

These are the minutes of the regular meeting of the Texas Transportation Commission held on August 31, 2017, in Austin, Texas. The meeting was called to order at 9:01 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
 Marc Williams, Deputy 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 5:41 p.m. on August 23, 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 Randy Clawson.

ITEM 2. Consider the approval of the Minutes of the July 26, 2017, workshop meeting and the July 27, 2017, regular meeting of the Texas Transportation Commission

Commissioner Austin made a motion, which was seconded by Commissioner Vandergriff, and the commission approved the minutes of the July 26, 2017, workshop meeting and the July 27, 2017, regular meeting by a vote of 5 - 0.

ITEM 3. Acknowledgment of Service

a. Recognize by resolution Glenn Hagler, Procurement Division Director, for 36 years of service to the department

This item was deferred.

b. Recognize by resolution Dennis R. Cooley, P.E., Tyler District Engineer, for 35 years of service to the department

This item was deferred.

ITEM 4. Financial Management**Consider adoption of the Fiscal Year 2018 Budget (MO)**

This item was presented by Financial Management Division Director Stephen Stewart. 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.

115003
FIN

The General Appropriations Act of the 85th Legislature, Regular Session, has appropriated funds for the operations of the Texas Department of Transportation (department) for Fiscal Year 2018.

The funds appropriated are necessary to effectively operate the activities of the department in accordance with the guidelines set forth in the General Appropriations Act.

IT IS THEREFORE ORDERED by the Texas Transportation Commission that a cash operating budget of \$12,412,438,493 be authorized for the operations of the department for Fiscal Year 2018; and the executive director is hereby ordered to administer this cash operating budget in the most feasible and economical manner within the guidelines prescribed by the 85th Legislature, Regular Session.

IT IS FURTHER ORDERED that the executive director is hereby authorized to make necessary adjustments to spending levels in accordance with the General Appropriations Act or other legislation as may be necessary in the operations of the department.

ITEM 5. Memorandum of Understanding**Consider authorizing the department to enter into a development agreement and memorandum of understanding with the United States Department of Transportation, the Arizona Department of Transportation, the California Department of Transportation, and the New Mexico Department of Transportation related to the development of the Interstate 10 Corridor (MO)**

This item was presented by Project Planning and Development Director Lauren Garduno. The commission also heard remarks from private citizen and engineer Don Dixon. 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.

115004
TPP

Transportation Code §201.103 authorizes the Texas Transportation Commission (commission) to plan and make policies for the location, construction, and maintenance of a comprehensive system of state highways and public roads. Transportation Code §201.110 authorizes the commission, by the authority of the governor, to contract with an adjoining state to: (1) provide for the improvement of a public road or highway that crosses the states' boundary; and (2) establish respective responsibilities for the improvement. Governor Abbott has delegated to the executive director of the Texas Department of Transportation (department) the authority to sign necessary agreements describing cooperation with other states for activities the department is charged by law to perform.

The department is working to promote a partnership between the United States Department of Transportation (USDOT), the Arizona Department of Transportation, the California Department of Transportation, and the New Mexico Department of Transportation for the development of the Interstate 10 Corridor within the boundaries of these states and all transportation facilities within reasonable proximity of Interstate 10. The partnership is specifically designed to serve as a model for the development of nationally and regionally significant corridors through a coordinated regional approach to planning, developing, financing, constructing, operating, and maintaining this corridor. The primary objectives of the partnership are to encourage the states to leverage public and private resources by utilizing evolving technology to develop innovative national and regional approaches to reducing congestion, increase freight system reliability, and enhance the quality of life for U.S. citizens.

The partnership is responsible for the development and adoption of the budget to support the efforts of the Interstate 10 Corridor Coalition Work Plan. The budget is to be developed in consultation with the USDOT and the partnering states. The funding will be used in support of corridor development, preparation of plans, and for designing an I-10 Corridor Concept of Operations and designing the corridor enhancements. The department's portion of the pooled fund agreement is in the amount of \$400,000.

IT IS THEREFORE ORDERED by the commission that the executive director of the department is hereby authorized to enter into a development agreement and memorandum of understanding with the USDOT, the Arizona Department of Transportation, the California Department of Transportation, and the New Mexico Department of Transportation to express the mutual understandings and respective commitments to the development and management of the Interstate 10 Corridor.

ITEM 6. Unified Transportation Program (UTP)

Consider the approval of the 2018 UTP (MO)

After introducing this item Executive Director Bass left the dais to attend to emergency matters related to Hurricane Harvey and Deputy Executive Director Marc Williams introduced items until Mr. Bass returned. This item was presented by Project Planning and Development Director Lauren Garduno. The commission also heard remarks from Tarrant County Precinct 3 Commissioner Gary Fickes and from private citizen and engineer Don Dixon. 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.

115005
TPP

Transportation Code, §201.991 provides that the Texas Department of Transportation (department) shall develop a Unified Transportation Program (UTP) covering a period of 10 years to guide the development of and authorize construction of transportation projects. Transportation Code, §201.602 requires the Texas Transportation Commission (commission) to annually conduct a public hearing on its highway project selection process and the relative importance of the various criteria on which the commission bases its project selection decisions. The commission has adopted rules located in Title 43, Texas Administrative Code, Chapter 16, governing

the planning and development of transportation projects, which include guidance regarding public involvement related to the project selection process and the development of the UTP. These rules also require the commission to adopt the UTP not later than August 31 of each year.

