

These are the minutes of the regular meeting of the Texas Transportation Commission held on April 27, 2017, in Austin, Texas. The meeting was called to order at 10:00 a.m. by Chairman Lewis with the following commissioners present:

Texas Transportation Commission:

Tryon D. Lewis	Chairman
Jeff Austin, III	Commissioner
Victor Vandergriff	Commissioner
J. Bruce Bugg	Commissioner
Laura Ryan	Commissioner

Administrative Staff:

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

A public notice of this meeting containing all items on the proposed agenda was filed in the Office of the Secretary of State at 3:17 p.m. on April 19, 2017, as required by Government Code, Chapter 551, referred to as “The Open Meetings Act.”

ITEM 1. Safety Briefing

This item was presented by Occupational Safety Specialist Sidney Maloy.

ITEM 2. Consider the approval of the Minutes of the March 28, 2017 regular meeting of the Texas Transportation Commission

Commissioner Bugg made a motion, which was seconded by Commissioner Vandergriff, and the commission approved the minutes of the March 28, 2017 regular meeting by a vote of 5 - 0.

ITEM 3. Aviation

a. Various Counties - Consider the award of federal non-primary entitlement grant funding for airport improvement projects at various locations (MO)

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

114901
AVN

The Texas Department of Transportation (department) is authorized under Title 49, United States Code, Chapter 471, to award federal non-primary entitlement funding for capital improvement projects and to assist in the development and establishment of airports in the state of Texas.

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

On March 1, 2017 and March 31, 2017, public hearings were held. No comments were received.

IT IS THEREFORE ORDERED by the Texas Transportation Commission that the executive director, or the director's designee, is authorized to enter into any necessary agreements to fund, through the Aviation Facilities Grant Program, the projects described in Exhibit A at an estimated cost of \$804,167.

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

ITEM 4. Public Transportation

Various Counties - Consider the award of transportation development credits to the Capital Area Rural Transportation System (MO)

This item was presented by Public Transportation Division Director Eric Gleason. Commissioner Vandergriff made a motion, which was seconded by Commissioner Bugg, and the commission approved the following minute order by a vote of 5 - 0.

114902
PTN

The Texas Transportation Commission (commission) desires to award 226,000 transportation development credits (TDC) to Capital Area Rural Transportation System (CARTS) to assist with the match of federal funds for public transit projects in the rural area.

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

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

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

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

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

ITEM 5. Financial Assistance for Projects

a. Cameron County - Cameron County Regional Mobility Authority - Consider granting preliminary approval of a request from the Cameron County Regional Mobility Authority for financial assistance in the form of a grant of up to \$2,000,000 to be used for construction of a controlled access toll facility on SH 550 from .53 mi East of Old Alice Road to .48 mi West of FM 1847 called the SH 550 Gap I project (MO)

This item was presented by Project Finance, Debt & Strategic Contracts Division Director Ben Asher. The commission also heard remarks from engineer and private citizen Don Dixon, and Texas TURF/Texans for Toll-Free Highways Director Terri Hall. General Counsel Jeff Graham answered questions from the commission. Commissioner Bugg made a motion, which was seconded by Commissioner Austin, and the commission approved the following minute order by a vote of 5 - 0.

114903
PFD

The Texas Department of Transportation (department) and the Cameron County Regional Mobility Authority (CCRMA) have been proceeding with the development of the SH 550 Toll Project in Cameron County, a project under the jurisdictional limits of the CCRMA.

Part of the SH 550 Toll Project, called the GAP I project, is a controlled access toll facility on SH 550 from .53 mi East of Old Alice Road to 0.48 mi West of FM 1847 consisting of four main lanes, two in each direction (project). The project is located within the boundaries of the CCRMA, and CCRMA has exercised its option to develop, construct, and operate the project pursuant to Transportation Code §228.0111(f-1), pursuant to which the department and the CCRMA executed a market valuation waiver agreement dated September 9, 2009.

Transportation Code §370.301 authorizes the department to provide for or contribute to the payment of costs of the design, financing, construction, operation, or maintenance of a turnpike project by a regional mobility authority (RMA) on terms agreed to by the department and the RMA. Transportation Code §222.103 authorizes the department to participate, by spending money from any available source, in the acquisition, construction, maintenance, or operation of a toll facility of a public or private entity on terms and conditions established by the Texas Transportation Commission (commission).

Pursuant to Transportation Code §222.103, the commission adopted Title 43 Texas Administrative Code §§27.50-27.58 (financial assistance rules) to prescribe conditions for the commission's financing of a toll facility of a public or private entity.

In Minute Order 14648 dated July 28, 2016, and Minute Order 114686 dated August 25, 2016, the commission granted preliminary and final approval of a request from CCRMA to receive financial assistance in the form of a grant of up to \$6,000,000 to be used for the GAP I project.

In accordance with Section 27.53 of the financial assistance rules, the CCRMA has submitted a request to receive an additional grant of up to \$2,000,000, to pay for the construction of the project.

The requested grant funds represent part of the vehicle registration fee match in the amount of \$14,104,600 million of Category 12 funds allocated by the commission

to the CCRMA in the Unified Transportation Program update approved in Minute Order 113948 dated May 29, 2014, as “Strategic Partnership Agreement with Cameron County RMA.”

The information and data required by Section 27.53 of the financial assistance rules is either contained in the request for financing, is already in the department’s possession, or may be waived.

On February 24, 2011, the commission adopted Minute Order 112605, directing that if financial assistance is provided to a public entity under Transportation Code §222.103 from a statewide funding source: (1) that assistance shall be repaid, or (2) the department shall require the entity to which the assistance is provided to agree to share project revenue with the department, in such amounts and for such period of time as is approved by the commission. These requirements do not apply to financial assistance provided from funds allocated to metropolitan planning organizations and department districts.

In accordance with 43 TAC §27.54(a)(2), the commission finds that: (1) the project is consistent with the Statewide Long-Range Transportation Plan and the metropolitan transportation plan developed by the applicable metropolitan planning organization; (2) the project is not in a Clean Air Act non-attainment area; (3) the project will improve the efficiency of the state’s transportation systems; and (4) the project will expand the availability of funding for transportation projects or reduce direct state costs.

IT IS THEREFORE DETERMINED AND ORDERED that the requests submitted by the Cameron County Regional Mobility Authority for financial assistance in the form of a grant meet the applicable requirements of 43 TAC §§27.53 and 27.54(a) and, in accordance with those provisions, and including an exception to the requirements of Minute Order 112605, the commission grants preliminary approval of the request for financial assistance in an amount not to exceed \$2,000,000 as a grant, to be used for construction of the project.

b. Dallas County - Consider approving the selection of the proposer that submitted the best value proposal to develop, design, construct, and potentially maintain the Southern Gateway Project, including improvements to I-35E from south of the I-35E/US 67 interchange to Colorado Boulevard, with transition work extending north to Reunion Boulevard and improvements to US 67 from the I-35E/US 67 interchange to I-20 in Dallas County and consider authorizing the executive director of the department to negotiate and execute a Design-Build Agreement and associated Capital Maintenance Agreement with the selected proposer (MO) (Presentation)

This item was presented by Strategic Contract Management Section Director Katherine Holtz. The commission heard remarks from Texas TURF/Texans for Toll-Free Highways Director Terri Hall. Commissioner Vandergriff made a motion, which was seconded by Commissioner Austin, and the commission approved the following minute order by a vote of 5 - 0.

