conditions" change to, "different
24 site conditions" with regards to when the Department
25 will enter into fixed price obligations and those

1 obligations to be changed.

2 The next Section (a)(2)(ii) direct -- uses
3 the term -- replaces the term "need for expeditious
4 project completion" to the "need for accelerated
5 product delivery." Section (c)(2)(iii) changes the
6 phrase, the same, "need for expeditious project
7 completion" to "need for accelerated project
8 delivery."

9 Section 15.52 -- 52 No. 5 makes the same
10 change, "change site conditions" to "differing site
11 conditions."

12 There is three portions of this amendment
13 addressing a prior error. Section 15.52 (6)(a)
14 changes an internal reference from 3(b) to 3(a)(1)
15 regarding local government's fixed price agreements.
16 Section 15.52(6 (b)(ii) provides that when specified
17 percentage agreements are used that the local
18 government's responsible for any cost overruns.
19 This corrects language from 2014 rule making and
20 appropriately allocates the risk of cost overruns to
21 the party that has chosen to use specified
22 percentage funding arrangement and that would
23 generally have the greater ability to manage the
24 project.

25 Section 15.52(6)(c) makes the same

1 revision, but with regards to agreements in which
2 the local government is making incremental payments
3 rather than paying at the time of contract's
4 execution or at construction letting.

5 There is a final language change at
6 Section 15.52(8)(d)(iii), the "need for expeditious
7 project completion" to "need for accelerated project
8 delivery," as in prior sections.

9 There were four comments from the City of
10 Anna, the City of Haslet, Mesquite and the City of
11 Houston. The City of Anna's comment regards project
12 costs that do not address costs, costs by the
13 Department or allow for unseen conditions. And the
14 Department's response is that we disagree that the
15 concerns the City's raising can be addressed by
16 using the fixed price payment method or payment
17 type, which is the standard approach. The specified
18 percentage would be preferred when the local
19 government is managing the project. Again, because
20 they have the ability to manage -- man -- liability
21 would follow control.

22 The city of Haslet's comment, it is
23 pressing about its inability to control or predict
24 cost overruns. The Department also disagrees with
25 this comment. The changes in the rule only address

1 specified percentage, which is the nonstandard
2 payment approach that must be approved by the
3 Executive Director and will be the preferred funding
4 arrangement for projects managed by the local
5 government.

6 The City of Mesquite objected to the
7 requirement to pay cost overruns asserting that the
8 Department prepare the cost estimates and manage the
9 project and local government should only be required
10 to cover the cost increases associated with the
11 change requests that they actually make. They also
12 expressed concern about surprise bills after the
13 project's been completed.

14 Under the standard agreement, which is
15 fixed, where the local government's participation is
16 fixed that would be the normal approach used by the
17 Department when the Department is managing the
18 project. These amendments only apply to the
19 nonstandard payment arrangements that must be
20 approved by the Executive Director. The Department
21 does encourage participation from local governments
22 in the cost estimation process.

23 Final comment is from the City of Houston
24 that raises concerns about unfairly being burdened
25 with costs beyond their control and raises concern

1 that the rules could violate the Texas
2 Constitution's unfunded liability's prohibition or
3 the prohibition on the creation of a debt unless the
4 City diverts money from another source or creates a
5 (inaudible) fund. The City requests added changes
6 that would condition any additional payment on
7 appropriation by the local government's governing
8 board.

9 The Department disagrees with these
10 comments and declines to change the wording of the
11 amendment. Projects that the Department manages
12 will typically use the standard payment arrangement
13 where the local government's costs are fixed, which
14 strictly limits the circumstances when a local
15 government could possibly be asked for additional
16 funds.

17 If the local government does require a
18 specified percentage agreement, which would
19 generally be the circumstances when -- where the
20 City's managing the project, if there is any
21 constitutional concerns those can be addressed in an
22 individual agreement with the local agreement.

23 Staff recommends final adoption. I would
24 be pleased to answer any questions.

25 CHAIRMAN LEWIS: Sir, I believe we do

1 have a question. Commissioner Austin.

2 COMMISSIONER AUSTIN: Let me go -- a
3 couple years ago -- I say a couple years ago. It
4 was when we first put this rule in place. I do know
5 we had some technical corrections. And Chairman, I
6 know you weren't here at the time. Give you a
7 little history, James or Benny or Brian Ragland,
8 this resulted out of a major issue that we found. I
9 know we had a long discussion several times in Audit
10 Committee. We had a tremendous amount, several
11 hundred thousand in receivables. And I'm saying
12 well, why would we have receivables. Well, it's
13 because -- I want to use Judge Stout, who talked to
14 me about this all the time from Gregg County. I
15 asked him how do we doing, and he said there's one
16 thing you could change. Stop coming back to me with
17 roads estimate changed, estimate changed, estimate
18 changed, because the cities and counties have
19 budgetary concerns and they don't include, you know,
20 this extra money.

21 Our rule change at that time went back to
22 say if we're going to -- if we're responsible for
23 bidding it, we're going to go on the record, make
24 sure -- it puts pressure back on us to have a better
25 bid. Let's go back out. If your match is

1 10 percent, here's a dollar amount and that's what
2 it is. And if it's more than that, we have to eat
3 it. And rightly -- I think that's being fair back
4 to them.

5 That also helped eliminate a lot of
6 receivable problems. And Benny or James, I think
7 that was worth seven or \$800,000 or more in
8 receivables. But we started looking at it, because
9 there were overages that we had not been reimbursed
10 on or the districts hadn't collected on it.

11 MR. BASS: Right. And these proposed
12 rules would better align the rules with that
13 original intent from a couple of years ago. As you
14 heard some of the comments, I think maybe it was the
15 City of McKinney talking about getting a surprise
16 bill at the end of the project. That was when the
17 agreement would be based upon a percentage
18 participation. Again, should these rules go all the
19 way through with final adoption, the standard would
20 be a fixed dollar amount. So there would be an
21 initial deposit or progress payments over time and
22 there would be no final percentage-based bill. That
23 should help our local transportation partners
24 tremendously. And we think it also helps us manage
25 the projects more effectively, as well.

1 COMMISSIONER AUSTIN: So I understand
2 that maybe in the -- and I say recently. I'm not
3 going to define. The last couple of years since we
4 put this in place there were still exceptions
5 granted that were coming back with a request for
6 non-fixed but for the percentage based.

7 MR. STEWART: Yes, sir.

8 COMMISSIONER AUSTIN: And we're kind
9 of getting back to where we're going to slow that
10 down and not do it unless it's a very few, but even
11 with those exceptions, I'm looking at Mark, those
12 are just a handful. Right?

13 MR. WILLIAMS: Mark Williams, Deputy
14 Executive Director. Yes, Commissioner. It's a
15 handful. And as was described here with these
16 rules, the specified percentages generally apply for
17 those types of contracts where the local government
18 is involved in doing the work. They're carrying out
19 certain aspects of the work. And the rules are
20 aligning that where, you know, they agree to a
21 certain percentage. But they also bear some of the
22 responsibility if there are going to cost overruns
23 when they're the ones that are delivering the
24 project. And those are primarily the ones that we
25 look at for specified percentages now going forward.

1 COMMISSIONER AUSTIN: And part of
2 that challenge was also we made design -- we may
3 have put together the plans -- while we may have put
4 them together 3 years ago and were letting this year
5 and the costs in some cases may not have been
6 updated or the participation. So this is a real win
7 for the cities and the counties that are doing the
8 construction. They have to do their match.

9 MR. WILLIAMS: Yes, sir.

10 COMMISSIONER AUSTIN: Thank you for
11 that clarification. This is good. Thank you all
12 for cleaning this up.

13 CHAIRMAN LEWIS: Any other questions
14 of Director Stewart, then? Then Commissioner
15 Austin, do you move that we approve adoption of the
16 amendments of Chapter 15 in accordance with the
17 staff recommendation?

18 COMMISSIONER AUSTIN: That was a long
19 motion in my comments a while ago. Yes.

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

22 COMMISSIONER MOSELEY: Second.

23 CHAIRMAN LEWIS: We have a motion and
24 a second. If there is no further discussion, we
25 proceed to a vote. All in favor say aye.

1 (Chorus of "Ayes.")

2 CHAIRMAN LEWIS: Any opposed, no.

3 (No response.)

4 CHAIRMAN LEWIS: It carries. Thank
5 you very much, sir.

6 MR. STEWART: Thank you.

7 MR. BASS: Next we have Item 9(B),
8 proposed adoption of amendments to Chapter 27
9 concerning toll projects. Toll Operations Division
10 Director Rick Nelson will present.

11 MR. NELSON: Thank you, Mr. Bass,
12 Chair, Commissioners. This allows -- the Department
13 has determined there existed opportunities for
14 private entities to provide certain services in
15 support of toll operations at no cost to the
16 Department. And since the Department will not be
17 paying for these services, there really is no need
18 for the standard best value procurement process.
19 The Department envisions an open-ended process where
20 the agencies may select multiple entities over an
21 extended period of time. Some of these contracts
22 may involve entities accepting payments on our toll
23 accounts and also selling TxTAGs, fleet accounts,
24 customer service applications, different methods to
25 pay by applications on the phone.

1 The order of -- or it is requested that
2 the collection service charge needs to be actually
3 approved by the Commission. And that is part of
4 this amendment. I'll be glad to answer any
5 questions for you.

6 CHAIRMAN LEWIS: Yes, Commissioner
7 Austin?

8 COMMISSIONER AUSTIN: And what is the
9 collection charge right now?

10 MR. NELSON: Okay. The proposed fee
11 or customer service fee is \$2 -- is a maximum of \$2.
12 It was done from research we found from 75 cents to
13 about \$3.75. If you think of an ATM customer
14 service fee, they range around the \$2 mark and then
15 getting your electric bills or phone bills paid at
16 some of the grocery chains in Texas, they actually
17 charge like a dollar to do that as a convenience.