The department conducted a public meeting across the state via WebEx on July 20, 2017, and a public hearing on August 8, 2017, to receive comments and testimony concerning the development of the 2018 UTP and the project selection process.

The 2018 UTP, which is attached as Exhibit A, authorizes funding for each of the twelve funding categories established by the rules and outlines the various project selection methods and usual funding participation. The 2018 UTP lists the connectivity and new capacity roadway projects that the department intends to develop and potentially let during the 10-year period and references for each listed project the funding category to which it is assigned. Projects listed that have been authorized by previous legislative action or prior actions of the commission are still approved and their inclusion in the UTP in no way modifies that prior approval. The remaining funding levels and projects listed for aviation, public transportation, rail, and state waterways and coastal waters are authorized by separate minute orders and this UTP does not supersede those prior actions.

IT IS THEREFORE ORDERED by the commission that the 2018 UTP, including the project selection process, as shown in Exhibit A, is hereby approved and supersedes the previously-approved 2017 UTP for fiscal years 2018-2026.

IT IS FURTHER ORDERED that the executive director is hereby authorized to develop the projects listed in the UTP to the level of authority indicated to include any necessary agreements, right of way acquisitions, utility adjustments, and relocation assistance, subject to the policies of the department and all applicable federal and state laws governing the acquisition of real property.

IT IS FURTHER ORDERED that pursuant to Transportation Code, §222.052, the commission may accept financial contributions from political subdivisions of the state for development of projects in the 2018 UTP.

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

ITEM 7. 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 Vandergriff, and the commission approved the following minute order by a vote of 5 - 0.

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.

115006
AVN

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 August 3, 2017, a public hearing was 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 \$7,283,233.

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

b. Various Counties - Consider the award of federal and state grant funding for airport improvement projects at various locations (MO)

This item was presented by Aviation Division Director Dave Fulton. Assistant City Manager for the City of Granbury Michael Ross and the City of Granbury Aviation Director Gary Hawkins also addressed the commission. Commissioner Ryan made a motion, which was seconded by Commissioner Austin, and the commission approved the following minute order by a vote of 5 - 0.

115007
AVN

The Texas Department of Transportation (department) is authorized under Title 49, United States Code, Chapter 471, and Texas Transportation Code, Chapter 21, to award federal and state 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 and state grant funds for the improvements.

On August 3, 2017, a public hearing was 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 \$16,046,340.

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

c. Various Counties - Consider the award of federal discretionary grant funding for airport improvement projects at various locations (MO)

This item was presented by Aviation Division Director Dave Fulton. 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.

115008
AVN

The Texas Department of Transportation (department) is authorized under Title 49, United States Code, Chapter 471, to award federal discretionary 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 discretionary funds for the improvements.

On August 3, 2017, a public hearing was 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 agreement to fund, through the Aviation Facilities Grant Program, the project described in Exhibit A at an estimated cost of \$12,766,667.

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

d. Various Counties - Consider the approval of the Routine Airport Maintenance Program (MO)

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

115009
AVN

The Texas Department of Transportation (department) is authorized under Texas Transportation Code, Chapter 21 and Chapter 22, to assist in the development and maintenance of airports in the state.

The Routine Airport Maintenance Program (RAMP) provides financial assistance for publicly owned or operated general aviation, reliever and non-hub commercial service airports included in the Texas Airport System Plan.

Due to the success of this program, the department requests continuation of the program by providing funds for airport maintenance and small capital improvements on a 50-50 basis up to a maximum of \$50,000 in state funds for Fiscal Year 2018.

A public hearing regarding the funding of RAMP was held on August 3, 2017, and no comments were received.

IT IS THEREFORE ORDERED by the Texas Transportation Commission that the airports listed in Exhibit A be awarded grants in accordance with RAMP and that the executive director, or the director's designee, is authorized to enter into any necessary grant agreements with the appropriate local government agencies necessary to carry out the directives of this minute order.

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

e. Various Counties - Consider the approval of the Aviation Capital Improvement Program (MO)

This item was presented by Aviation Division Director Dave Fulton. Executive Director Bass returned to the dais. 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.

115010
AVN

Pursuant to Transportation Code, §§21.108 and 21.109, and Title 43, Texas Administrative Code, §30.209, the Texas Department of Transportation prepares and

updates a multiyear Aviation Capital Improvement Program (CIP). The CIP is a plan for general aviation airport development in Texas. It is a detailed listing of potential projects based on the anticipated funding levels of the Federal Aviation Administration Airport Improvement Program and the Texas Aviation Facilities Development Program.

In August 2017, the draft FY 2018-2020 Aviation CIP was submitted to the sponsors of airports included in the Texas airport system for review. Comments received have been evaluated and, when appropriate, have been addressed in the CIP. The Texas Aviation Advisory Committee recommended approval of the FY 2018-2020 CIP at its August 2017 meeting.

IT IS THEREFORE ORDERED by the Texas Transportation Commission that the FY 2018-2020 Aviation Capital Improvement Program, as shown in Exhibit A, is hereby adopted and the executive director is authorized to proceed with the development of the airport facilities included in the program.