114904
PFD

Texas Transportation Code, Chapter 223, Subchapter F, prescribes the process by which the Texas Department of Transportation (department) may enter into a design-build agreement (DBA) with a private entity that provides for the design, construction, expansion, extension, related capital maintenance, rehabilitation, alteration, or repair of a highway project on the state highway system.

On April 28, 2016, by Minute Order 114563, the Texas Transportation Commission (commission) authorized and directed the department to issue a request for qualifications (RFQ) to design, develop, construct, and potentially maintain the Southern Gateway Project in Dallas County, consisting of improvements to I-35E from south of the I-35E/US 67 interchange to Colorado Boulevard, with transition work extending north to Reunion Boulevard, and improvements to US 67 from the I-35E/US 67 interchange to I-20 (the Southern Gateway Project).

The department issued the RFQ on May 13, 2016, and subsequently determined that three of the five teams submitting qualifications statements in response to the RFQ were qualified to be on the short list of teams that would be requested to submit detailed proposals to design, develop, construct, and potentially maintain the project.

Texas Transportation Code §223.246 and Title 43 Texas Administrative Code (TAC) §9.153 provide that, if authorized by the commission, the department will issue a request for proposals (RFP) from all private entities qualified for the short list. On July 28, 2016, by Minute Order 114649, the commission authorized and directed the department to issue an RFP requesting detailed proposals from the short-listed teams for the design, development, construction, and potential maintenance of the Southern Gateway Project, and authorized a payment for work product for each proposer that submitted a responsive, but unsuccessful, proposal of up to a maximum amount per proposer of 0.25% of the successful proposer's price for all work under the DBA. On November 10, 2016, the department issued the RFP, which also included options for a local enhancement work package to provide portions of a structural cap over the I-35E main lanes, non-tolled express lanes, and adjacent ramps that will support the City of Dallas's future plans for a deck plaza from Marsalis Avenue to Ewing Avenue.

On March 23, 2017, technical proposals were received from AGL Constructors 2, Pegasus Link Constructors, and SouthGate Corridor Constructors. On April 10, 2017, financial and price proposals were received from AGL Constructors 2, Pegasus Link Constructors, and SouthGate Corridor Constructors. From March 27, 2017, until April 21, 2017, the department evaluated technical, financial, and price proposals from the proposers.

The proposals were evaluated in the following categories: (1) pass/fail and responsiveness; (2) technical score; and (3) price score. The proposals were first evaluated on the basis of certain pass/fail criteria set forth in the RFP, and reviewed for responsiveness to the submittal requirements in the RFP. The technical proposals were then evaluated and scored in accordance with the requirements of the RFP, which included performance evaluations prepared by the department in accordance with 43 TAC §9.152 and §27.3, and other performance evaluations as deemed relevant by the department. The price proposals were then evaluated and scored, also in accordance with the requirements of the RFP. The technical score points assigned to the technical proposals were then added to the price score points to determine the total number of

points received by each proposal. The responsive proposal with the highest score was determined to provide the apparent best value.

The evaluation and scoring of each proposal under the technical score and price score categories resulted in the proposals being ranked as follows: Pegasus Link Constructors; SouthGate Corridor Constructors; AGL Constructors 2. The proposal submitted by Pegasus Link Constructors was accordingly determined to provide the apparent best value.

IT IS THEREFORE ORDERED by the commission that the determination that the proposal submitted by Pegasus Link Constructors provides the apparent best value to the department is approved, and the department is authorized and directed to commence and complete negotiations with Pegasus Link Constructors necessary to finalize the DBA and the associated capital maintenance agreement (CMA) to design, develop, construct, and potentially maintain the Southern Gateway Project in Dallas County, and to modify the DBA and CMA as necessary as a result of such negotiations.

IT IS FURTHER ORDERED that the DBA and the associated CMA are awarded to Pegasus Link Constructors subject to, and effective upon the occurrence of, all of the following: (1) the successful conclusion of negotiations, including satisfaction of conditions to final award specifically identified by the department in its letter notice of conditional award to the proposer; (2) the issuance of a Notice of Intent to Award by the department; (3) applicable Federal Highway Administration approvals as identified by the department; and (4) the mutual execution and delivery of the DBA and CMA by the executive director of the department and the design-build contractor.

IT IS FURTHER ORDERED that if the executive director determines that the negotiations with Pegasus Link Constructors cannot be successfully completed, and that therefore the proposal submitted by Pegasus Link Constructors will not provide the apparent best value, the department is authorized to commence and complete discussions and negotiations with SouthGate Corridor Constructors, the next highest ranked proposer, with award to the next highest ranked proposer subject to the terms and conditions in the immediately preceding paragraph of this order.

ITEM 6. State Infrastructure Bank

Montgomery County - City of Magnolia - Consider final approval of a request from the City of Magnolia for a State Infrastructure Bank loan in the amount of up to \$1,000,000 to pay the costs of utility relocation necessary for a highway improvement project on FM 1774 (MO)

This item was presented by Project Finance, Debt & Strategic Contracts Division Director Ben Asher. Commissioner Bugg made a motion, which was seconded by Commissioner Ryan, and the commission approved the following minute order by a vote of 5 - 0.

114905
PFD

The City of Magnolia (city) has submitted an application for financial assistance in the form of a loan of up to \$1,000,000 from the State Infrastructure Bank (SIB) under Transportation Code, Chapter 222, Subchapter D, and Title 43 Texas Administrative Code, Chapter 6 (SIB rules). The application satisfies all requirements of the rules,

including passage by the city of a resolution authorizing submission of the application to the Texas Department of Transportation (department). The department is constructing a highway improvement project on FM 1774 in Montgomery County to widen the roadway from an existing two-lane to four-lane divided roadway (project). The city intends to use the financial assistance to pay for relocation of utility lines necessary for the project.

The city has proposed a pledge of ad valorem taxes as security for repayment of the loan.

Section 6.32 of the SIB rules allows for final approval by the commission of any SIB loan in the principal amount of \$10 million or less without first going through the preliminary approval process described in the SIB rules if the financial assistance is to be used for a project for which the department has primary responsibility.

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

In accordance with 43 TAC §6.32(c), the commission finds that: (1) the project is consistent with the Statewide Long-Range Transportation Plan and the metropolitan transportation plan developed by the applicable metropolitan planning organization; (2) the project is in a Clean Air Act non-attainment area and is consistent with the Statewide Transportation Improvement Program, with the conforming plan and Transportation Improvement Program for the MPO in which the project is located, and with the State Implementation Plan; (3) the project will improve the efficiency of the state's transportation systems; (4) the project will expand the availability of funding for transportation projects or reduce direct state costs; and (5) the application shows that the city is likely to have sufficient revenues to assure repayment of the financial assistance.