18 COMMISSIONER AUSTIN: Interchange
19 fee. This is not changing any of the return item
20 fees or anything like that. This is just a service
21 charge?

22 MR. NELSON: Yes, sir.

23 CHAIRMAN LEWIS: If there are no
24 other questions of Director Nelson at this time we
25 do have a comment card from John Esparza. John,

1 please come forward. After stating your name, who
2 you're here representing, give us your thoughts,
3 please, sir.

4 MR. ESPARZA: Sir, thank you, Mr.
5 Chairman, Members. My name is John Esparza. I'm
6 president of Texas Trucking Association, also here
7 representing Help, Inc. And Help, Inc., I serve on
8 the Board as Vice Chair. They're a nonprofit public
9 private partnership that provides pre-pass
10 clearance, weigh station bypassing to over 550,000
11 trucks across the country representing 32 states.
12 Of that number approximately 148,000 used Help's
13 services for electronic toll payment through the
14 pre-pass plus system and Help being the nation's
15 only P3 established specifically to promote both
16 safety and efficiency in commercial truck
17 transportation. Texas first employed the pre-pass
18 system in here in 2011 and through February of 2016
19 we've invested approximately 1.8 million in
20 deployment and ongoing maintenance and system
21 enhancements. Now the Texas Trucking Association
22 endorses and encourages its members to enroll in
23 this system and the trucks in the pre-pass and
24 pre-pass plus system. So approximately 30,000
25 pre-pass qualified trucks are based in Texas

1 currently, but more than 10 times that number of
2 pre-pass trucks operate in and through the State on
3 a fairly regular basis. We currently provide
4 electronic toll management in the E-Z Pass network
5 in California, Florida and Kansas; we're in the
6 final stages of executing a contract with Oklahoma.
7 The Elite Pass device allows carriers to -- the
8 ability to participate in weigh station bypassing
9 and electronic toll payment on most toll facilities
10 across the country. The convenience of using this
11 single device has allowed dozens of major carriers
12 to remove up to five different tolling transponders
13 from their trucks. And finally the use of these
14 Link Pass device allows both carriers and
15 participating agencies to reduce administrative
16 costs by making it a single source. Our desire is
17 just simply to be a customer of TXTAG, and we
18 understand this will allow us to do that.

19 CHAIRMAN LEWIS: Thank you. Any
20 questions?

21 COMMISSIONER AUSTIN: Thank you for
22 being here. And this also may be for Rick.

23 This really helps us further along our --
24 our ability to comply with Map 21 initiatives. And
25 what that is is the toll -- I know we have a

1 deadline by October for all the states. This is
2 part of Map 21; want to help. And you all are such
3 a vital component and user of the system to where
4 we'll be able to have integration throughout
5 multiple states, and that will also help with
6 collection, as well. I want to say thank you all
7 for your support in working for this.

8 MR. ESPARZA: Absolutely. Thank you
9 guys for all that you're doing.

10 COMMISSIONER AUSTIN: Rick, may be
11 talking to you more about as we look at
12 interoperability and looking at options for better
13 collection and better service.

14 MR. ESPARZA: I do have to offer my
15 gratitude for both Director Bass and Rick. As soon
16 as we brought this -- this question to them and they
17 figured out how -- what our issue was and how we
18 could fix it so that we could move forward in our
19 partnership, so we really appreciate that. Thank
20 you.

21 CHAIRMAN LEWIS: Thank you very much
22 for coming forward. Any other questions for
23 Director Nelson before we proceed? If not, Vice
24 Chair Moseley do you move that we approve the
25 proposed amendments to Chapter 27 in accordance with

1 the staff recommendation?

2 COMMISSIONER MOSELEY: So move,
3 Mr. Chairman.

4 CHAIRMAN LEWIS: Commission Austin,
5 do you second?

6 COMMISSIONER AUSTIN: I second.

7 CHAIRMAN LEWIS: We have a motion and
8 a second. If there's no further discussion we'll
9 proceed on to a vote. All in favor say aye.

10 (Chorus of "Ayes.")

11 CHAIRMAN LEWIS: Any opposed, no.

12 (No response.)

13 CHAIRMAN LEWIS: Motion carries.

14 Thank you, Director.

15 MR. BASS: Next we have Item 10, the
16 Highway Safety Plan. Our Traffic Operations
17 Division Director Carol Rawson will present.

18 MS. RAWSON: Good afternoon. Today I
19 bring forward the 2017 Highway Safety Plan. Highway
20 Safety Plan operates under the Map 21 funding and
21 also our new funding of FAST, the FAST Act. Both
22 Map 21 and the FAST Act require TXDOT to put
23 together the Highway Safety Plan that's before you
24 and, most importantly, the Highway Safety Plan is
25 there to reduce crashes and death and injuries and

1 any type of property most importantly, through
2 education, training and enforcement efforts. So
3 that's what you're going to see as part of the plan.

4 The Highway Safety Plan -- first of all,
5 what we always start with is how do you know what to
6 do or where to solve the problem unless you know
7 what the problem is. Start with analyzing the crash
8 data. In November of last year there was a Request
9 for Proposal that went out to state and local
10 governments and nonprofits to come in that would
11 come in with grants or proposals that looked for
12 solutions to address those problems. We then
13 collected all of those when the proposals came in,
14 scored and evaluated them. We are coming today to
15 you for approval of that funding or that plan. And
16 then following, hopefully with the approval from the
17 Commission, we'll then go forward to the National
18 Highway Traffic Safety Administration for approval.
19 All things to improve safety on Texas roadways.

20 Start off, just walk you through some of
21 the ideas or at least the crash data that we see
22 that's happening out there in our State. We know
23 that last year we had 3,520 -- 531 deaths on Texas
24 roadways. That's one person killed every 2 hours
25 and 29 minutes. A person injured every 2 minutes

1 and 8 seconds, and one reportable crash every 61
2 seconds.

3 I know Commissioner Moseley always talks
4 about what it would be equivalent to. This would be
5 equivalent to 16 737s crashing. So that's more than
6 one plane going down every month.

7 A lot of -- just a lot of fatalities
8 happening out on the Texas highways along with it.

9 We always like to try to address or try to
10 figure what is happening, why is it happening? We
11 know our population is growing in the State of Texas
12 and 1.1 percent increase is what they're telling us
13 from '14 to '15, and we know that's 1,000 new Texans
14 every day. I know here in Austin we just saw an
15 article of 150 new Austinites every day. Got a lot
16 of people.

17 Along with people, our vehicle miles
18 traveled is also going up with an increase of about
19 1.5 percent. That's showing that we've got a lot of
20 people. We have a lot of registered vehicles. Over
21 260,000 more registered vehicles between '14 and '15
22 and almost 1.5 million more licensed drivers. Texas
23 has a lot of people and a lot of thing going on with
24 it.

25 Also, I like to put it into rates so that

1 we can kind of see, because we know we have a lot of
2 growth. You can see our fatality -- overall
3 fatality rate on the right decreased just a little
4 bit with a 1.42, down just a small amount. Our
5 urban went down a small amount. But that rural
6 fatality rate, which we know that's where the
7 majority of our fatalities happen, are rural Texas
8 along with it.

9 A lot of numbers, but the one thing I want
10 to point out that is we know more than how -- what
11 the number is 3,531 fatalities. We know what is
12 happening or where it is or why they are happening
13 with our crashes. This is just outlining those and
14 putting in sequential order that the majority of our
15 fatal and serious injuries are happening in
16 intersections. And surprisingly enough, it's in
17 urban areas. Run off the road, that's a single
18 vehicle run off the road crash. That's time, not
19 a -- somebody that's hitting another car. Of course
20 that's coming in second. Where would that happen?
21 Rural Texas. Lot of small narrow roadways. And
22 driving under the influence. Just to kind of give
23 you -- the data is there to help us to drive us
24 where we need to go.

25 The items that I've outlined here, the

1 intersections, run off the road, speed, head-on,
2 those are engineering solutions. I've got the
3 greatest engineers that work with me at the Texas
4 Department of Transportation, and I know they can
5 engineer a perfect highway. But the bigger piece
6 is, is we have a lot of things that are actually
7 contingent on our drivers. And our drivers is
8 whether it's driving distracted, under the
9 influence, they don't put their seat belt on. And
10 that truly is what the Highway Safety Plan before
11 you today is going to focus on. Like I said, we
12 have an alcohol problem along with it. 1,105
13 individuals are actually killed on Texas roadways.
14 Interesting thing about that is, is that when we
15 looked at the BACs for these individuals, that the
16 average BACs for these -- these individuals that
17 were in these crashes was .168 whenever our legal
18 limit is .008. It's double that portion.
19 Definitely an alcohol problem; 30 percent of our
20 fatalities. We're considered a high risk state.
21 We're No. 5 in the nation whenever we look at our
22 alcohol in comparison to our vehicle miles traveled.
23 Have a lot of pieces of our Highway Safety Plan that
24 focuses on alcohol, and this could be through the
25 training of officers, the training of judges, the

1 training of prosecutors, training of showing them
2 how to do a field sobriety test. A lot of dealing
3 with talking to and educating our public about
4 designating a driver and such. So large piece of
5 the plan before you has alcohol as a true focus.

6 We know that distracted driving is -- is
7 still continuing to be a problem and 476 deaths due
8 to distracted driving. It was an 8 percent increase
9 between 2010 and 2015. And in April we know that
10 we've had -- we had our distracted driving month.
11 Had a lot of public information out there. Over 50
12 of our cities have actually come in with texting
13 while driving ordinances. And we are in support of
14 that and with our STEP grants that are along with
15 it. So this is also addressed within the plan
16 before you.