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

ITEM 8. Advisory Committee Appointments

a. Border Trade Advisory Committee

Consider the appointment of members to the Border Trade Advisory Committee (MO)

This item was deferred.

b. Bicycle Advisory Committee

Consider the appointment of members to the Bicycle Advisory Committee (MO)

This item was deferred.

ITEM 9. Public Transportation

Various Counties - Consider the award of FY 2018 state funds, federal §5304 Statewide and Nonmetropolitan Transportation Planning Program funds and state matching funds, federal §5310 Formula Grants for the Enhanced Mobility of Seniors and Individuals with Disabilities Program funds, federal §5311 Formula Grants for Rural Areas Program funds, and transportation development credits to various entities (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.

115011
PTN

The Texas Transportation Commission (commission) desires to award state and federal program funds and transportation development credits (TDC) to support a variety of public transportation needs in urbanized and non-urbanized areas of the state. A total of \$5,203,088 in state funds, \$2,816,869 in federal funds, and up to 503,800 TDC are awarded in this minute order.

Of the amounts appropriated to the Texas Department of Transportation (department) by the General Appropriations Act of the 85th Texas Legislature, Regular Session, \$67,682,135 was appropriated for urban and rural public transportation systems for the 2018-2019 biennium. Title 43, Texas Administrative Code (TAC), §31.11 establishes a formula by which state public transportation funds shall be distributed to the urban and rural areas of the state. The award of \$ 5,129,838 which is shown in Exhibits A and B, has been calculated in accordance with the provisions of §31.11.

Title 43, TAC, §31.31 establishes a formula by which public transportation funds shall be distributed under the Federal Transit Administration (FTA) Formula Grants for the Enhanced Mobility of Seniors and Individuals with Disabilities program (49 U.S.C. §5310). An award of \$1,010,225 in federal §5310 funds is shown in Exhibit C and has been determined in accordance with the provisions of §31.31. An award of up to 202,300 TDC has also been determined for eligible projects identified in Exhibit C.

Title 43, TAC, §31.36(g)(4) establishes a formula for calculating awards to rural transit systems based on vehicle revenue miles under the FTA Formula Grants for Rural Areas Program (49 U.S.C. §5311). An award of \$1,506,374 in federal §5311 funds is shown in Exhibit D and has been determined in accordance with §31.36(g)(4). An award of up to 301,500 TDC has also been determined for eligible projects identified in Exhibit D.

Title 43, TAC, §31.36(g)(3) establishes a formula for calculating awards to rural transit systems for discretionary purposes under the FTA Formula Grants for Rural Areas Program (49 U.S.C. §5311). An award of \$7,270 in federal §5311 funds is shown in Exhibit E and has been determined in accordance with §31.36(g)(3) to help mitigate negative formula impacts resulting from using 2010 census data in the formula.

Title 43, TAC, §31.22 authorizes the state to contract with entities for planning and research activities as defined in the FTA Statewide and Nonmetropolitan Transportation Planning grant program (49 U.S.C. §5304). An award of \$293,000 in federal §5304 funds and \$73,250 in state matching funds is shown in Exhibit F and has been determined in accordance with §31.22. These funds are awarded in response to a competitive call for projects. The funds will support demonstration projects to implement strategies identified in recently developed public transit-human services transportation plans.

All entities have provided evidence of compliance with their internal ethics and compliance programs as required by 43 TAC §31.39.

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

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

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

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

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

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

Proposed Adoption

a. Chapter 31 - Public Transportation

Repeal of §31.17, Section 5316 Grant Program and §31.18, Section 5317 Grant Program (Federal Programs); and Amendments to §31.3, Definitions (General); §31.11, Formula Program (State Programs); §31.30, Section 5339 Grant Program, §31.31, Section 5310 Grant Program, and §31.36, Section 5311 Grant Program (Federal Programs); §31.42, Standard Federal Requirements, §31.43, Contract Requirements, §31.44, Procurement Requirements, §31.45, Accounting and Financial Recordkeeping Requirements, §31.47, Audit and Project Close-Out Standards, and §31.48, Project Oversight (Program Administration); §31.50, Recordkeeping and Inventory Requirements, and §31.57, Disposition (Property Management Standards) (MO)

This item was presented by Public Transportation Division Director Eric Gleason. 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.

115012
PTN

The Texas Transportation Commission (commission) finds it necessary to propose amendments to §§31.3, 31.11, 31.30, 31.31, 31.36, 31.42 - 31.45, 31.47, 31.48, 31.50, and 31.57, and the repeal of §§31.17 and 31.18, all concerning public transportation, to be codified under Title 43, Texas Administrative Code, Part 1.

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

IT IS THEREFORE ORDERED by the commission that the amendments to §§31.3, 31.11, 31.30, 31.31, 31.36, 31.42 - 31.45, 31.47, 31.48, 31.50, and 31.57, and the repeal of §§31.17 and 31.18 are proposed for adoption and are authorized for publication in the Texas Register for the purpose of receiving public comments.