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

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

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

IT IS THEREFORE DETERMINED AND ORDERED that the application submitted by the City of Magnolia for financial assistance in the form of a loan from the

SIB meets the applicable requirements of the SIB rules and, in accordance with those provisions, the commission grants final approval of the City’s application for a SIB loan in an amount not to exceed \$1,000,000 for the city’s relocation of utility lines necessary for the project.

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

1. The loan will be repaid over a period of no more than fifteen years at 3.15 percent interest per annum.
2. The city will pledge ad-valorem taxes as security for repayment of the loan.
3. The loan must be fully disbursed within three years of the date of this minute order.
4. As a requirement for closing the loan and for disbursement of SIB funds, the applicant shall provide a certificate warranting that the proposed security is eligible to be used to repay the loan and that the financial assistance will not violate any of the borrowing or bond commitments the city has in place.
5. No deferral of repayment is authorized.

ITEM 7. Minute Order Review

Consider rescinding Minute Order 108851 (MO)

This item was presented by Deputy Executive Director Marc Williams. Commissioner Ryan made a motion, which was seconded by Commissioner Bugg, and the commission approved the following minute order by a vote of 5 - 0.

114906
ADM

Last year the staff of the Texas Department of Transportation (department) performed a review of the minute orders of the Texas Transportation Commission (commission) and the department determined that the substance of Minute Order 108851 had continuing effect and should be made a part of the department’s rules. On March 28, 2017, the commission finally adopted amendments to Title 43, Texas Administrative Code §9.14, relating to the submittal of bids for highway improvement contracts, to accomplish that purpose.

Because the substance of Minute Order 108851 is now contained in 43 TAC §9.14, the department recommends that the minute order should be rescinded.

IT IS THEREFORE ORDERED by the commission that Minute Order 108851 is rescinded.

ITEM 8. Purchase Order Amendment

Consider the approval for an amendment to extend time to a purchase order awarded under Chapter 2155 of the Texas Government Code for the administration of sponsorship programs that acknowledge donations supporting various highway maintenance and operation activities at no cost to the department. The terms of the purchase order allow the amendment being proposed. (MO)

2017(466) in Clay County, Texas, for replacement of the bridge and associated approaches.

The Texas Transportation Commission, by the authority of the Governor, is statutorily authorized under Transportation Code §201.110, to contract with an adjoining State to provide for the improvement of a public road or highway that crosses the states' boundary and to establish respective responsibilities for the improvement.

Article 9 of the Agreement between the States, requires that the award of the contract by the Oklahoma Transportation Commission be subject to the concurrence of the Texas Transportation Commission.

The department has reviewed the results of the letting and recommends that the Texas Transportation Commission respectively concur in the award of the contract to the lowest bidder, as indicated on Exhibit A attached to this order.

IT IS THEREFORE ORDERED by the Texas Transportation Commission that concurrence in the award of the contract described in Exhibit A be and is hereby respectively granted.

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

b. Construction of Highways and Other Transportation Facilities (MO)

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

114909
CST

Pursuant to Transportation Code, Chapter 223, Subchapter A, and Title 43, Texas Administrative Code, Chapter 9, Subchapter B, the Texas Department of Transportation (department) solicited and received sealed competitive bid proposals for improvement of the State Highway System, which were publicly opened and read on April 4 and 5, 2017; as well as Abilene District, Nolan County, Job Number 3026, Project Number STP 2017(834)HES, which was deferred from the March 28, 2017, Texas Transportation Commission (commission) meeting as shown on Exhibit A.

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

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

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

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

If a contractual requirement of award is not satisfied within the prescribed time limit, including any extension of time allowed by the executive director or the director's

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

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

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

c. Highway Maintenance (MO)

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

114910
MNT

Pursuant to Transportation Code, Chapter 223, Subchapter A, and Title 43, Texas Administrative Code, Chapter 9, Subchapter B, the Texas Department of Transportation (department) solicited and received sealed competitive bid proposals for maintenance of the State Highway System, which were publicly opened and read on April 4 and 5, 2017, as shown on Exhibit A.

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

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

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

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

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

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

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

d. Construction and Rehabilitation of Buildings (MO)

This item was presented by Support Services Division Facilities Planning and Management Section Director Robin Cappello. Commissioner Austin made a motion, which was seconded by Commissioner Vandergriff, and the commission approved the following minute order by a vote of 5 - 0.

114911
SSD

Pursuant to Transportation Code, Chapter 223, Subchapter A, and Title 43, Texas Administrative Code, Chapter 9, Subchapter B, the Texas Department of Transportation (department) solicited and received sealed competitive bid proposals for improvement of the State Highway System, which were publicly opened and read on April 4, 2017, as shown on Exhibit A.

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

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

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

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

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

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

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

ITEM 10. Eminent Domain Proceedings

Various Counties - Consider the authorization of the filing of condemnation proceedings to acquire real property by eminent domain for non-controlled and controlled access highways (MO)

This item was presented by Right of Way Division Director Gus Cannon. Commissioner Ryan made a motion that the Texas Transportation Commission authorize the Texas Department of Transportation to use the power of eminent domain to acquire the properties described in the minute order set forth in the agenda for the current month for construction, reconstruction, maintenance, widening, straightening, or extending the highway facilities listed in the minute order as a part of the state highway system, and that the first record vote applies to all units of property to be condemned. The motion was seconded by Commissioner Bugg and the following minute order was approved by Chairman Lewis, Commissioner Austin, Commissioner Vandergriff, Commissioner Bugg and Commissioner Ryan (a vote of 5 - 0).

114912
ROW

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

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

The commission finds and determines that the highway facilities to be constructed or improved on the parcels identified and listed below under "CONTROLLED ACCESS" are designated as a Controlled-Access Highway in accordance with Transportation Code, Section 203.031; and where there is adjoining real property remaining after acquisition of a parcel, the roads are to be constructed or improved as a part of the highway facility with the right of ingress and egress to or from the remaining real property adjoining the highway facility to be permitted or denied, as designated and set forth on each of the attached Exhibits A - V. Where there is adjoining real property remaining after acquisition of a parcel with respect to the highway facilities to be constructed or improved on the parcels identified as listed below under "NON-CONTROLLED ACCESS," roads are to be constructed or improved as a part of the highway facility with the right of ingress and egress to or from the remaining real property adjoining the highway facility to be permitted or denied, as designated and set forth on each of the attached Exhibits 1 - 49, in accordance with Transportation Code, Sections 203.002 and 203.003.