17 The one that always still amazes me is the
18 seat belt. The seat belt is our easiest thing.
19 It's the one thing that's going to protect us no
20 matter whether you're encountering a drunk driver or
21 distracted driver or anything. But we still had 891
22 deaths in 2015 of individuals that didn't put their
23 seat belt on, which 40 percent of our fatalities is
24 due to this. So the part of it is we know we're
25 kind of the problem. We're trying to break the last

1 piece. We know that passengers lag behind drivers
2 to put their seat belts on. We know that nighttime
3 use is less than daytime use, because people think
4 officers can't see. We know that pickup truck
5 drivers or passengers are less likely than cars --
6 those in cars. And we know that teen drivers and
7 new Texans also cause a problem. All of those
8 things are things that we're going to focus on.

9 Click It or Ticket, we're just in the
10 midst of all that. Click It or Ticket they're all
11 out in force. We've had 68 additional law
12 enhancement agencies that are all out there. We
13 have a 90.47 use rate, which is up from 76 percent
14 in 2002. We know that we've saved from the
15 calculations 4,687 fewer fatalities.

16 Seat belts are amazing things as we get
17 used to it.

18 I want to give a shout out to my
19 Commissioners that came out and helped us on all of
20 this. We've had 13 events statewide. Commissioner
21 Moseley with his umbrella, he was a trooper that
22 stood out there, definitely Chair Lewis,
23 Commissioner Bugg did a wonderful job. And I know
24 all of the support from all over the district.
25 There's 191 law enforcement agencies that all

1 participated in this. This is a true show of how
2 you make the numbers start to move.

3 A lot of great things. Capitol -- we got
4 to go in a lot of wonderful places across Texas, so
5 great campaign.

6 Part of that occupant protection is of
7 course our most precious cargo, and our precious
8 cargo is our children. We know that their use
9 always drags a little bit or is a little bit less
10 than ours with a 87.2 percent in 2015 for our babies
11 being buckled up. We vary. In Brownsville it was
12 74.7. In College Station 94.3. Go Aggies, because
13 they buckle their babies up. Gig'Em Aggies. Part
14 of this plan is we as TXDOT have traffic safety
15 specialists across the State, every single district,
16 every single one of them are car safety technicians
17 that know how to put a car seat in. And not only do
18 they know how to put them in, they do the
19 distribution of car seats. We had a distribution of
20 over 1,700 car seats last year. So all things that
21 are presented within the plan to save our most
22 precious cargo out there.

23 Like I said, you know, I can engineer the
24 best highway, I can educate just about everybody,
25 but there's times that enforcement has to come in.

1 And a large portion of the plan before you is law
2 enforcement. We have over 80 STEP grants. That's
3 Selective Traffic Enforcement Program, which is
4 overtime hours that enables our officers to go out
5 and ticket for speeding, intersection violations,
6 driving while intoxicated, child and safety seat
7 violations and distracted driving in those areas
8 that have ordinances. A large amount of work that
9 undertake this and a good partnership with our law
10 enhancement that's out there. Just from a
11 perspective, last year we issued over 51,000 safety
12 belt citations via our STEPS. We issued over
13 276,000 speed-related citations with STEPS. And we
14 arrested over 6,700 DUIs. All with money that came
15 through with our plan. And certainly, a larger
16 piece of this is not only what the tickets that they
17 issue or the arrests as they made, but the
18 deterrence of knowing that the police is out there
19 along with it. So certainly a great partnership, a
20 good part of you all's plan.

21 Motorcycles, still we're making headway.
22 We're getting there. We had 459 fatalities last
23 year, which is always amazing to me, because
24 motorcycles only represent 2 percent of our vehicle
25 mix but represent almost 13 percent of our

1 fatalities. Fifty-two percent of the ones, the
2 motorcycles that were killed, were not wearing
3 helmets. But we have the highest helmet use in the
4 United States for not having a law. So I think our
5 education is working. We have 6 percent higher
6 helmet use than the national average with 62.5 -- or
7 65.6, which is a showing that with education, have a
8 lot of work and ongoing efforts with our motorcycle
9 community. And a lot of those motorcycle clubs say
10 you can't be in the club unless you use your
11 protective equipment. That's a good piece of this.

12 We have a number of programs that were
13 within the HSP that not only deal with rider
14 education of telling them what to do, alcohol
15 education, but also talking to those motorcyclists
16 or the cars that don't see the motorcycles that run
17 them over.

18 The Share The Road, this year there's a
19 life riding on it. There certainly is. So
20 certainly going to be continuing that along with it.

21 Another one that's a staggering piece is
22 that we had 551 pedestrians killed on roadways.
23 It's astounding when you think about it. That
24 number wasn't -- wasn't part of it. 15 pound --

25 COMMISSIONER AUSTIN: Carol,

1 unfortunately we saw one today here in Austin.

2 MS. RAWSON: Did you really?

3 COMMISSIONER AUSTIN: I-35 north.

4 COMMISSIONER MOSELEY: Pedestrian
5 crossing.

6 COMMISSIONER AUSTIN: Pedestrian
7 crossing.

8 MS. RAWSON: On the Interstate.

9 COMMISSIONER AUSTIN: On the
10 Interstate here in Austin.

11 MS. RAWSON: That's the amazing
12 pieces when you really look at the data. It's not
13 just on city streets. Eighteen percent of our
14 fatalities are on the Interstate. Meaning they're
15 crossing an Interstate Highway where you have to be
16 a sprinter, an Olympic sprinter to get across.
17 Fifty percent of the fatalities are over 45 years of
18 age. So you sometimes think oh, it's kids getting
19 run over, but it isn't. Seventy-five percent of
20 them are at night. And 90 percent of them being on
21 the roadway, meaning that they're not on the
22 shoulder; they're in the lanes of the traffic. And
23 76 percent are not at intersections, which means
24 they're jay walking. It -- it -- it's an
25 interesting problem. But those that -- we have

1 projects that in all of these local areas that we're
2 going to be working on to try to see if we can get
3 that number down along with it.

4 Energy sector. I know Randy came up.
5 We've been working closely with him on presenting
6 numbers of trying to tell you what's happening.
7 Because like we said, rural fatalities are certainly
8 high. We know that our energy areas present a
9 definite challenge along with it.

10 The Permian Basin had a slight decrease,
11 chairs, a little bit. We're hoping for
12 improvements. It was down to, you know, 100 -- 404.
13 Certainly the Barnett Shale, like Randy mentioned,
14 is we've got that urbanized area within there. But
15 we know definitely that there's considerations that
16 have to be in these rural parts of Texas and
17 especially with the energy areas coming along with
18 it.

19 We're going to continue in the plan with
20 our Be Safe, Drive Smart. We know that there's a
21 lot of things that can be done just through driver
22 education and then certainly utilizing our STEP
23 grants with our law enhancement to help us to -- to
24 get some of the speeds down and some of the
25 distractions that are going along with it.

1 So in conclusion, the plan that's before
2 you is for funding of 107.6 million. It's 347
3 grants that have come in of which 49.7 million is
4 actually the NHTSA funds that are coming through the
5 FAST and the Map Act. We have 5.3 million coming
6 through state dollars to help support the program
7 and then a Yoeman's (phonetic) piece of local match,
8 which means that there's a lot of support for the
9 program with 56 or 52.6 million.

10 I believe the staff recommends approval
11 for the -- approval of the plan and we will move
12 forward to get that to NHTSA.

13 CHAIRMAN LEWIS: Any questions? Yes,
14 Commissioner Austin.

15 COMMISSIONER AUSTIN: Carol, thank
16 you for a great plan. I know it's sombering to see
17 some of the statistics each year. The one -- I am
18 sorry I didn't participate. I was in D.C. when it
19 came through East Texas for Click It or Ticket. I
20 love seeing Commissioner Moseley hold his umbrella.

21 A couple things. I was asked recently how
22 do -- how does a citizen go about asking -- seeing
23 an intersection having rumble strips put up, you
24 know, maybe it could help bring recognition to some
25 of these dangerous intersections. What would be the

1 process for the public to say, hey, we need more
2 help to help everybody slow down or at a certain
3 intersection, what is the processes, how do we pay
4 for that, does that go back to the districts --

5 MS. RAWSON: The first place to be is
6 always go where the boots are on the ground. I
7 would work through the district. If you have an
8 intersection that's having a problem I think the
9 first thing you've got to do is go out and look at
10 it, because there's a lot of things that are not
11 million-dollar problems. A lot of it's striping. A
12 lot of it could be the signing that's out there is a
13 part of it along with it. Sometimes you see
14 improvements. We know small changes can make big
15 improvements out there starting with the district.
16 If it's a complicated intersection, I've got a whole
17 team of people that love to go out and look. I have
18 a stripe team. We, as Traffic Operation,s coming in
19 that we have the expertise in a lot of different
20 areas. We'll also do that along part of it, too.
21 Some of it, construction could be, if it's an
22 overall larger project. And some of these things,
23 because they're small dollar, can be handled through
24 maintenance.

25 COMMISSIONER AUSTIN: Couple other

1 things, as part of this program do you also
2 administer the Turn Around Don't Drown or is that
3 just part of --

4 MS. RAWSON: The Turn Around Don't
5 Drown comes from the National Weather Services.

6 COMMISSIONER AUSTIN: Okay.

7 MS. RAWSON: Now, we support it,
8 because we have our large DMS ports that are all
9 over that will support the program as part of safety
10 messaging. When our State Emergency Operations ask
11 us to put up those messages, those messages are
12 going out certainly when there's any high --

13 COMMISSIONER AUSTIN: Tying into your
14 comments, Commissioner Moseley, about the Houston
15 area with the floods.

16 MS. RAWSON: Yes.

17 COMMISSIONER AUSTIN: While I was in
18 D.C. members of the Houston delegation were asking
19 TXDOT what are you going to do to help. We can put
20 up barriers. Sometimes you can't prevent stupidity.