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

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

The commission took a short recess from 10:50 a.m. to 11:03 a.m.

b. Chapter 21 - Right of Way

Repeal of §§21.146-21.149, 21.151, 21.165, 21.189, 21.194, 21.196; Amendments §§21.141-21.145, 21.150, 21.152- 21.156, 21.158-21.164, 21.166-21.182, 21.184-21.188, 21.190-21.193, 21.195, 21.197-21.204; New §§21.189, 21.205 and 21.206 (Subchapter I, Regulation of Signs along Interstate and Primary Highways, Division 1, Signs) and Repeal of §§21.251-21.260 (Subchapter I, Regulation of Signs along Interstate and Primary Highways, Division 2, Electronic Signs) (MO)

This item was presented by Right of Way Division Director Gus Cannon. The commission also heard remarks from Angus Lupton, Chief of Staff for Senator Robert Nichols; Kelsey Erickson, General Counsel for Senator Kirk Watson; Outfront Media Regional Manager Curtis Cogburn; Clear Channel Outdoor Vice President Tim Anderson; Lamar Advertising Vice President Don Riley; Richard RothFelder, Partner, RothFelder & Falick, LLP; and Margaret Lloyd, Vice President of the Board of Directors, Scenic Texas. General Counsel Jeff Graham and Associate General Counsel Becky Blewett answered additional questions from the commission. Commissioner Austin motioned to amend the proposed rules that were drafted and before the commission for consideration:

I move to amend the rules being considered for posting under this Minute Order to maintain the 42 ½ maximum height restrictions for all signs erected after March 1, 2017. The staff proposal before us includes language to remove the current maximum height restriction. My motion would exchange the language in the rule document and the preamble regarding §21.189, Commercial Sign Height Restriction, so that there is no change with the existing rule §21.189 regarding maximum height for new construction. The language will still address the changes necessary to implement SB 312 regarding the height of signs in existence on March 1, 2017.

Commissioner Bugg seconded that motion. The commission voted to amend the proposed rules as previously drafted by staff by a vote of 4 - 1 with Commissioner Vandergriff voting against approval of Commissioner Austin's motion. The Chairman then asked for a motion to approve publication of the proposed rules as amended by Commissioner Austin. Commissioner Austin made a motion, which was seconded by Commissioner Bugg, and the commission approved the following minute order by a vote of 5 - 0.

115013
ROW

The Texas Transportation Commission (commission) finds it necessary to propose the repeal of §§21.146-21.149, 21.151, 21.165, 21.194, 21.196, and §§21.251-21.260, amendments to §§21.141-21.145, 21.150, 21.152-21.156, 21.158-21.164, 21.166-21.182, 21.184-21.193, 21.195, 21.197-21.204; and new §§21.205 and 21.206, relating to regulation of signs along Interstate and primary highways to be codified under Title 43, Texas Administrative Code, Part 1.

The preamble and the proposed repeals, amendments, and new sections attached to this minute order as Exhibits A, B, and C, are incorporated by reference as though set forth verbatim in this minute order, except that they are subject to technical corrections

and revisions, approved by the general counsel, necessary for compliance with state or federal law or for acceptance by the Secretary of State for filing and publication in the Texas Register.

IT IS THEREFORE ORDERED by the commission that the repeal of §§21.146-21.149, 21.151, 21.165, 21.194, 21.196, and §§21.251-21.260, amendments to §§21.141-21.145, 21.150, 21.152-21.156, 21.158-21.164, 21.166-21.182, 21.184-21.193, 21.195, 21.197-21.204; and new §§21.205 and 21.206 are proposed for adoption and are authorized for publication in the Texas Register for the purpose of receiving public comments.

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

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

c. Chapter 10 - Ethical Conduct by Entities Doing Business with the Department
Amendments to §10.6 (Conflict of Interest) (MO)

This item was presented by Compliance Division Director Kristin Alexander. 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.

115014
CMP

The Texas Transportation Commission (commission) finds it necessary to propose amendments to §10.6, relating to Conflict of Interest, to be codified under Title 43, Texas Administrative Code, Part 1.

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

IT IS THEREFORE ORDERED by the commission that the amendments to §10.6 are proposed for adoption and are authorized for publication in the Texas Register for the purpose of receiving public comments.

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

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

ITEM 11. Purchase Order Amendment

Consider the approval of a change to a purchase order awarded under Chapter 2155 of the Texas Government Code for the provision of managed outsourced information technology services for the department (MO)

This item was presented by Strategy and Innovation Director Darran Anderson. 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.

115015
PRO

The Texas Department of Transportation (department) issued Purchase Order 60144000001210 on May 31, 2013 (purchase order), through a competitive solicitation under the authority provided by Chapter 2155, Government Code, for managed outsourced information technology services. The purchase order includes services for communications, IT security, customer relations, application maintenance, transformation projects, and support for engineering services. A copy of the purchase order is attached as Exhibit A, and a copy of the Purchase Order Change Notice showing the revisions to date (Revisions 1-13) is attached as Exhibit B.

The department proposes to amend the purchase order to allow the department to increase the total contract amount to pay for an increase in quantities of transformation projects. The amendment also exercises the department's option to renew the purchase order for one year, as allowed by the purchase order. The amendment would increase the total consideration to be paid under the purchase order from \$246,466,453.87 to \$371,566,453.87, which includes an increase in the contract amount for the remainder of the current contract term and for the upcoming renewal term. A copy of the proposed amendment is attached as Exhibit B.

Subsection (b), Section 2155.088, Government Code requires that the governing body of a state agency, at a meeting, consider a material change to the contract for goods or services awarded under Chapter 2155, Government Code, and consider why that change is necessary. For the purposes of Subsection (b), an increase of at least 10 percent of the total amount paid under a purchase order is a material change.