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

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

IT IS FURTHER ORDERED that the executive director is hereby authorized to proceed to condemnation on the parcels and directed to transmit or cause to be transmitted this request of the commission to the Office of the Attorney General to file or cause to be filed against all owners, lienholders, and any owners of any other interests in the parcels, proceedings in condemnation to acquire in the name of and on behalf of the state, fee simple title to each parcel or such lesser estates or property interests as are more fully described in each of the attached Exhibits, save and excepting oil, gas, and sulfur, as provided by law, as follows:

CONTROLLED ACCESS

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Angelina	US 59	T	0176-03-116	32
Angelina	US 59	U	0176-03-116	36
Bexar	FM 1516	C	1477-01-041	1AC
Brazos	FM 2347	J	3138-01-026	10
Brazos	FM 2347	K	3138-01-026	24,24AC
Brazos	FM 2347	L	3138-01-026	25
Brazos	FM 2347	M	3138-01-026	27
Dallas	IH 30	E	1068-04-169	2
Dallas	IH 30	F	1068-04-169	3
Dallas	IH 30	G	1068-04-169	4
Dallas	IH 30	H	1068-04-169	5
Ellis	SH 360	I	2266-03-005	200
Galveston	IH 45	B	0500-04-123	126B
Galveston	IH 45	V	0500-04-123	220
Galveston	IH 45	D	0500-04-123	221A
Montgomery	SH 249	N	3635-01-002	101
Montgomery	SH 249	O	3635-01-002	102
Montgomery	SH 249	P	3635-01-002	103
Montgomery	SH 249	Q	3635-01-002	104
Montgomery	SH 249	R	3635-01-002	123
Montgomery	SH 249	S	3635-01-002	124
Travis	IH 35	A	0015-13-398	6TE

NON-CONTROLLED ACCESS

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Bexar	US 281	39	0253-04-149	27
Bexar	US 281	40	0253-04-149	49
Bexar	US 281	34	0253-04-149	53
Bexar	US 281	41	0253-04-149	56

NON-CONTROLLED ACCESS (continued)

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Brazoria	SH 36	33	0188-03-020	125
Brazoria	SH 36	46	0188-03-020	203
Brazoria	SH 36	47	0188-03-020	204
Brazoria	SH 36	48	0188-03-020	207
Brazoria	SH 36	49	0188-03-020	224
Brazoria	SH 36	37	0188-03-020	321
Brazoria	SH 36	38	0188-05-031	105
Fort Bend	SH 36	1	0188-02-038	103
Fort Bend	SH 36	2	0188-02-038	108
Fort Bend	SH 36	3	0188-02-038	110
Fort Bend	SH 36	4	0188-02-038	125
Fort Bend	SH 36	5	0188-02-038	126
Fort Bend	SH 36	6	0188-02-038	129
Fort Bend	SH 36	7	0188-02-038	131
Fort Bend	SH 36	8	0188-02-038	132
Fort Bend	SH 36	9	0188-02-038	133
Fort Bend	SH 36	10	0188-02-038	135
Fort Bend	SH 36	11	0188-02-038	152B
Fort Bend	SH 36	12	0188-02-038	202
Fort Bend	SH 36	13	0188-02-038	225
Fort Bend	SH 36	14	0188-02-038	226
Fort Bend	SH 36	15	0188-02-038	231
Fort Bend	SH 36	16	0188-02-038	232
Fort Bend	SH 36	17	0188-02-039	12
Fort Bend	SH 36	18	0188-02-039	13
Fort Bend	SH 36	19	0188-02-039	14
Fort Bend	SH 36	20	0188-02-039	16
Fort Bend	SH 36	21	0188-02-039	18
Fort Bend	SH 36	22	0188-02-039	24
Fort Bend	SH 36	23	0188-02-039	30
Fort Bend	SH 36	43	0188-02-039	32
Fort Bend	SH 36	24	0188-02-039	40
Fort Bend	SH 36	44	0188-02-039	44
Fort Bend	SH 36	25	0188-02-039	46
Fort Bend	SH 36	26	0188-02-039	47
Fort Bend	SH 36	27	0188-02-039	53
Fort Bend	SH 36	28	0188-02-039	56
Fort Bend	SH 36	29	0188-02-039	57
Fort Bend	SH 36	30	0188-02-039	58
Fort Bend	SH 36	31	0188-02-039	62
Fort Bend	SH 36	32	0188-02-039	75
Harris	SH 146	42	0389-05-095	123

NON-CONTROLLED ACCESS (continued)

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Hidalgo	US 83	35	0039-02-059	9E,9TE
Hidalgo	US 83	36	0039-02-059	40
Smith	FM 2493	45	0191-03-082	51

Note: Exhibits A - V and 1 - 49 are on file with the commission chief clerk.

ITEM 11. Routine Minute Orders and Reports

This item was presented by Executive Director James Bass. Right of Way Division Director Gus Cannon answered a question from Commissioner Austin. Commissioner Austin made a motion, which was seconded by Commissioner Vandergriff, and the commission approved the following minute orders by a vote of 5 - 0.

a. Donations to the Department

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

114913
CSD

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

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

The Texas Transportation Commission (commission) has adopted 43 TAC §§1.500-1.506, which relate to the department’s acceptance of donations. Section 1.503 authorizes the executive director to approve acceptance of donations to the department and requires that donations valued at \$500 or more must be acknowledged by order of the commission not later than the 90th day after the date the donation is accepted by the department. It further prohibits acceptance of a gift or donation when the donor is subject to department regulation or oversight or when the donor is interested in or likely

to become interested in any contract, purchase, payment, or claim with or against the department, except as provided by that section. It also provides that the executive director may approve the acceptance of a donation, notwithstanding the foregoing proscriptions in the rules, if the executive director determines that acceptance would provide a significant public benefit and would not influence or reasonably appear to influence the department in the performance of its duties.

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

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

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

(2) Dallas District - Consider for acknowledgement of the acquisition by gift/donation of required right of way accepted by the department for purposes of constructing, maintaining, widening, straightening, or extending the state highway system (MO)

114914
ROW

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

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

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

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

The executive director found that the donations identified on the attached Exhibit A were in compliance with the provisions of 43 TAC §§1.500-1.506, Government Code, Chapter 575, Transportation Code, §201.206, §223.049, and §224.001. The donation agreement has been executed and accepted by the department under Title 43, Texas Administrative Code, §1.504.

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

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

b. Real Estate Dispositions

(1) Angelina County - SH 103 at US 69 in Lufkin - Consider the sale of right of way to the abutting landowner (MO)

114915
ROW

In Lufkin, ANGELINA COUNTY, on STATE HIGHWAY 103, the state of Texas acquired certain land for highway purposes by instrument recorded in Volume 81, Page 137, Deed Records of Angelina County, Texas.

A portion of the land (Tract 1), RCSJ 0336-03-070, as shown on Exhibit A, is no longer needed for a state highway purpose.

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

Robert Cherry is the abutting landowner and has requested to purchase Tract 1 for \$25,000.

The commission finds \$25,000 to be a fair and reasonable value of the state’s right, title, and interest in Tract 1.