21 MS. RAWSON: That's right.

22 COMMISSIONER AUSTIN: Are there
23 opportunities for us to put up working with Water
24 Development Board, for example, the gauges or
25 solar-powered monitors or something to put up or

1 using matching grants to put up some other safety
2 devices where we know the areas are prone to
3 flooding?

4 MS. RAWSON: That's part of our IT,
5 our Intelligent Transportation or Traffic Management
6 Systems have a lot of opportunities for technology.
7 I know in the Houston area we're looking not only
8 for the gauges but the gates. We've been working
9 with the district with Quincy Allen. I'm trying to
10 come up with some safety improvements.

11 COMMISSIONER AUSTIN: My final
12 comment, I know we just had -- I think Governor
13 Patrick's office inquired about putting up more left
14 lane is for passing only signs. We spent -- we put
15 up 3,000 signs, what, about two, three years ago?

16 MS. RAWSON: Yes.

17 COMMISSIONER AUSTIN: As I'm
18 traveling around the State, I've noticed it doesn't
19 seem to be working. I know when you get traffic at
20 parks -- we DPS -- thankful for DPS being here
21 today. But I would encourage DPS to really enforce
22 those rules, to keep the slow drivers -- keep them
23 from passing where they just park there and hold up
24 traffic because stop, go, stop, go does create a
25 problem. And that was -- I'm glad Governor Patrick

1 was asking those questions.

2 MS. RAWSON: We put some information
3 together for Governor Patrick on some stuff on
4 actual pavement markings and some signing that could
5 go along with and possibly some public information
6 that can go out.

7 CHAIRMAN LEWIS: Any other
8 questions -- any other questions of Director Rawson?
9 At this time we have a comment card. We'll bring it
10 back. Vice-Chair Moseley?

11 COMMISSIONER MOSELEY: I wanted to
12 say thank you, Carol, for the presentation. This is
13 Part A. And then next month we look forward to
14 coming back and talking a little more about some
15 recommendations that will amplify what she's laid
16 out today -- but, yeah, we're -- we're so pleased
17 that we've got the federal match money to help us on
18 the awareness campaign and the driver behavior end
19 of it. So we'll talk a little bit more about that
20 next month and then also some of the engineering
21 opportunities for safety.

22 CHAIRMAN LEWIS: Thank you very much.
23 Then if you'll kind of stay with us, Director, we'll
24 be back with you. We have a comment card from
25 Michael Allik (phonetic). Sir, if you'll please

1 come forward, state your name, who you're here
2 representing, if any organization, and give us the
3 benefit of your thoughts.

4 MR. ALLIK: Thank you, Chairman
5 Lewis, Commission Members, Mr. Bass. I'm Michael
6 Allik. I'm representing myself. I'm a transport --
7 and I'm speaking in favor of safety. And as Carol
8 told me, I'd be preaching to the choir because I
9 know TXDOT has a very extensive program for safety.
10 I've been a transportation planner in the area for
11 quite a while. When I got here Austin Metropolitan
12 Area was 600,000 people and today it's over
13 2 million. And I was the Director of CAMPO with the
14 Austin area MPO for 15 years. So I've been thinking
15 about transportation mobility for a long time. One
16 of the reasons I came here was something that I saw
17 when I was driving from Austin to College Station
18 and back. And I'm neither a U.T. graduate or A&M so
19 I'm neutral in terms of that.

20 But I was doing a field check on that
21 road, and I want to talk about that later. Three
22 things I want to do is I want to support adoption of
23 the Highway Safety Plan. Two, I want to discuss
24 human behavior as the main safety problem. And
25 three, I want to endorse the public education

1 technique I saw on that trip to College Station.
2 Four points.

3 As transportation planners we try to
4 improve mobility and safety, and that costs a lot of
5 money, as you know from your adoption of the UTP.
6 But I think crashes are just as costly in terms of
7 fatalities, injuries, property damage and
8 congestion.

9 The second thing is human error accounts
10 for most of the crashes on our highways. And Carol
11 instructed me not to say accidents anymore, say
12 crashes, which I think is good. There is a public
13 discussion going on right now about that issue.
14 Accidents suggests nothing can be prevented.
15 Crashes indicate that they can.

16 She gave a lot of statistics about the --
17 the cost of -- in lives and injuries.

18 Third statement I want to make is as a
19 transportation planner, I'm an economics major at
20 Rice University, so I look at this a little bit
21 differently in terms of cost effectiveness. And
22 roadway system is the only forms of infrastructure
23 that you have so many individual operators work --
24 driving on that system whereas one person makes a
25 mistake, vehicle breaks down, it can cause failure

1 in the whole system. That's not true of any other
2 infrastructure, water, wastewater, electric or
3 telecommunication systems. So, therefore, as you
4 know, our roadway systems are very fragile and
5 susceptible to failure due to the actions of one
6 individual. And safety is a very serious thing.
7 You know, I think about the term herding cats, or I
8 was watching T.V. some time ago and the discussion
9 was how advanced our civilization is. And the other
10 person said, "Nonsense, we're just monkeys with car
11 keys." So that's one of any transportation policies
12 I got from television, and I think it's true. We're
13 all out there trying to find mobility.

14 The final thing I want to do is a
15 recommendation. On that -- on that trip I was
16 coming back on 290 approaching Elgin from the --
17 from the east, a little tired, round trip to College
18 Station and back when I saw a sign on the right, a
19 TXDOT placed, portable electric sign that said,
20 "Fatality occurred here. Drive safely." And I
21 thought, man, that is really effective
22 communication. I know you have a lot of
23 communications, fatalities and everything that Carol
24 mentioned. But to me that was really effective,
25 because that was site-specific, you know, just like

1 a bridge ice sign or a curve warning or a
2 construction zone. And you know, as I told Carol --
3 I told her I was kind of tired but that really woke
4 me up. That was something that indicated right
5 there, there had been a problem. So I would like to
6 endorse that technique. I don't know if it's
7 statewide or just in the Austin District, but I
8 wanted to endorse that. Of course that
9 communication has to be done sensitively, because
10 we're talking about fatalities. And we don't want
11 to -- to do any damage to the remembrance of those
12 individuals.

13 Anyway, I just think that safety measures
14 may be one of the most cost effective things we can
15 do to improve mobility in our -- in our systems. So
16 I just want to make those comments and thank you
17 very much.

18 CHAIRMAN LEWIS: Thank you.
19 Questions? If not, thank you very much, sir, for
20 coming forward.

21 Director Rawson, if you would come back.
22 Any question for Director Rawson?

23 You might say this, I'm certainly -- a
24 couple of things in particular by watching you work
25 and Vice Chair Moseley work on this for so long.

1 And one is that I had the perception, well, it's
2 human behavior, there's not much we can do, you
3 know, just kind of what is going to happen is going
4 to happen. And I've learned that that's not true.
5 There are things that can be done to deal with human
6 nature in a good -- in a way that can prevent some
7 of these fatalities and these serious consequences
8 that come from those crashes.

9 The other thing I learned is sort of how
10 good people can be. Watching you and Vice Chair
11 Moseley work on this, that it's all -- it's not
12 numbers to a page, and gee, we can do a performance
13 measure and do this and that. It's people, it's
14 families, it's tragedies to families, and we can
15 make it better. We don't have to accept the status
16 quo. We can be better. That's pretty uplifting, to
17 see what this Department and this Commission are
18 capable of with the people that we have.

19 So I learned some things. And thank you
20 for that. If there's nothing further and we're
21 ready to proceed to vote, Vice Chair Moseley, do you
22 have a motion to approve the 2017 Highway Safety
23 Plan according to staff recommendations?

24 COMMISSIONER MOSELEY: I'll gladly
25 move to approve.

1 CHAIRMAN LEWIS: Commissioner Austin,
2 do you second?

3 COMMISSIONER AUSTIN: I'll second his
4 motion.

5 CHAIRMAN LEWIS: All right. Thank
6 you. I have a motion and a second. If there's no
7 discussion, we'll proceed to a vote. All in favor
8 say aye.

9 (Chorus of "Ayes.")

10 CHAIRMAN LEWIS: Any opposed, no.

11 (No response.)

12 CHAIRMAN LEWIS: Thank you.

13 MR. BASS: Having previously
14 considered Item 11, we'll now move on to Item 12,
15 motion for rehearing regarding TXDOT versus Whalen's
16 Furniture, Incorporated. And Assistant General
17 Counsel Rich O'Connell will present.

18 MR. O'CONNELL: Commissioners, this
19 item is an administrative enforcement case begun by
20 TX-DOT's Right-Of-Way Division concerning outdoor
21 advertising. In July 2013 TXDOT staff inspected the
22 site of a permitted sign located on State Highway 83
23 in Cameron County near Harlingen. Staff documented
24 that the sign soon had been removed and accordingly
25 gave notice to the sign owner that the sign permit

1 was canceled. The owner objected and requested a
2 contested case hearing.

3 On February 25th, 2016, you, the
4 Commission heard this case, reviewed the proposed
5 order prepared by an Administrative Law Judge. The
6 Commission adopted and ALJ's proposed findings of
7 fact and conclusions of law and issued an order
8 canceling the permit. Since then the owner has now
9 filed a motion for rehearing. The owner again makes
10 the arguments he submitted to the ALJ. The general
11 counsel recommends you continue to adopt the
12 recommendations of the ALJ, which are that based on
13 the testimony at the hearing he agreed that TXDOT
14 staff reasonably concluded that the sign had been
15 removed.