The commission, at a meeting, has considered the material change to the purchase order that would be made by the proposed amendment and has determined that change is acceptable and necessary.

IT IS THEREFORE ORDERED by the commission that the material change to the purchase order proposed by the department and set out in Exhibit B to this minute order is approved.

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

ITEM 12. State Infrastructure Bank

El Paso County - El Paso County - Consider final approval of a request from El Paso County for a State Infrastructure Bank loan in the amount of up to \$4,920,000 to pay a portion of the costs of constructing a highway improvement project along Interstate Highway 10 between Airway Boulevard and Viscount Boulevard in the City of El Paso (MO)

This item was presented by Project Finance, Debt & Strategic Contracts Division Director Ben Asher. El Paso County Commissioner Vince Perez also spoke to the commission. Commissioner Ryan made a motion, which was seconded by Commissioner Vandergriff, and the commission approved the following minute order by a vote of 5 - 0.

115016
PFD

El Paso County (county) has submitted an application for financial assistance in the form of a loan of up to \$4,920,000 from the State Infrastructure Bank (SIB) under

Transportation Code, Chapter 222, Subchapter D, and Title 43 Texas Administrative Code (TAC), Chapter 6 (SIB rules). The application satisfies all requirements of the rules, including passage by the county of a resolution authorizing submission of the application to the Texas Department of Transportation (department). The county intends to use the financial assistance to pay for the county's participation in a highway improvement project to construct improvements over approximately 2.3 miles of the Interstate Highway 10 corridor between Airway Boulevard and Viscount Boulevard in the City of El Paso, including ramp reconfigurations and frontage road improvements (project).

The county 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 county is waived as permitted by the rules either because the information or data is not relevant or the department already possesses the information or data.

In 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 county is likely to have sufficient tax 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 county's application for financial assistance from the SIB.

In accordance with 43 TAC §6.32(e), the commission finds that providing financial assistance will protect the public's safety and prudently provide for the protection of public funds, while furthering the purposes of the SIB; and that the project

will provide for all reasonable and feasible measures to avoid, minimize, or mitigate for adverse environmental impacts.

IT IS THEREFORE DETERMINED AND ORDERED that the application submitted by the county 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 county's application for a SIB loan in an amount not to exceed \$4,920,000 for the county's participation in 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 county 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 1.85 percent interest per annum.
2. The county 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 county 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 county has in place.
5. No deferral of repayment is authorized.

ITEM 13. Private Activity Bond Surface Transportation Corporation

Consider the appointment of directors to the Texas Private Activity Bond Surface Transportation Corporation (MO)

This item was presented by Project Finance, Debt & Strategic Contracts Division Director Ben Asher. 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.

115017
PFD

By Minute Order 111551 dated October 30, 2008, the Texas Transportation Commission (commission) authorized the creation of the Texas Private Activity Bond Surface Transportation Corporation (corporation) under the authority of Transportation Code, Chapter 431, Subchapters A through C, as further authorized by Title 43, Texas Administrative Code (TAC), Section 15.94; and approved the corporation's articles of incorporation and bylaws; and appointed the corporation's initial directors. The corporation was created to assist and act on behalf of the commission to promote and develop new and expanded public transportation facilities and systems through the issuance of bonds for transportation projects developed or to be developed under comprehensive development agreements.

The articles of incorporation of the corporation require the commission to appoint a three-member board of directors of Texas Department of Transportation (department) employees to a new six-year term after the initial term of the board has expired.

In Minute Order 112797 dated August 25, 2011, the commission appointed three directors to a six-year term set to expire on August 31, 2017. Due to subsequent vacancies on the corporation's board of directors, the commission appointed the following department employees as replacement directors: Lauren Garduno (Minute Order 113816 dated January 30, 2014); Rich McMonagle (Minute Order 114042 dated August 28, 2014); and Brian Ragland (Minute Order 114540 dated March 31, 2016), each serving the remaining term expiring on August 31, 2017.

The commission has determined that each of the existing board of directors is eligible for reappointment in accordance with 43 TAC § 15.85 after completing their terms.

IT IS THEREFORE ORDERED THAT, Lauren Garduno, Rich McMonagle, and Brian Ragland, employees of the department, are re-appointed to the board of directors of the corporation to each serve a new six-year term commencing September 1, 2017.

ITEM 14. Toll Operations

a. Dallas and Tarrant Counties - In accordance with Regional Transportation Council policy, consider the establishment of toll rates for SH 183 from just east of SH 121 to near I-35E/Trinity Parkway (including the proposed Diamond Interchange Phase II, a portion of which is comprised of SH 114 from Loop 12 to SH 183), Loop 12 from SH 183 to I-35E, and SH 114 from International Parkway to Loop 12 (SH 183 Managed Lanes Project) in Dallas and Tarrant Counties (MO)

This item was presented by Toll Operations Division Deputy Director Linda Sexton. 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.