IT IS THEREFORE ORDERED by the commission that Tract 1 is no longer needed for a state highway purpose. The commission recommends, subject to approval by the attorney general, that the governor of Texas execute a proper instrument conveying all of the state’s right, title, and interest in Tract 1 to Robert Cherry for \$25,000; SAVE AND EXCEPT, however, there is excepted and reserved herefrom all of the state’s right, title, and interest, if any, in and to all of the oil, gas, sulphur, and other minerals, of every kind and character, in, on, under, and that may be produced from the land.

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

(2) Brazoria County - FM 524 between SH 35 and SS 419 in Old Ocean - Consider the removal from the system and transfer of control, jurisdiction, and maintenance to Brazoria County (county), and consider the quitclaim of right of way to the county (MO)

114916
ROW

In BRAZORIA COUNTY, on FARM TO MARKET ROAD 524, the state of Texas used certain land for highway purposes to which title is held by Brazoria County (county).

Pursuant to Texas Transportation Code, §§201.103 and 221.001, the executive director has recommended, as shown on Exhibit A, that a segment of FM 524 be

removed from the state highway system, a distance of 0.3 mile, from SH 35 southeastward to SS 419, and that control, jurisdiction, and maintenance be transferred to the county.

The land (Tract 1), RCSJ 1004-01-059, described in Exhibit B, is no longer needed for a state highway purpose.

In accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (commission) may recommend the quitclaim to the county of any interest that might have accrued to the state in property acquired and held by a county in its own name for use by the state.

The county has agreed to assume control, jurisdiction, and maintenance, and has requested that Tract 1 be quitclaimed to the county.

IT IS THEREFORE ORDERED by the commission that a segment of FM 524 is removed from the state highway system, a distance of 0.3 mile, from SH 35 southeastward to SS 419, and control, jurisdiction, and maintenance are transferred to the county.

FURTHER, IT IS ORDERED by the commission that Tract 1 is no longer needed for a state highway purpose. The commission recommends, subject to approval by the attorney general, that the governor of Texas execute a proper instrument quitclaiming all of the state's right and interest in Tract 1 to Brazoria County, Texas.

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

(3) Dallas County - SS 366 at Pearl Street in Dallas - Consider the quitclaim of right of way to honor a reversionary clause and the release of access restrictions (MO)

114917
ROW

In Dallas, DALLAS COUNTY, on STATE SPUR 366, the state of Texas and City of Dallas jointly acquired certain land for highway purposes by instrument recorded in Volume 84020, Page 3739, Deed Records of Dallas County, Texas.

The instrument conveying the land contained a clause to the effect that if the right of way is no longer necessary for highway purposes, the right of way would be relinquished to the City of Dallas.

A portion of the land (Tract 1), RCSJ 0196-07-032, described in Exhibit A, is no longer needed for a state highway purpose.

Access control from a portion of the land (Tract 2), RCSJ 0196-07-032, described in Exhibit B, is no longer needed for a state highway purpose.

In accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (commission) may recommend the quitclaim of the state's interest to comply with a reversionary clause contained in the instrument that originally conveyed the interest to the state.

The commission finds that it is proper and correct that the state quitclaim its right, title, and interest in Tract 1 and Tract 2 to comply with the reversionary clause contained in the instrument of conveyance to the state and city.

IT IS THEREFORE ORDERED by the commission that Tract 1 and Tract 2 are no longer needed for a state highway purpose. The commission recommends, subject to approval by the attorney general, that the governor of Texas execute a proper

instrument quitclaiming the state’s right, title, and interest in Tract 1 and Tract 2 to the City of Dallas, Texas.

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

(4) Hall County - FM 1547 in Memphis - Consider the removal from the system and transfer of control, jurisdiction and maintenance to the City of Memphis (city), designation on a new location, and transfer of right of way to the city (MO)

114918
ROW

In Memphis, HALL COUNTY, on FARM TO MARKET ROAD 1547, the state of Texas used certain land for highway purposes to which there is no record title in the state’s name.

Pursuant to Texas Transportation Code, §§201.103 and 221.001, the executive director has recommended, as shown on Exhibit A, that a segment of FM 1547 be removed from the state highway system, a distance of 0.2 mile, and that control, jurisdiction, and maintenance be quitclaimed to the City of Memphis (city). The executive director has also recommended the designation of a segment of FM 1547 on a new location, a distance of 0.3 mile.

A portion of the land (Tract 1), RCSJ 0844-05-010, shown on Exhibit B, is no longer needed for a state highway purpose.

In accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (commission) may recommend the quitclaim to the city of any interest that might have accrued to the state by use of property that was acquired and held by the city in its own name.

The city will assume control, jurisdiction, and maintenance of Tract 1 and has requested the quitclaim to the city.

IT IS THEREFORE ORDERED by the commission that: 1) A segment of FM 1547 is removed from the state highway system from US 287 eastward along Montgomery Street to 3rd Street, a distance of 0.2 mile; 2) control, jurisdiction and maintenance is transferred to the City of Memphis; 3) FM 1547 is designated on a new location from US 287 southward along 7th Street, eastward along Bradford; and northeastward to 3rd Street, a distance of 0.3 mile.

IT IS THEREFORE ORDERED by the commission that Tract 1 is no longer needed for a state highway purpose and recommends, subject to approval by the attorney general, that the governor of Texas execute a proper instrument quitclaiming the state’s right and interest in Tract 1 to the City of Memphis, Texas.

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

(5) Kerr County - SH 16 at G Street West in Kerrville - Consider the sale of right of way to the abutting landowner (MO)

114919
ROW

In Kerrville, KERR COUNTY, on STATE HIGHWAY 16, the state of Texas acquired certain land for highway purposes by instrument recorded in Volume 185, Page 816, Deed Records of Kerr County, Texas.

A portion of the land (Tract 1), RCSJ 0291-03-068, described in Exhibit A, is no longer needed for a state highway purpose.

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

James Avery Craftsman, Inc., is the abutting landowner and has requested to purchase Tract 1 for \$10,500.

The commission finds \$10,500 to be a fair and reasonable value of the state's right, title, and interest in Tract 1.

IT IS THEREFORE ORDERED by the commission that Tract 1 is no longer needed for a state highway purpose. The commission recommends, subject to approval by the attorney general, that the governor of Texas execute a proper instrument conveying all of the state's right, title, and interest in

Tract 1 to James Avery Craftsman, Inc., for \$10,500; SAVE AND EXCEPT, however, there is excepted and reserved herefrom all of the state's right, title, and interest, if any, in and to all of the oil, gas, sulphur, and other minerals, of every kind and character, in, on, under, and that may be produced from the land.

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

(6) McLennan County - FM 1637 from W. Lake Shore Drive to US 84 (W. Waco Drive) in Waco - Consider the removal from the system and transfer of control, jurisdiction, and maintenance to the City of Waco (city) and the transfer and quitclaim of right of way to the city (MO)

114920
ROW

In Waco, McLENNAN COUNTY, on FARM TO MARKET ROAD 1637, the state of Texas acquired certain land for highway purposes by instrument recorded in Volume 1094, Page 781, Deed Records of McLennan County, Texas, and the state used certain land for highway purposes to which there is no record title in the state's name.