16 I would note that TXDOT staff through the
17 Office of the Attorney General asks you to deny the
18 motion for rehearing. The General Counsel's
19 Division recommends you deny the motion for
20 rehearing.

21 CHAIRMAN LEWIS: Any questions of
22 Mr. O'Connell at this time? Thank you, sir. We do
23 not have any comment cards, do we? Okay. There are
24 no requests for anyone to make any statements.
25 Therefore, Vice Chair Moseley, do you move that we

1 deny the motion for rehearing and that is in
2 accordance with the counsel's recommendation?

3 COMMISSIONER MOSELEY: So moved.

4 CHAIRMAN LEWIS: All right. And
5 Commissioner Austin, do you second?

6 COMMISSIONER AUSTIN: Second.

7 CHAIRMAN LEWIS: We have a motion and
8 second to deny the motion for rehearing. If there's
9 no discussion we'll proceed to vote. All in favor
10 say aye.

11 (Chorus of "Ayes.")

12 CHAIRMAN LEWIS: Any opposed, no.

13 (No response.)

14 CHAIRMAN LEWIS: The motion carries.

15 MR. BASS: Next we have Item 13,
16 establishment of toll rates in accordance with the
17 Regional Transportation Council Policy. Toll
18 Operations Division Director Rick Nelson will
19 present.

20 MR. NELSON: Good morning again,
21 Chair, Commissioners, Mr. Bass. This is a motion to
22 adopt toll rates in the I-65 east express lane
23 project, which includes one concurrent toll lane in
24 each direction from Interstate 635 from East U.S. 75
25 on I-30. This project is an all electric -- all

1 electronic toll project and managed lanes. And I
2 believe there's a map where you can see where it is.
3 Any questions?

4 CHAIRMAN LEWIS: Any questions to
5 Director Nelson on this matter?

6 COMMISSIONER AUSTIN: No, sir.

7 CHAIRMAN LEWIS: If not, Commissioner
8 Austin, do you move that we establish the toll rates
9 for I-635 east express lanes project in accordance
10 with staff recommendations?

11 COMMISSIONER AUSTIN: So moved.

12 CHAIRMAN LEWIS: And Vice Chair
13 Moseley, do you second?

14 COMMISSIONER MOSELEY: Second.

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

18 (Chorus of "Ayes.")

19 CHAIRMAN LEWIS: Any opposed, no.

20 (No response.)

21 CHAIRMAN LEWIS: It carries.

22 MR. BASS: Next we have Item 14A,
23 which consists of the awarding of maintenance in
24 Department building construction contracts.
25 Director of Construction Tracy Cain will present.

1 MR. CAIN: Good afternoon. First
2 item, Item 14A is for the consideration of the award
3 or rejection of highway maintenance contracts that
4 were let May 3rd and May 4th of this month. We
5 present a total of 11 projects for which we received
6 39 bids, giving us an overall average number of 3.55
7 bids per project, which is -- which is important,
8 because we think we get better prices when we've got
9 more bidders. We've been tracking that, and it's a
10 little bit down from previous months but holding
11 fairly steady.

12 Another interesting thing that we look at
13 with those bids is how many projects we had two or
14 less bidders on. And for those maintenance
15 contracts, we had only two projects that had two or
16 less bidders. So that's a good thing.

17 Low bid value of all of these maintenance
18 projects were a little over \$30 million and had an
19 overall underrun of 24 percent, which is a little
20 deceptive, because most of that is on one of those
21 projects.

22 Staff recommends award of all of these
23 maintenance projects.

24 CHAIRMAN LEWIS: Any questions of
25 Director Cain at this time? If not, Commissioner

1 Austin, do you move to award the highway maintenance
2 and contracts and I guess Department building
3 construction contracts as that is also an item, as
4 listed in Exhibit A to the minute order in
5 accordance with staff recommendations?

6 COMMISSIONER AUSTIN: So moved.

7 CHAIRMAN LEWIS: Vice Chair Moseley,
8 do you second?

9 COMMISSIONER MOSELEY: Second.

10 CHAIRMAN LEWIS: We have a motion and
11 second. If there's no further discussion, we'll
12 proceed to a vote. All in favor say aye.

13 (Chorus of "Ayes.")

14 CHAIRMAN LEWIS: Any opposed, no.

15 (No response.)

16 CHAIRMAN LEWIS: The motion carries.

17 MR. BASS: Please proceed with Item
18 14B.

19 MR. CAIN: Okay. Item 14B is for
20 consideration of award or rejection of the
21 construction contracts in that same letting, May 3rd
22 and May 4th. We present 61 projects for which we
23 received a total of 266 bids giving us an overall
24 average of 4.36, which is a downward trend slightly
25 from previous months but holding pretty close,

1 pretty healthy bids. The number of projects --
2 construction projects that we got two or less bids
3 on was actually a little bit high. It was 19 of
4 those projects had two or less, which is a little
5 bit concerning. We're watching that. Typically
6 that would result in maybe higher bids. The total
7 value of those bids was \$183 million, which was a
8 little bit of a low letting for us. Had an overall
9 underrun of 2.26 percent. Staff recommends award of
10 all of these projects with the exception of one in
11 the Houston District, Project STP 1602077. And
12 staff recommends this project be rejected. It
13 overran by 15 percent. The District feels like they
14 would like the opportunity to redesign and relet
15 that at a later date.

16 So we concur with that. And, therefore,
17 we recommend that this project be rejected and relet
18 at a later date and award of all others.

19 CHAIRMAN LEWIS: Any questions for
20 Director Cain at this time on this part? If not,
21 then Commissioner Austin, do you move that we award
22 the highway and construction enhancement building
23 construction contracts as listed in Exhibit A of the
24 minute order, except for the -- and -- as
25 recommended we except from the STP, what, 1602077?

1 MR. CAIN: Yes, sir.

2 CHAIRMAN LEWIS: Except for that one,
3 we award the other construction contracts and reject
4 that one in accordance with staff recommendations.

5 COMMISSIONER AUSTIN: So moved.

6 CHAIRMAN LEWIS: Vice Chair Moseley?

7 COMMISSIONER MOSELEY: Second.

8 CHAIRMAN LEWIS: We have a motion and
9 a second. If there's no discussion, we'll proceed
10 to a vote. All in favor say aye.

11 (Chorus of "Ayes.")

12 CHAIRMAN LEWIS: Any opposed, no.

13 (No response.)

14 CHAIRMAN LEWIS: It carries. Thank
15 you.

16 MR. BASS: Next we have Item 15, the
17 eminent domain proceedings. Director of
18 Right-of-Way Gus Cannon will present.

19 MR. CANNON: Director Bass, Chairman
20 Lewis, Commissioners, I'm presenting Item 15, which
21 authorizes the filing of condemnation proceedings
22 necessary to progress the acquisition of 46 parcels
23 by exercise of eminent domain. Eleven of the
24 parcels are noncontrolled and 35 are controlled.
25 Staff recommends your approval of the minute order.

1 CHAIRMAN LEWIS: Thank you. Any
2 questions of Director Cannon at this time? If not
3 then I'd request -- see if there's a motion from
4 Vice Chair Moseley.

5 COMMISSIONER MOSELEY: Chairman, I
6 have a motion for eminent domain. I move that Texas
7 Transportation Commission authorize the Texas
8 Department of Transportation to use the power of
9 eminent domain to acquire the properties described
10 in the minute order set forth in the agenda for the
11 current month for construction, reconstruction,
12 maintenance, widening, straightening or extending
13 the highway facilities listed in the minute order as
14 a part of the State Highway System and that the
15 first record vote applies to all units of property
16 to be condemned.

17 CHAIRMAN LEWIS: Vice Chair Moseley
18 has moved to authorize the condemnation as set forth
19 in his motion. And Commissioner Austin, do you
20 second.

21 COMMISSIONER AUSTIN: I second.

22 CHAIRMAN LEWIS: We have a motion and
23 second. If there's no discussion we'll proceed to a
24 vote. 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 MR. BASS: Next we have --

6 CHAIRMAN LEWIS: Is the next one
7 yours?

8 MR. BASS: Yes.

9 Next we have Item 16 which I will present.
10 Approval of this item would allow for a request made
11 to the Legislature Budget Board and Governor's
12 office that would allow the Department to
13 temporarily operate above our FTE allotment found in
14 the General Appropriations Act. Staff recommends
15 your approval.

16 CHAIRMAN LEWIS: Any questions of
17 Executive Director Bass at this time on this matter?
18 If not, Commissioner Austin, do you move that we
19 approve the request to be made to the Governor's
20 office and the Legislative Budget Board in
21 accordance with staff recommendations?

22 COMMISSIONER AUSTIN: So moved.

23 CHAIRMAN LEWIS: And Vice Chair
24 Moseley, do you second?

25 COMMISSIONER MOSELEY: Second.

1 CHAIRMAN LEWIS: We have a motion and
2 second. If there's no discussion, we'll proceed to
3 a vote. 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 MR. BASS: Next we have Item 17,
9 which contains the routine minute orders including
10 donations to the Department, real estate donations
11 and dispositions, reports, highway designations,
12 access control and speed zones. Staff recommends
13 your approval.

14 CHAIRMAN LEWIS: Commissioner Austin,
15 do you move that we approve the routine minute
16 orders in accordance with staff recommendations?

17 COMMISSIONER AUSTIN: So moved.

18 CHAIRMAN LEWIS: Vice Chair Moseley,
19 do you second?

20 COMMISSIONER MOSELEY: Second.

21 CHAIRMAN LEWIS: We have a motion and
22 second. If there's no further discussion, we'll
23 proceed to a vote. All in favor, say aye.

24 (Chorus of "Ayes.")

25 CHAIRMAN LEWIS: Any opposed, no.

1 (No response.)