115018
TOD

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

In Minute Order 113619, dated June 27, 2013, the commission designated a controlled access facility along SH 183 from just east of SH 121 to near I-35E/Trinity Parkway (including the proposed Diamond Interchange Phase II), Loop 12 from SH 183 to I-35E and SH 114 from International Parkway to Loop 12 (SH 183 Managed Lanes Project), and as a toll project on the state highway system. The SH 183 Managed Lanes Project includes concurrent flow managed tolled lanes in each direction on SH 183 from just east of SH 121 to near I-35E/Trinity Parkway and on Loop 12 from SH 183 to I-35E. The project also includes a westbound managed lane on SH 114 from International Parkway to west of SH 161 (PGBT) and concurrent flow managed tolled

lanes in each direction from west of SH 161 (PGBT) to SH 183. The SH 183 Managed Lanes Project is an all-electronic, open road tolling managed lane facility.

The Tolled Managed Lane Policy adopted by the Regional Transportation Council (RTC) on March 10, 2016 provides that a fixed pricing schedule will be applied during the first 6 months of operation. The fixed pricing schedule will be applied until all three facilities that comprise the SH 183 Managed Lanes Project have been operational for six months, and a dynamic pricing schedule will be applied thereafter. The Texas Department of Transportation (department) desires to establish toll rates for the SH 183 Managed Lanes Project, in accordance with the RTC Tolled Managed Lane Policy, at each tolling point as set forth in Exhibit A.

IT IS THEREFORE ORDERED that the department is authorized to charge tolls on the SH 183 Managed Lanes Project along SH 183 from just east of SH 121 to near I-35E/Trinity Parkway (including the proposed Diamond Interchange Phase II, a portion of which is comprised of SH 114 from Loop 12 to SH 183) in Tarrant and Dallas Counties, Loop 12 from SH 183 to I-35E, and SH 114 from International Parkway to Loop 12 in Dallas County, based on a fixed pricing schedule, in the amounts stated in Exhibit A, beginning on October 28, 2017 for SH 114 and August 24, 2018, for SH 183 and Loop 12, or at such time thereafter when all toll systems have been tested and are functioning.

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

b. Various Counties - Consider the approval of additional programs and projects, specifically the implementation of the veterans discount program on the Central Texas Turnpike System (CTTS), to be funded with payments received from SH 130 Concession Company, LLC under the SH 130, Segments 5&6 Facility Concession Agreement for the right to develop, finance, design, construct, operate, and maintain the SH 130 toll project from US 183 in Travis County to I-10 in Guadalupe County, and interest earned on those payments (SH 130 payments), and the allocation of funds from the SH 130 payments to that program and project (MO)

This item was presented by Toll Operations Division Deputy Director Linda Sexton. 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.

115019
TOD

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 and the surplus revenue of a department 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 a project or system is located. Interest earned on money in a subaccount shall be deposited to the credit of that subaccount.

The department has created subaccounts in the state highway fund to hold the payments received from SH 130 Concession Company, LLC under the SH 130, Segments 5&6 Facility Concession Agreement for the right to develop, finance, design,

construct, operate, and maintain the SH 130, Segments 5&6 toll project from US 183 in Travis County to I-10 in Guadalupe County, and the interest earned on those payments (SH 130 payments).

The Texas Transportation Commission (commission) previously approved projects to be funded with the SH 130 payments and approved the placement of those projects in work programs established for the Austin and San Antonio Districts.

In Minute Order 110911, dated April 26, 2007, the commission adopted a policy defining the circumstances under which free passage on department toll projects will be provided (free passage policy).

Transportation Code §372.053 authorizes a toll project entity, including the department, to establish a discount program for electronic toll collection customers that, if established, must include free or discounted use of toll projects by an electronic toll collection customer whose account relates to a vehicle registered (1) under Transportation Code §504.202 (disabled veterans), (2) under Transportation Code §504.315(f) (Distinguished Service Cross or Medal of Honor recipients), or (3) under Transportation Code §504.315(g) (Purple Heart recipients).

Section 502(b) of the Indenture of Trust (indenture) for the Central Texas Turnpike System (CTTS) is narrowly written and does not permit free or discounted use of toll projects as authorized in Transportation Code §372.053. However, providing such free or discounted use of toll projects is possible under the indenture if the department pays to the appropriate indenture account the cost of tolls not paid by those veterans. The same restriction does not apply to other department toll projects and the Grand Parkway System, and free or discounted use of those projects may be provided to electronic toll collection customers described in Transportation Code §372.053 without the department paying the costs of tolls not paid by those veterans.

In Minute Order 113247, dated August 30, 2012, and Minute Order 113682, dated August 29, 2013, the commission amended the free passage policy to provide that free passage on department toll projects shall be granted to vehicles registered under Transportation Code §504.202 and Transportation Code §§504.315(f) and (g), and to vehicles registered by a person who has received the Medal of Honor, as authorized in Title 10, U.S. Code §6241 (veterans discount program). Both minute orders further provided that the department shall pay to the appropriate indenture account from lawfully available funds the cost of tolls not paid by persons operating those vehicles.

Transportation Code, §372.053 provides that the legislature may appropriate funds from the general revenue fund to a toll project entity to defray the cost of providing free or discounted use of the entity's toll project under that section. The legislature did not appropriate funds to the department for that purpose in the General Appropriations Act for the FY 2018-FY 2019 biennium.

The department has established an additional program to account for and track project costs associated with the implementation of the veterans discount program on the CTTS that are to be funded with the SH 130 payments. Exhibit A to this order contains funding allocations from the SH 130 payments for those CTTS project costs.