Pursuant to Texas Transportation Code, §§201.103 and 221.001, the executive director has recommended, as shown on Exhibit A, that FM 1637 be removed from the state highway system, a distance of 4.1 miles, from W. Lake Shore Drive to US 84 (W. Waco Dr.), and that jurisdiction, control, and maintenance be transferred to the City of Waco (city).

Tracts 1, 2, and 3, RCSJ 0833-03-050, described in Exhibits B and C, are no longer needed for a state highway purpose.

In accordance with Texas Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (commission) may: 1) waive payment for real property transferred to a governmental entity if the governmental entity assumes jurisdiction, control, and maintenance of right of way for public road purposes; and 2) recommend the quitclaim of any interest in property acquired by a municipality in its own name that might have accrued to the state by use of the property.

The city has agreed to assume jurisdiction, control, and maintenance and has requested that Tract 1 be transferred to the city and that Tracts 2 and 3 be quitclaimed to the city.

IT IS THEREFORE ORDERED by the commission that FM 1637 is removed from the state highway system, a distance of 4.1 miles, from W. Lake Shore Drive 1) southeast along N. 19th St. to Wilson Ave.; 2) southeast along N. 18th St. to Lyle

Ave./Herring Ave.; 3) east along Herring Ave. to N. 5th St./N. 4th St.; and 4) southeast along N. 5th St./N. 4th St. to US 84 (W. Waco Dr.), and jurisdiction, control, and maintenance are transferred to the city.

FURTHER, IT IS ORDERED by the commission that Tracts 1, 2, and 3 are no longer needed for a state highway purpose. The commission recommends, subject to approval by the attorney general, that the governor of Texas execute: 1) a proper instrument transferring Tract 1 to the City of Waco, Texas; SAVE AND EXCEPT, however, there is excepted and reserved herefrom all of the state's rights, titles, and interests, if any, in and to all of the oil, gas, sulphur, and other minerals, of every kind and character, in, on, under, and that may be produced from the real property; and 2) a proper instrument quitclaiming the state's right and interest in Tracts 2 and 3 to the City of Waco, Texas.

FURTHER, if Tract 1 ceases to be used for public road purposes, the real property shall immediately and automatically revert to this state.

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

(7) McLennan County - FS 434 from I-35 to FM 434, and FM 434 from I-35 to BU 77 (La Salle Avenue) in Waco - Consider the removal from the system and transfer of control, jurisdiction, and maintenance to the City of Waco (city) and the transfer and quitclaim of right of way to the city (MO)

114921
ROW

In Waco, McLENNAN COUNTY, on FARM TO MARKET SPUR 434 and FARM TO MARKET ROAD 434, the state of Texas acquired certain land for highway purposes by various instruments recorded in the Deed Records of McLennan County, Texas, and the state used certain land for highway purposes that was acquired in the name of the City of Waco.

Pursuant to Texas Transportation Code, §§201.103 and 221.001, the executive director has recommended, as shown on Exhibit A, that FS 434, a distance of 0.3 mile, from I-35 north to FM 434 (S. University Parks Dr.), and that FM 434, a distance of 1.1 miles, from I-35 to BU 77L, be removed from the state highway system and that jurisdiction, control, and maintenance be transferred to the City of Waco (city).

Tracts 1, 2, 4, and 6, described in Exhibit B, and Tracts 3 and 5, described in Exhibit C, RCSJ 0833-04-043, are no longer needed for a state highway purpose.

In accordance with Texas Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (commission) may: 1) waive payment for real property transferred to a governmental entity if the governmental entity assumes jurisdiction, control, and maintenance of right of way for public road purposes; and 2) recommend the quitclaim of any interest in property acquired by a municipality in its own name that might have accrued to the state by use of the property.

The city has agreed to assume jurisdiction, control, and maintenance and has requested that Tracts 1, 2, 4, and 6 be transferred to the city and that Tract 3 and 5 be quitclaimed to the city.

IT IS THEREFORE ORDERED by the commission that: 1) FS 434, a distance of 0.3 mile, from I-35 north and east along Dutton Ave. to FM 434 (S. University Parks Dr.), and 2) FM 434, a distance of 1.1 miles, from I-35 east along S. University Parks

Dr. to BU 77L, are removed from the state highway system; and 2) jurisdiction, control, and maintenance are transferred to the city.

FURTHER, IT IS ORDERED by the commission that Tracts 1 through 6 are no longer needed for a state highway purpose. The commission recommends, subject to approval by the attorney general, that the governor of Texas execute: 1) a proper instrument transferring Tracts 1, 2, 4, and 6 to the City of Waco, Texas; SAVE AND EXCEPT, however, there is excepted and reserved herefrom all of the state's rights, titles, and interests, if any, in and to all of the oil, gas, sulphur, and other minerals, of every kind and character, in, on, under, and that may be produced from the real property; and 2) a proper instrument quitclaiming the state's right and interest in Tracts 3 and 5 to the City of Waco, Texas.

FURTHER, if Tracts 1, 2, 4, and 6 cease to be used for public road purposes, the real property shall immediately and automatically revert to this state.

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

(8) Titus County - SH 49, old alignment southeast of Mount Pleasant - Consider the sale and quitclaim of right of way to the abutting landowner (MO)

114922
ROW

In TITUS COUNTY, on STATE HIGHWAY 49, the state of Texas acquired certain land for highway purposes by instruments recorded in Volume 198, Page 91; Volume 197, Page 396; Volume 386, Page 837; and Volume 387, Page 134, Deed Records of Titus County, Texas, and the state used other land for highway purposes to which there is no record title.

Portions of the land (Tracts 1, 2, and 3), RCSJ 0222-01-053, described in Exhibit A, are no longer needed for a state highway purpose.

In accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (commission) may recommend the sale of any interest in real property acquired and no longer needed for a state highway purpose and may recommend the quitclaim of any interest that might have accrued to the state by use of the property to the abutting landowner at the request of the county or municipality.

First Baptist Church, Mount Pleasant, Texas, is the abutting landowner and has requested to purchase Tracts 1 and 2 for \$2,276.

Titus County has requested that Tract 3 be quitclaimed to the abutting landowner.

The commission finds \$2,276 to be a fair and reasonable value of the state's right, title, and interest in Tracts 1 and 2.

IT IS THEREFORE ORDERED by the commission that Tracts 1, 2, and 3 are no longer needed for a state highway purpose. The commission recommends, subject to approval by the attorney general, that the governor of Texas execute a proper instrument conveying all of the state's right, title, and interest in Tracts 1 and 2 to First Baptist Church, Mount Pleasant, Texas, for \$2,276; SAVE AND EXCEPT, however, there is excepted and reserved herefrom all of the state's right, title, and interest, if any, in and to all of the oil, gas, sulphur, and other minerals, of every kind and character, in, on, under, and that may be produced from the land.

FURTHER, the commission recommends, subject to approval by the attorney general, that the governor of Texas execute a proper instrument quitclaiming the state's right and interest in Tract 3 to First Baptist Church, Mount Pleasant, Texas.