2 CHAIRMAN LEWIS: Motion carries.

3 Thank you.

4 Let's see. We have an Executive Session
5 item. We also have some open comments.

6 COMMISSIONER MOSELEY: How many
7 people do we have, Chairman? Like another half an
8 hour?

9 CHAIRMAN LEWIS: I would think about
10 a half hour. Looks like about 10 maybe, 8 or 10.
11 Do you need to take a break?

12 COMMISSIONER MOSELEY: Well, if it's
13 another half an hour, we might take a recess.

14 CHAIRMAN LEWIS: We'll take a
15 10-minute break.

16 COMMISSIONER AUSTIN: Five.

17 COMMISSIONER MOSELEY: Five minutes.

18 CHAIRMAN LEWIS: We'll be in recess
19 for five minutes, and then we'll take up these open
20 comments. Then we'll go into Executive Session.
21 We're in recess for five minutes.

22 (Off the record 12:36 to 12:42)

23 CHAIRMAN LEWIS: As I've mentioned,
24 we do have one more item on the agenda, and that's
25 the Executive Session. However, we've a lot of

1 people have been patient with us while we've taken
2 up our agenda items and do wish to make open
3 comments to us during open comment session. So what
4 we're going to do is we're going to take open
5 comments now. Then we'll go into Executive Session
6 and come back and finish our meeting after that.

7 So let's begin. We have -- and I want to
8 remind everybody there cannot be any comments from
9 the Commissioners about any of these comments. So
10 we can't reply or say anything. It's just we can
11 receive your comments. We'll start with Sandra
12 Nobles.

13 MS. NOBLES: Good afternoon. My name
14 is Sandra Nobles, and I am here representing my
15 family in opposition to the construction of the
16 State Highway 249 toll road through Grimes County.
17 Notice of a public hearing on this matter appeared
18 in this week's edition of our local newspaper. In
19 looking at the map of the proposed route, I find it
20 puzzling that only when it reaches the property
21 owners involved on County Road 307 are there still
22 two routes shown. I was under the impression that
23 only one route would be made available at the public
24 meeting. What's the purpose of this, to create
25 neighbor against neighbor?

1 I'm against toll roads in general.
2 However, if TXDOT continues with plans to construct
3 this toll road, then I am asking for your support in
4 selecting the yellow route as it is the least
5 detrimental to the permanent residents on County
6 Road 307. I would also like to read a letter from
7 my neighbor Belinda Jensen, a resident on County
8 Road 304. "I am of a voter, property owner,
9 resident and taxpayer in Grimes County, Texas. Over
10 the past five years my family has been living in
11 fear of losing either all or part of our home and
12 property due to the proposed route of the 249 toll
13 road. Apparently, a group of TXDOT bureaucrats
14 decided to exploit eminent domain laws and proceed
15 with plans for a toll road. I travel from my home
16 in Stoneham to College Station daily and have driven
17 to Tomball or The Woodlands at least once a week at
18 various times using a variety of routes. Over the
19 last 17 years I have never experienced congestion,
20 even during Renaissance Festival times and Texas A&M
21 football game weekends. There is no need for relief
22 of congestion. And accident occurrence data used by
23 TXDOT to support the project would justify
24 improvements on the existing roads rather than
25 building a brand-new alternative that would be

1 exclusively available to those drivers who are
2 willing to pay for safety and convenience. The
3 current political climate that is questioning the
4 wisdom and fiscal responsibility of the toll roads
5 gives hope to those of us who have been victims of
6 the abuse of power that I described above.

7 It is my hope, along with the majority of
8 residents in this beautiful county, that the toll
9 road project will be completely eliminated from
10 TX-DOT's agenda and those funds will instead be
11 directed towards improving the condition and safety
12 of existing roads, namely FM 1774 between Todd
13 Mission and Plantersville and State Highway 105
14 between Plantersville and Navasota. Eminent domain
15 was never intended to facilitate projects that will
16 bring so little benefit to so few at such great
17 sacrifice to many.

18 As your Department makes decisions
19 regarding the future of toll roads, I would ask you
20 to support safety improvements on those roads that
21 are already in use instead of committing speculated
22 funds towards new roads that may never pay for
23 themselves and will certainly not benefit the
24 majority of travelers.

25 Thank you for your serious consideration.

1 Sincerely, Melinda Jensen."

2 CHAIRMAN LEWIS: Thank you, ma'am.

3 Next, let's see, Rick Wine -- Winecoff.

4 If you'll come forward. Please correct my

5 pronunciation of your name.

6 MS. WINECOFF: It's Rickey Winecoff.

7 CHAIRMAN LEWIS: I'm sorry.

8 MS. WINECOFF: That's okay. My
9 name's Rickey Winecoff. I'm a resident of Grimes
10 County, and I'm here in opposition of State Highway
11 249 toll road. I may ramble. This makes me
12 nervous.

13 CHAIRMAN LEWIS: Let me remind
14 you, you have three minutes. I'll tell you when
15 your three minutes are up.

16 MS. WINECOFF: All right. But,
17 again, like the other residents in the area, the
18 proposed road -- we've all suffered years of
19 distress while we've been bombarded with conflicting
20 information from TXDOT regarding the various routes.
21 According to the new information the path is no --
22 no longer crosses my property, but will be in a
23 distance that will allow me to hear the traffic and
24 see the lights.

25 A lifetime of working, dreaming, of

1 achieving a rural lifestyle is going to be stolen
2 away. It's an investment of money and a whole lot
3 of hard work and is reduced in value because of a
4 decision to build a road that's not needed. And so
5 I'll just ad lib here that, No. 1, the whole process
6 of eminent domain is not fair. And the way that
7 TXDOT approaches this in the community -- for years
8 we've had this information thrown at us through so
9 many different avenues. The meetings from TXDOT
10 locally to where half the meeting gave us
11 information on how to find an exit in a fire, but
12 they could not give us any information on the road.
13 There were residents who spent hours, months, years
14 gathering information that they provided regarding
15 the safety issues of using 1774 and using 105. And
16 yet we never see any of this information brought
17 forward. We simply hear this -- this statement,
18 "It's a safety issue."

19 Personally, I'm opposed to toll roads in
20 the State of Texas. I feel there is many issues
21 about our transportation in Texas. So I'll just end
22 it here -- well, I lost my page.

23 So I ended with there's not time to go
24 into the detail about the many aspects of how
25 transportation needs in Texas are not being met, how

1 TXDOT has a responsibility first to the citizens.
2 Transparency, truth is a necessity to work with
3 communities, law makers to ensure that it's achieved
4 in a way that's effective and financially viable.
5 If all the facts were weighed, the SH 249 extension
6 in Grimes County does not meet this need.

7 CHAIRMAN LEWIS: Thank you. Ma'am?
8 Amy Nobles.

9 MS. NOBLES: Good afternoon. My name
10 is Amy Nobles, and I am speaking, on my -- behalf of
11 myself.

12 I just -- we have a blown-up section of
13 the map. I don't know if you all were looking at
14 that earlier, the big portion. But just so you can
15 see what we're talking about, our section is
16 highlighted here in the black.

17 I guess after all this time I was hoping
18 that we would be somewhere beside where we started
19 in June of 2015. We have talked with you in detail
20 about the portion of County Road 307. We discovered
21 lost cemeteries, pointed out unknown watershed areas
22 with springs, creeks, discussed our concerns with
23 road crossings, noise, trespass, safety and many
24 other (inaudible) points. We presented stakeholder
25 documents with critical parcel-specific data and

1 route preference statements. Yet the only constant
2 in all the routes reviewed and considered is the
3 Nobles family that is affected by every route. It
4 was my belief that you would have taken this
5 additional information into consideration, and in
6 some instances you did. But here we are with a
7 public meeting scheduled for June 30th with
8 essentially the same two routes that we had in June
9 of 2015 and presented in August 2015 when
10 Mr. Zapalac pointed out the only reason not to
11 select the black, which is now a yellow route, was
12 one adamantly opposed property owner. Over the last
13 year each affected property owner has been contacted
14 multiple times and has had the opportunity on many
15 different occasions to meet with you, express their
16 concerns and highlight the issues they have with the
17 road. We need you to look at the map and consider
18 the sacrifices required with each route. Shared
19 sacrifice is defined as sharing the surrender or
20 destruction of something prized or desirable for the
21 sake of something considered as having a higher or
22 more pressing claim. Look at the properties that
23 are being split and take into account shared
24 sacrifice. The yellow route is the only route that
25 mitigates everyone's damages. It runs along

1 property lines, it does not cross the county road.
2 And it takes something from everyone but does not
3 destroy large tracts.

4 We don't want a toll road. But if it's
5 inevitable, we need you to make the right choice.
6 Take into consideration the stakeholders and the
7 damage being done to each parcel of land and how it
8 will affect the current use of their property. The
9 absence of service roads and access points makes
10 this section specifically important in the damage
11 incurred by landowners. Please take into account
12 what is equitable for the area and what is
13 acceptable to preserve this section of rural Grimes
14 County. Limiting the damage to property lines is
15 the only way to share the sacrifice if one must be
16 made. I'm going to leave this up here for Chad.
17 He'll use it, as well. Thank you.

18 CHAIRMAN LEWIS: Thank you, ma'am.
19 Joseph Kanout (phonetic), after stating your name
20 please --

21 MR. KANOUT: Yeah. My name is Joe
22 Kanout. I live in Houston, Texas, and my sister
23 does, as well. My dad moved out here about ten
24 years ago and retired. He got out of Houston, got
25 out of the rat race and decided to build a place

1 there. It's 50 acres. I can tell you all day my
2 place is the most beautiful. That doesn't really
3 matter, I don't think. I've spoken probably with
4 people -- I have never been to this meeting, but
5 I've spoken with people here, spoken with everybody
6 in Brazos County. I'm not an Aggie. I'm a
7 Longhorn. But -- and I've spoken to all my
8 representatives. But we don't have any advocates.
9 We don't. Because I think our representatives --
10 they represent different counties that want this. I
11 don't know anybody in Brazos County that wants this
12 road, because it's going to get people to A&M
13 quicker. I still don't get it, but there are people
14 that want to go there. Not on Saturdays, though.