IT IS THEREFORE ORDERED by the commission that funds from payments received from SH 130 Concession Company, LLC for the right to develop, finance, design, construct, operate, and maintain the SH 130 toll project from US 183 in Travis

County to I-10 in Guadalupe County, and interest earned on those payments, shall be allocated to the costs of implementing the veterans discount program on the CTTS, in the amounts shown in Exhibit A.

IT IS FURTHER ORDERED that the use of payments received from SH 130 Concession Company, LLC, and the interest earned on those payments, for the project costs shown in Exhibit A is approved.

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

ITEM 15. Audit Plan

Consider the approval of the Audit Plan for Fiscal Year 2018 and determine whether adequate resources have been dedicated to the internal audit program (MO)

This item was deferred.

ITEM 16. Contracts

Consider the award or rejection of contracts for highway construction and maintenance, and construction and rehabilitation of buildings.

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

This item was presented by District Operations Director Randy Hopmann. 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.

115020
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 August 8 and 9, 2017, 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 Texas Transportation Commission (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.

b. Highway Maintenance (MO)

This item was presented by District Operations Director Randy Hopmann. 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.

115021
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 August 8 and 9, 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 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. Construction and Rehabilitation of Buildings (MO)

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

115022
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 August 1, 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 nonconcurrence of the Federal Highway Administration, the failure of a third party to fund or concur, or failure to meet other conditions in the contract or an Exhibit to this order, the respective award is voided and the department will return the bid guaranty.

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

ITEM 17. 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).

115023
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 - HH. Where there is adjoining real property remaining after acquisition of a parcel with respect to the highway facilities to be constructed or improved on the parcels identified as listed below under "NON-CONTROLLED ACCESS," roads are to be constructed or improved as a part of the highway facility with the right of ingress and egress to or from the remaining real property adjoining the highway facility to be permitted or denied, as designated and set forth on each of the attached Exhibits 1 - 19, in accordance with Transportation Code, Sections 203.002 and 203.003.

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

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

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

CONTROLLED ACCESS

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Angelina	US 59	D	0176-03-116	4
Angelina	US 59	F	0176-03-116	33
Dallas	IH 45	C	0092-14-091	2
Dallas	IH 45	G	0092-14-091	11
Dallas	IH 45	E	0092-14-091	16
Galveston	IH 45	B	0500-04-120	31
Galveston	IH 45	Z	0500-04-123	101B
Galveston	IH 45	AA	0500-04-123	122
Galveston	IH 45	BB	0500-04-123	124
Galveston	IH 45	CC	0500-04-123	126F
Galveston	IH 45	DD	0500-04-123	213
Galveston	IH 45	EE	0500-04-123	216
Galveston	IH 45	FF	0500-04-123	219A
Galveston	IH 45	GG	0500-04-123	219B
Galveston	IH 45	L	0500-04-123	223
Galveston	IH 45	K	0500-04-136	302
Galveston	IH 45	HH	0500-04-136	306
Galveston	IH 45	A	0500-04-136	314
Galveston	IH 45	N	0500-04-136	318
Galveston	IH 45	H	0500-04-136	321AC
Galveston	IH 45	M	0500-04-136	324AC
Galveston	IH 45	I	0500-04-136	327AC
Grimes	SH 249	S	3635-02-004	201
Grimes	SH 249	O	3635-02-004	202
Grimes	SH 249	T	3635-02-004	203
Harris	IH 610	W	0271-17-160	6A
Harris	IH 610	X	0271-17-160	6B
Harris	SH 288	Q	0598-01-102	2

CONTROLLED ACCESS

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Montgomery	SH 249	Y	3635-01-002	126
Montgomery	SH 249	J	3635-01-002	143
Montgomery	SH 249	P	3635-01-002	144
Montgomery	SH 249	U	3635-01-002	148
Montgomery	SH 249	R	3635-01-002	149
Waller	IH 10	V	0271-04-092	377

NON-CONTROLLED ACCESS

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Ellis	US 77	4	0048-03-082	8TE
Ellis	US 77	1	0048-03-082	13
Ellis	US 77	11	0048-03-082	14
Ellis	US 77	3	0048-03-082	29
Ellis	US 77	14	0048-03-094	2
Ellis	US 77	2	0048-03-094	5
Gregg	FM 2206	8	2073-01-012	47
Harris	SH 146	19	0389-05-095	98
Harris	SH 288	17	0598-01-102	1
Harris	SH 288	18	0598-01-102	4
Harris	FM 2100	7	1062-04-053	134
Harris	FM 2100	16	1062-04-060	211
Nueces	US 181	13	0101-06-109	101
Nueces	US 181	15	0101-06-109	110
Nueces	US 181	6	0101-06-109	112
Nueces	US 181	5	0101-06-109	115
Nueces	US 181	10	0101-06-109	122
Nueces	US 181	9	0101-06-109	226
Smith	US 69	12	0191-01-083	3

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

ITEM 18. Routine Minute Orders and Reports

This item was presented by Executive Director James Bass. The commission also heard remarks from Chevron Civil Engineer Jason Miller concerning agenda item 18.e.(4). 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

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)

115024
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.

b. Real Estate Dispositions

(1) Bexar County - FM 2252 at Thousand Oaks Drive in San Antonio - Consider the sale of right of way to the abutting landowner (MO)

115025
ROW

In San Antonio, BEXAR COUNTY, on FARM TO MARKET ROAD 2252, the state of Texas acquired certain land for highway purposes by instrument recorded in Volume 3841, Page 479, Deed Records of Bexar County, Texas.