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

c. Reports

(1) Compliance Division report

Note: Confidential report to commission.

(2) Obligation Limit Report

Quarterly status report on the FY 2017 Obligation Limit, the actual obligations utilized through the current month, proposed remaining highway maintenance and construction contract letting for the fiscal year and an update on motor fuel tax receipts (Report)

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

(3) Quarterly report on FY 2017 State Highway Fund 6 cash status (Report)

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

d. Finance

(1) Quarterly Investment Report (MO)

114923
PFD

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

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

In Minute Order 108970, dated July 25, 2002, the commission approved and adopted a written investment policy and investment strategy applicable to funds of the commission relating to the Central Texas Turnpike System held by Bank One, N.A., (in such capacity with its successors, currently Bank of New York Mellon), as Trustee under the Indenture of Trust dated July 15, 2002, between the commission and the trustee. Pursuant to Government Code §2256.005(e) and Section 20 of the investment policy, the investment policy and investment strategies of the commission have been reviewed and revised annually by minute order since 2003. In Minute Order 114360, dated August 27, 2015, the commission approved and adopted a written investment policy that added an investment strategy applicable to funds in the prepaid TxTag custodial account under the Master Lockbox and Custodial Account Agreement by and

between the Bank of New York Mellon Trust Company, N.A., as custodian, and the department. In Minute Order 114706, dated August 25, 2016, the commission approved and adopted a written investment policy that added an investment strategy applicable to funds related to obligations issued for the IH 35E Project under a Trust Agreement by and between Amegy Bank, a Division of ZB, National Association, as trustee, and the department.

The commission has designated the department's chief financial officer and the director, Project Finance, Debt & Strategic Contracts Division as investment officers. The chief financial officer is primarily responsible for the execution of investment strategy and activities on a daily basis. However, in his/her absence, the director, Project Finance, Debt & Strategic Contracts Division, or a designee of any of the investment officers (as evidenced in a delegation memorandum) shall perform these duties and responsibilities.

Government Code §2256.023 requires the designated investment officer to prepare and submit to the commission and the executive director, not less than quarterly, a written report of investment transactions for all funds covered by the Public Funds Investment Act for the preceding reporting period. The report must describe in detail the investment position of the department on the date of the report, and must be prepared jointly and signed by each investment officer.

Section 9.0 of the investment policy requires the investment officer to prepare and submit to each member of the commission and the executive director of the department an investment report on no less than a quarterly basis. The report must be prepared in accordance with the requirements of that section, including containing sufficient information to provide for a comprehensive review of investment activity and current investment instruments and performance for the reporting period. A quarterly investment report for the department for the period ending February 28, 2017, attached as Exhibit A, has been prepared in accordance with Government Code §2256.023 and Section 9.0 of the investment policy.

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

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

(2) Travis and Williamson Counties - Consider the acceptance of the report of Actual Traffic and Revenue for the Central Texas Turnpike System (MO)

114924
TOD

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

The commission has previously issued bonds and obligations, with approximately \$2,401,472,000 outstanding, to finance or refinance a portion of the costs of the Central Texas Turnpike System (system), pursuant to an Indenture of Trust and seven supplemental indentures. The Indenture of Trust dated July 15, 2002

(Indenture), prescribes the terms, provisions and covenants related to the issuance of turnpike revenue bonds and obligations to finance a portion of the costs of the system.

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

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

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

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

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

e. Transportation Planning

(1) Various Counties - Consider the approval of the Fiscal Year 2016 Annual Report on the Economically Disadvantaged Counties Program (MO)

114925
TPP

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

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

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

The Texas Department of Transportation has completed the Fiscal Year 2016 Annual Report on the Economically Disadvantaged Counties Program, which is attached as Exhibit A.

IT IS THEREFORE ORDERED that the Fiscal Year 2016 Annual Report on the Economically Disadvantaged Counties Program, as shown in Exhibit A, is approved by the commission and shall be presented to the governor, the lieutenant governor, and the speaker of the house of representatives as required by Section 222.053(e), Transportation Code.

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

(2) Various Counties - Consider concurrence with the Regional Transportation Council of the North Central Texas Council of Governments' funding of construction and other project development costs of projects to be advanced through the use of

payments received from the North Texas Tollway Authority in accordance with the SH 121 Toll Project Agreement (MO)

114926
TPP

Transportation Code, §228.012 requires the Texas Department of Transportation (department) to create a separate account in the state highway fund to hold payments received by the department under a comprehensive development agreement (CDA) and the surplus revenue of a toll project or system.

The department is required to create subaccounts in the account for each project, system, or region, and to hold money in a subaccount in trust for the benefit of the region in which the project or system is located. Interest earned on money in a subaccount shall be deposited to the credit of that subaccount. The department may assign the responsibility for allocating money in a subaccount to the metropolitan planning organization (MPO) in which the region is located.

The department has created subaccounts in the state highway fund to hold the payments received from the North Texas Tollway Authority (NTTA) for the right to develop, finance, design, construct, operate, and maintain the SH 121 toll project from Business SH 121 in Denton County to US 75 in Collin County (SH 121 payments).

Pursuant to Transportation Code, §228.012, the SH 121 payments may be used to pay the costs of a transportation project, highway project, or air-quality project within a region in which any part of the SH 121 toll project is located. Money must be allocated to projects authorized by Transportation Code, §228.0055 or §228.006, as applicable. An air-quality project is a project or program of the department or another governmental entity that the Texas Transportation Commission (commission) determines will mitigate or prevent air pollution caused by the construction, maintenance, or use of public roads.

In Minute Order 110727, dated October 26, 2006, the commission approved, and authorized the department's executive director to enter into, a memorandum of understanding (MOU) with the Regional Transportation Council (RTC), the transportation policy council of the North Central Texas Council of Governments (NCTCOG), a federally designated MPO, concerning the administration, sharing, and use of surplus toll revenue and CDA concession payments in the region served by the NCTCOG. The SH 121 toll project is located in the region served by the NCTCOG.

Responsibility for allocating the SH 121 payments has been assigned to the RTC under the MOU. The MOU provides that the selection of projects to be financed using those funds shall be made by the RTC, subject to commission concurrence. The projects are to be selected through a process which considers the desires of the cities and counties in which the project is located. The RTC has developed a plan for regional sharing of surplus toll revenue and CDA concession payments, based on the location of the toll project from which these revenues are derived and the residential location of toll users in the region served by the NCTCOG.

In Minute Order 112015, dated October 29, 2009, the commission clarified that commission concurrence in projects selected by the RTC to be financed with surplus toll revenue and CDA concession payments is limited to ensuring the funds are allocated to projects authorized by Transportation Code, §228.0055 or §228.006. The

minute order requires the department to disburse such funds in accordance with directions from the RTC to pay the costs of qualified projects.