15 But I was listening to you, Jeff, and you
16 were talking about ROI. And I was looking -- I
17 don't -- like I said, most of what -- you know,
18 I've -- not to try to figure this out on the
19 Internet and talking to people. And I was looking
20 at the numbers for the initial road. And I'm going
21 to use this for a second. There used to be a road
22 that goes up here through the burn where the forest
23 fires. I mean, everybody here has got pipelines,
24 forest fires. They've been getting killed by just
25 different aspects of life and, you know, it just

1 sucks that we're the needle in the haystack. There
2 was a road that went up here. And I was looking --
3 and this is an old -- those are old -- an old budget
4 number, but that the cost of that road which they
5 call B3 was half of what they say the cost of these
6 two roads are, one-half. If we're talking about an
7 ROI, I mean, regardless of how you get it, it's
8 taxpayer money. And we're talking about, you
9 know, almost \$100 million difference. And it seems
10 like a pretty easy thing that people could look at.
11 But I don't know that they are. And I know -- I
12 know a lot of people on you all's Commission over
13 the years are businessmen and they get that. I'm
14 not sure everybody else does get that.

15 And, you know, I'm selfishly up here for
16 my sister and myself. This is all we have of my dad
17 left. You know, it's been a tough one to deal with.
18 But I just -- I -- this -- even if the Nobles say
19 they'd rather have yellow, it's horrible for
20 everybody. Even if it does go yellow, it doesn't
21 cut them in half, but they've got to see it. It's
22 horrible, and the green's horrible. I'm not
23 disputing that. But if there's a way to save
24 \$80 million -- and I imagine if you call the guys in
25 Brazos County they'd say prices have changed in

1 two-and-a-half years. I know concrete's gone up,
2 but it's not \$80 million. It's not. And every
3 single aspect that they look at, it's much lower.
4 The length of the proposed roadway, vegetation
5 impacts, the floodplain crossings, all of them that
6 are on here, it's not even close. And I do know
7 that the county judge's relative lives up in the
8 path of this, and he's lucky that he's got that as a
9 brother and somehow it got moved. I'm not saying
10 that's how it happened, but I know that's how things
11 do happen. And \$80 million dollars, I mean, you all
12 just give him 20, and he'll probably move on. So I
13 appreciate you all's time and what you do. Thank
14 you.

15 CHAIRMAN LEWIS: Time has expired.
16 Thank you.

17 Gregory Eversole.

18 MR. EVERSOLE: Gentlemen, my name is
19 Gregory Eversole, and I'm here on the 249 toll road.
20 I support the no bill. And if the road's got to be
21 built, we support the yellow route. The green route
22 does not go through those, but the yellow route cuts
23 us in half. The yellow route is better -- excuse
24 me, the yellow route is better than the green route.
25 It moves the road noise further away from all our

1 neighbors. We know this. But we still support the
2 yellow route, even though it cuts us in half. We'll
3 relocate my son to the new place. It just -- the
4 property lines -- the yellow route moves everything
5 away from everybody back here. So we support the
6 yellow route.

7 How much money has TXDOT spent on this
8 section between 1774 and 105 to today? How much
9 money have you all spent? Is there no end to the
10 money? What about the time? Can it go on for
11 another three, four, five years, because, you know,
12 we would like to move on with things. County Road
13 306, if they put the toll road, will it be asphalt?
14 We ask these questions. We don't know. Will County
15 Road 307 be asphalt? We don't know. We get no
16 answers. Why does TXDOT not show feeder lanes on
17 both sides of this section, 1747 to 105. Why not
18 just put a feeder lane on both sides? Because if
19 you put the toll road in, you devalue our property,
20 but with feeder streets we gain value back.

21 So perfect example, Tomball, you all
22 starting now from Tomball to Decker Prairie,
23 Pinehurst, years ago they went out there knowing
24 that there was going to be a freeway there. They
25 put a feeder on both sides, two lanes on both sides

1 and didn't build the road. Why not take this
2 section here, instead of building a toll road put a
3 feeder street on both sides, and as the population
4 comes along then build the toll road? That just
5 questions that we -- we -- it's been a long time and
6 we would like questions -- answers from you guys,
7 you know. So -- so, you know, we ask for you guys
8 to -- if you've got to build a road, take the yellow
9 half. Cut me in half. I don't care. It's better
10 for all my neighbors. I don't mind sacrificing
11 that. I can care less, because it moves it away
12 from my big ranch. At one time the blue route went
13 across my lake dam. Now it's moved down here. I
14 would rather have the noise further away than right
15 on top of us. And the green route puts all the
16 noise right on top of us. Thank you, gentlemen.

17 CHAIRMAN LEWIS: Thank you very much,
18 sir.

19 Chad Eversole.

20 MR. EVERSOLE: Sir?

21 CHAIRMAN LEWIS: After stating your
22 name, give us the benefit of your remarks.

23 MR. EVERSOLE: Okay. My name is Chad
24 Eversole. I'm going to speak on behalf of myself.
25 I'll keep it short and sweet. I'm opposed to the

1 249 extension from 1774 to 105 and any toll roads
2 going through that area. I'm recently married. My
3 wife and me, we're thinking about starting our
4 family out there on that beautiful ranch our family
5 owns. My parents are going to be retiring out
6 there, are going to retire out there, but who wants
7 to hear the road noise, the pollution, seeing the
8 toll road right in your back yard, front yard,
9 wherever it's going to be. I don't see why they
10 can't T into 1774, go down -- there's plenty of
11 right-of-way to be acquired or it's wide enough
12 already - I know 105 is - and go that route, not
13 being a toll road. If that's not a possibility,
14 then I support the yellow route. Thank you, guys.

15 CHAIRMAN LEWIS: Thank you. Robert
16 Nobles.

17 MR. NOBLES: Good afternoon. My name
18 is Robert Nobles. I am here today to tell you that
19 I am opposed to the 249 toll road through Grimes
20 County. Toll roads are double taxation. Local
21 newspaper articles, Senators, Governors all are
22 opposed to toll roads. How can we get this stopped?

23 I noticed that there's been counters on
24 several of the roads in our area on 1774 and 105.
25 Does the amount of traffic justify spending millions

1 of dollars, taking people's lands to build a toll
2 road? Would it -- just not widening 1774 for three
3 or four miles to State Highway 105 where TXDOT has
4 already purchased the corners of 1774 and 105 --
5 would it not work for now?

6 The current map of the proposed route has
7 one route until it reaches our area on County Road
8 304 to 306. Then it has two alternate routes. Why?

9 There is only one reason. To put neighbor
10 against neighbor.

11 Again, why two routes?

12 I called the Bryan TXDOT office, talked to
13 Lance Simmons and Chad Bohne about why there were
14 two routes and was told they want public input.
15 Public input changes every time a new route is
16 drawn.

17 Over the past year we have given TXDOT
18 letters from stakeholders and -- in our area
19 supporting the black, now the yellow route, with
20 approval from all but one. Again, why was the
21 yellow route not chosen?

22 To put neighbor against neighbor, is that
23 the reason? What has TXDOT done for the past year
24 if not collected public input? So why has a
25 decision not been made on one route?

1 If you recall, the green route was not
2 chosen over a year ago, because it came close to
3 several homes, split large tracts of land and there
4 were other reasons. So why is it now an option
5 again?

6 If you have to build a toll road, then
7 take the yellow route. Thank you for your time.

8 CHAIRMAN LEWIS: Thanks.

9 Chad Nobles.

10 MR. NOBLES: Good afternoon. My name
11 is Chad Nobles, and I'm here to basically represent
12 myself and my family regarding 249. Last month we
13 discussed how the political climate towards toll
14 roads has changed and how the majority of people did
15 not want any more toll roads. We stated our
16 opposition to the toll road through Grimes County
17 and questioned whether or not really the toll road
18 was needed at all since TX-DOT's original reports
19 and still reports that we see today justify that a
20 toll road doesn't need to be built. My feelings
21 haven't changed. We don't want the toll roads
22 through Grimes County, and we definitely don't want
23 it through our land. My family and I have been
24 asking for months has any progress been made on the
25 toll road and were there any updates. The

1 consistent response that we get, no progress, no
2 updates. However, I received a call this week about
3 the upcoming public hearing and a link to a
4 downloaded map showing some proposed routes. What's
5 amazing to me is that all of a sudden we have
6 completed an environmental assessment and we've got
7 a map that shows basically the same two routes we've
8 been talking about for some time. So I called Chad
9 Bohne to ask why TXDOT would be coming out with two
10 routes for the public hearing. What is it that
11 TXDOT is trying to find out that they don't already
12 know from the millions of dollars they've already
13 spent probably on engineering studies plus the past
14 three years. His answer we just want to make sure
15 we get feedback from the public and there's not any
16 surprises.

17 What more feedback do you need? If you
18 recall back in August 2015 there were three routes.
19 Two of those we're still talking about today. And
20 per your direction we had the stakeholders in the
21 area put in writing which route they preferred. At
22 that time 90 percent, ten out of 11 landowners
23 affected by this area, chose what was then known as
24 the black route, now the yellow route. So why would
25 an organization like TXDOT who would like to have

1 been moving with this project years ago and so would
2 the stakeholders not proceed forward with a single
3 route and move on down the road? Why not just come
4 out with the yellow route? We've already told you
5 and given you tons and tons of public input. Two
6 routes only cause additional controversy, what is
7 already over a controversial area and division among
8 landowners along 307. Remember there are only two
9 families that are affected by all the routes. That
10 would be my family and my parents' family. I also
11 asked Chad Bohne what criteria would TXDOT be using
12 to choose between the two routes after he gets his
13 additional public input, whatever that is. He said
14 the same criteria we've always been using. Would
15 that be the same criteria that was very subjective
16 in the original one that we've proven numerous times
17 why things like the blue route and there's a
18 cemetery there don't make sense. The stakeholders
19 along this area have allowed access to our property.
20 We've signed letters stating we preferred the black
21 route and each time Bryan gave you a different
22 opinion, and that opinion has been proven incorrect
23 every single time. Nothing has changed in the last
24 nine months. The green route is simply still not
25 acceptable. It still divides numerous large tracks

1 of land. And that's what the map was for, not only
2 does it divide ours, but the Bower place which is in
3 pink as well as the other one. So the three large
4 tracks are basically what you're taking. I know my
5 time's up. But we've come close to the proximity of
6 homes and it requires a bridge across 37 and it also
7 requires a filling in of our lake that supplies
8 water for our cows. Again, if you're going to build
9 it we prefer the yellow route. Thank you.

10 CHAIRMAN LEWIS: Thank you, sir.
11 Catherine Walsh.

12 MS. WALSH: I'm -- I'm Catherine
13 Walsh and I represent the no build 249. My
14 neighbors in my subdivision were about 100 -- 100
15 feet from the yellow -- the yellow line. We're
16 concerned -- well, what we -- what they all want is
17 to widen FM 1774. There's no shoulder; you get
18 behind a tractor or the county plow and you're
19 stuck. They want that widened even if you have to
20 put in a turn lane. You're going to need it anyways
21 for the toll road when it comes to 1774. Also would
22 help out with the Renaissance Festival. But the
23 rest of the problems -- they have five more other
24 things that they're concerned about. One is the
25 noise from this road. Some people work night

1 shifts. I used to work night shifts, and I know I
2 used to tell everybody be quiet and stay away from
3 me. Worried about the wild animals. There's a lot
4 of deer; there's possums and snakes now. We feel
5 like the toll road is going to force these into our
6 subdivision. We dearly don't want that. We're also
7 worried about people who if they get the toll road
8 there's safety issues like if they break down,
9 there's -- it takes two hours to get a tow truck out
10 there, because I know. I was in an accident. Two
11 hours to get them to come out. DPS came out within
12 an hour. You get someone on the toll road, they're
13 not going to be able to -- they're going to be
14 sitting there. We don't want them my -- coming over
15 to our homes, into our subdivisions to make phone
16 calls or to get help, you know. And the cell phone
17 out in that area is not very good. Some -- some
18 services are real good; some of them aren't. So
19 people are stuck. If you have no one in a toll
20 booth then they're up a creek if they don't get
21 service. And they're going to come to us, and we're
22 not going to be happy.

23 Safety, service. Yeah. As I said,
24 there's no -- the county has kind of dropped their
25 budget, Navasota did. So getting any additional

1 care out there, toll road -- tow trucks, anybody
2 else is going to be a problem. And -- and if you do
3 go ahead with it, you're going to have to build an
4 E-Z tag office, because I just renewed my E-Z tag
5 and I had to go way into Houston and I really
6 resented that. And I know nobody in Grimes County
7 or surrounding areas is going to go into Houston to
8 get their toll tag. Because our Internet service
9 isn't great out there, it's hard to get on the
10 Internet and order things like that. That's all. I
11 don't want it. We don't want it.

12 CHAIRMAN LEWIS: Thank you, ma'am.
13 Bill Voss.

14 MR. VOSS: Hello. Good afternoon,
15 Chairman, Commissioners, Director. Thank you for
16 the opportunity to come speak today.

17 My name is Bill Voss. My family owns
18 12794 County Road 307. That's the parcel that is
19 directly affected by the newly-desired yellow route
20 that you've heard today and over the last year
21 should be the route that's chosen by TXDOT. You've
22 also heard that I've not used the opportunities
23 afforded to me to express my opinion and my position
24 in disagreement with said route.

25 It's just simply not true.

1 I've had many discussions with TXDOT.
2 We've gone over the data. We're gone over the
3 facts. And I'd like to express a few of those to
4 you today.

5 I'd like to start by echoing a couple
6 comments that were made earlier. Commissioner
7 Austin, you made the comment which I agree with that
8 leadership comes from the top down. I absolutely
9 agree.

10 Commissioner Bugg reminded us that
11 Governor Abbott has recently made certain statements
12 supporting and suggesting that no toll road should
13 go forward in the State of Texas or something
14 similar thereto.

15 I also agree with a certain
16 Senator's recent public comment that "Government
17 should only use their eminent domain authority as a
18 last resort."

19 Now, I am absolutely opposed to the 249
20 toll road. That is my strong position. It will not
21 change. I don't think there is the data to support
22 it. I don't think TXDOT will be able to support it
23 from an empirical data perspective. But if it
24 should move forward, I would like to express to you
25 today again just a few of the reasons why the yellow

1 route should not be chosen. I think that TXDOT
2 knows all this. But again, I just appreciate the
3 opportunity to express it to you.

4 The first reason is the yellow route will
5 force TXDOT to remove the high fence from around the
6 front of our property. Our property is completely
7 high fenced. There are -- we're the I think only
8 two high fence properties in the area. The one that
9 we own has over 200 exotic game on it including
10 water buck, African Eland, zebra, red deer and the
11 list goes on and on.

12 The yellow route -- the way the land is
13 positioned, the yellow route would not only destroy
14 their habitat, their cover, but much of their food,
15 as well. So the animals without a doubt will have
16 to be relocated. And relocating 200 exotic animals
17 is not going to be easy and some would argue might
18 be impossible.

19 The second reason is it's not very clear
20 on the map there's an empty well pad on our property
21 that we're in negotiations with an energy company to
22 maybe create a saltwater disposal facility. The
23 yellow route will now make that impossible. I think
24 it's something at least from their perspective is
25 absolutely needed in this particular area.

1 The third reason is we have two future
2 home sites chosen on the property. The home site in
3 the front of the property will now -- it will be
4 impossible for us to build a home there. And that
5 was actually for my wife's parents. So now we're
6 going to have to rearrange those thoughts and those
7 plans if the yellow route is chosen.

8 Finally, not to get at odds with TXDOT,
9 but prior to purchasing our property, I was told
10 personally that it would either be at the time the
11 preferred route or a no build, that no other option
12 would present itself. I asked how certain are you,
13 because we need to be certain. We're not going to
14 purchase the property if there's a chance that road
15 will come through our property. We recommend you
16 buy the property, so we did.

17 CHAIRMAN LEWIS: I need you to sum up
18 your comments.

19 MR. VOSS: I will. And later, we
20 were also -- we contacted TXDOT and said we're about
21 to put a big expensive asphalt road on the property
22 which is going to cost north of \$100,000. We don't
23 want to build it if there's any chance anything has
24 come up that would cause us to impact that road. We
25 were told to build the road.

1 So in closing, I would just leave you with
2 this, some questions that I ask that you verify or
3 suggest that you ask. Has TXDOT talked to a
4 specialized veterinarian or other expert to answer
5 what impact the yellow route would have on the
6 animals located on our ranch? Why was there no
7 evidence -- environmental study done directly on the
8 Voss land? Nobody ever came to us and asked us to
9 approach and come on our land to do a study. Has a
10 wildlife study been done on the animals and how they
11 will be impacted. Lastly from an economic
12 standpoint are the two remaining routes truly the
13 best options or just the last available options.
14 Thank you for your time.

15 CHAIRMAN LEWIS: Thank you. Those
16 conclude all of our comment cards. At this time we
17 will go into Executive Session as provided by
18 Government Code Sections 551.071 and 551.074. For
19 the record the time is 1:14 p.m.

20 (Off the record 1:14 p.m. to 1:49)

21 CHAIRMAN LEWIS: The Commission has
22 concluded its Executive Session. The meeting of the
23 Texas Transportation Commission's reconvened. For
24 the record the time is 1:49 p.m. Is there any other
25 business to come before the Commission?

1 There being none, Commissioner Austin
2 moves that we adjourn. Vice Chair Moseley seconds
3 the motion.

4 COMMISSIONER MOSELEY: Second.

5 CHAIRMAN LEWIS: We have a motion to
6 second. All in favor say aye.

7 (Chorus of "Ayes.")

8 CHAIRMAN LEWIS: Any opposed, no.

9 (No response.)

10 CHAIRMAN LEWIS: Motion carries. We
11 are adjourned. Thank you.

12 (Meeting concluded at 1:50 p.m.)

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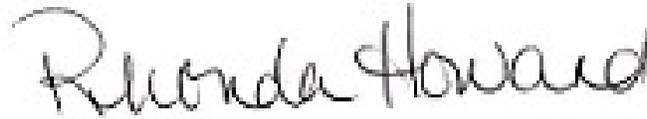
THE STATE OF TEXAS)
COUNTY OF TRAVIS)

I, Rhonda Howard, Reporter in and for the State of Texas, do hereby certify that the above and foregoing contains a true and correct transcription of all portions of evidence and other proceedings requested in writing by counsel for the parties to be included in this volume of the Reporter's Record, in the above-styled and numbered cause, all of which occurred in open court or in chambers and were reported by me.

I further certify that this Reporter's Record of the proceedings truly and correctly reflects the exhibits, if any, offered by the respective parties.

I further certify that the total cost for the preparation of this Reporter's Record is \$ _____ and was paid/will be paid by _____.

1 WITNESS MY OFFICIAL HAND this the 14th day
2 of June, 2016.

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6 Rhonda Howard, CSR No. 4136

7 Expiration date: 12/31/16

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