The department has established a work program to account for and track projects and project costs in the NCTCOG Metropolitan Planning Area (MPA) boundary funded with the SH 121 payments. In previous minute orders, the commission concurred with certain projects identified by the RTC to be funded with those payments, and approved the placement of those projects in the work program. The RTC, through an extensive public involvement process, has identified additional project costs in the NCTCOG MPA boundary to be funded with the SH 121 payments, as shown in Exhibit A. The RTC has also identified changes to the list of previously-approved projects, which are shown in Exhibit B. A summary of funds associated with the SH 121 work program is set forth in Exhibit C, which is included for informational purposes only.

IT IS THEREFORE ORDERED by the commission that, pursuant to the MOU and Minute Order 112015, it concurs with the project shown in Exhibit A that has been selected by the RTC to be funded with the SH 121 payments, and approves the placement of the project in the work program with CONSTRUCT authority, to be developed consistent with applicable state and federal laws, regulations, and procedures. Pursuant to the finding of the RTC, the commission determines that the project shown in Exhibit A is a transportation or highway project, or air-quality project that will mitigate or prevent air pollution caused by the construction, maintenance, or use of public roads, and is therefore eligible to be funded with the SH 121 payments. The commission also concurs with the changes to the list of previously-approved projects as shown in Exhibit B.

IT IS FURTHER ORDERED that, unless otherwise approved by the commission, all direct costs associated with the projects for which federal and state funds have not been allocated shall be charged to this work program, including the costs of right of way acquisition, preliminary engineering, and construction engineering. The costs of department staff incurred in the development, procurement, and construction of on-system projects to be funded from the SH 121 payments subaccounts will not themselves be funded from the SH 121 payments subaccounts. Funds from the SH 121 payments subaccounts that were used to reimburse the costs of department staff will be returned to the subaccounts without interest at least quarterly.

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

(3) Various Counties - Consider concurrence with the Regional Transportation Council of the North Central Texas Council of Governments' funding of construction and other project development costs of projects to be advanced through the use of payments received from the North Texas Tollway Authority in accordance with the SH 161 Toll Project Agreement (MO)

114927
TPP

Transportation Code, §228.012 requires the Texas Department of Transportation (department) to create a separate account in the state highway fund to hold payments received by the department under a comprehensive development agreement (CDA) and the surplus revenue of a toll project or system.

The department is required to create subaccounts in the account for each project, system, or region, and to hold money in a subaccount in trust for the benefit of the region in which the project or system is located. Interest earned on money in a subaccount shall be deposited to the credit of that subaccount. The department may assign the responsibility for allocating money in a subaccount to the metropolitan planning organization (MPO) in which the region is located.

The department has created subaccounts in the state highway fund to hold the payments received from the North Texas Tollway Authority (NTTA) for the right to develop, finance, design, construct, operate, and maintain the SH 161 toll project from I-20 to SH 183 in Dallas County (SH 161 payments).

Pursuant to Transportation Code, §228.012, the SH 161 payments may be used to pay the costs of a transportation project, highway project, or air-quality project within a region in which any part of the SH 161 toll project is located. Money must be allocated to projects authorized by Transportation Code, §228.0055 or §228.006, as applicable. An air-quality project is a project or program of the department or another governmental entity that the Texas Transportation Commission (commission) determines will mitigate or prevent air pollution caused by the construction, maintenance, or use of public roads.

In Minute Order 110727, dated October 26, 2006, the commission approved, and authorized the department's executive director to enter into, a memorandum of understanding (MOU) with the Regional Transportation Council (RTC), the transportation policy council of the North Central Texas Council of Governments (NCTCOG), a federally designated MPO, concerning the administration, sharing, and use of surplus toll revenue and CDA concession payments in the region served by the NCTCOG. The SH 161 toll project is located in the region served by the NCTCOG.

Responsibility for allocating the SH 161 payments has been assigned to the RTC under the MOU. The MOU provides that the selection of projects to be financed using those funds shall be made by the RTC, subject to commission concurrence. The projects are to be selected through a process which considers the desires of the cities and counties in which the project is located. The RTC has developed a plan for regional sharing of surplus toll revenue and CDA concession payments, based on the location of the toll project from which these revenues are derived and the residential location of toll users in the region served by the NCTCOG.

In Minute Order 112015, dated October 29, 2009, the commission clarified that commission concurrence in projects selected by the RTC to be financed with surplus toll revenue and CDA concession payments is limited to ensuring the funds are allocated to projects authorized by Transportation Code, §228.0055 or §228.006. The minute order requires the department to disburse such funds in accordance with directions from the RTC to pay the costs of qualified projects.

The department has established a work program to account for and track projects and project costs in the NCTCOG Metropolitan Planning Area (MPA) boundary funded with the SH 161 payments. In previous minute orders, the commission concurred with certain projects identified by the RTC to be funded with those payments, and approved the placement of those projects in the work program. The RTC has identified changes to the list of previously-approved projects, which are

shown in Exhibit A. A summary of the funds associated with the SH 161 work program is set forth in Exhibit B, which is included for informational purposes only.

IT IS THEREFORE ORDERED by the commission that, pursuant to the MOU and Minute Order 112015, it concurs with the changes to the list of previously-approved projects shown in Exhibit A.

IT IS FURTHER ORDERED that, unless otherwise approved by the commission, all direct costs associated with the projects for which federal and state funds have not been allocated shall be charged to this work program, including the costs of right-of-way acquisition, preliminary engineering, and construction engineering. The costs of department staff incurred in the development, procurement, and construction of on-system projects to be funded from the SH 161 payments subaccounts will not themselves be funded from the SH 161 payments subaccounts. Funds from the SH 161 payments subaccounts that were used to reimburse the costs of department staff will be returned to the subaccounts without interest at least quarterly.

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

f. Speed Zones

Various Counties - Consider the establishment or alteration of regulatory and construction speed zones on various sections of highways in the state (MO)

114928
TRF

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

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

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

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

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

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

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

implement this order for control and enforcement purposes by the erection of appropriate signs showing the prima facie maximum speed limits.

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

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

ITEM 12. Executive Session Pursuant to Government Code, Chapter 551 Section 551.071 - Consultation with and advice from legal counsel regarding any item on this agenda, pending or contemplated litigation, or other legal matters.

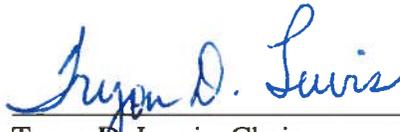
The commission recessed to executive session at 11:27 a.m. and returned from executive session at 11:56 a.m.

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

The commission received no further comments.

Commissioner Austin motioned adjournment and Commissioner Vandergriff seconded the motion. The commission voted 5 - 0 to adjourn. The regular meeting of the Texas Transportation Commission was adjourned at 11:57 a.m.

APPROVED:



Tryon D. Lewis, Chairman
Texas Transportation Commission

I hereby certify that the above and foregoing pages constitute the full, true, and correct record of all proceedings and official records of the Texas Transportation Commission at its regular meeting on April 27, 2017, in Austin, Texas.



Robin Carter, Commission Chief Clerk
Texas Department of Transportation