A portion of the land (Tract 1), RCSJ 1433-01-030, 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 to abutting landowners.

Robert Grant is the abutting landowner and has requested to purchase Tract 1 for \$30,100.

The commission finds \$30,100 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 Grant for \$30,100; 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) Bexar County - I-37 at Pearl Parkway in San Antonio - Consider the transfer of right of way to the City of San Antonio (MO)

115026
ROW

In San Antonio, BEXAR COUNTY, on INTERSTATE 37, the state of Texas acquired certain land for highway purposes by instruments recorded in the Deed Records of Bexar County, Texas.

A portion of the land (Tract 1), RCSJ 0073-08-191, 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 transfer of highway right of way to a governmental entity that assumes jurisdiction, control, and maintenance of the right of way for public road purposes.

The City of San Antonio (city) has agreed to assume jurisdiction, control and maintenance and has requested that Tract 1 be transferred to the city.

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 transferring all of the state's right, title and interest in Tract 1 to the City of San Antonio, Texas; 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, if Tract 1 ceases to be used for public road purposes, it shall immediately and automatically revert to the state.

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

**(3) Denton County - 1666 Oak Ridge Drive in Corinth - Consider the
quitclaim of land quitclaimed to the state in error (MO)**

115027
ROW

In Corinth, DENTON COUNTY, at 1666 Oak Ridge Drive, certain land was acquired by the state of Texas by deed recorded as Document Number 2015-146331, Official Public Records of Denton County, Texas.

The land (Tract 1), described in Exhibit A, was not intended to be acquired by the state and is not 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 an interest in real property not intended to be acquired and not needed for a highway purpose.

Anne Engle of 1666 Oak Ridge Drive, Corinth, TX 76210, was the intended grantee and has requested that Tract 1 be quitclaimed to her.

IT IS THEREFORE ORDERED by the commission that Tract 1 was not intended to be acquired and is not needed for a 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 to Anne Engle of 1666 Oak Ridge Drive, Corinth, TX 76210.

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

**(4) El Paso County - I-10, northwest corner at Eastlake in El Paso - Consider the sale
of right of way to the abutting landowner (MO)**

115028
ROW

In El Paso, EL PASO COUNTY, on INTERSTATE 10, the state of Texas acquired certain land for highway purposes by instrument recorded in Volume 1366, Page 25, Deed Records of El Paso County, Texas.

A portion of the land (Tract5), RCSJ 2121-04-102, 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 to abutting landowners.

ROP Eastlake, LLC, a Texas limited liability company, is the abutting landowner and has requested to purchase Tract 5 for \$156,500.

The commission finds \$156,500 to be a fair and reasonable value of the state's right, title, and interest in Tract 5.

IT IS THEREFORE ORDERED by the commission that Tract 5 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 5 to ROP Eastlake, LLC, a Texas limited liability company, for \$156,500; 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.

(5) Hidalgo County - US 281, south side, west of Relampago - Consider the sale of a roadside park to abutting landowners (MO)

115029
ROW

In HIDALGO COUNTY, on US HIGHWAY 281, the state of Texas acquired certain land for highway purposes by instrument recorded in Volume 1688, Page 910, Deed Records of Hidalgo County, Texas.

The land (Tract 1), RCSJ 0220-02-027, 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 to abutting landowners.

Ramiro Agado and wife, Aurora Agado, are abutting landowners and have requested to purchase Tract 1 for \$17,500. Other abutting landowners have waived interest in purchasing Tract 1.

The commission finds \$17,500 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 Ramiro Agado and wife, Aurora Agado, for \$17,500; 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) Tarrant County - FM 731 (Roberts Road) in Crowley - Consider the transfer of right of way to the City of Crowley (MO)

115030
ROW

In Crowley, TARRANT COUNTY, on FARM TO MARKET ROAD 731, the state of Texas acquired certain land for highway purposes by instrument recorded in Volume 2011, Page 401, Deed Records of Tarrant County, Texas.

A portion of the land (Tract 17-05), described in Exhibit A, RCSJ 1094-01-025, is no longer needed for a state highway purpose.

In accordance with Texas Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (commission) may waive payment for real property transferred to a governmental entity if the governmental entity assumes or has assumed jurisdiction, control, and maintenance of the right of way for public road purposes.

The City of Crowley (city) has assumed jurisdiction, control, and maintenance and has requested that Tract 17-05 be transferred to the city.

IT IS THEREFORE ORDERED by the commission that Tract 17-05 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 transferring the state's right, title, and interest in Tract 17-05 to the City of Crowley, 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 land.

FURTHER, if Tract 17-05 ceases to be used for public road purposes, the land shall immediately and automatically revert to the state.

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

(7) Tarrant County - I-35W northwest corner at Heritage Trace Parkway in Fort Worth - Consider the sale of right of way to the abutting landowner (MO)

115031
ROW

In Fort Worth, TARRANT COUNTY, on INTERSTATE 35W, the state of Texas acquired certain land for highway purposes by instrument recorded as Document #D200227596, Official Public Records of Tarrant County, Texas.

A portion of the land (Tract 16-20), RCSJ 0081-12-052, 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 to abutting landowners.

Victory at Heritage, LLC, a Texas limited liability company, is the abutting landowner and has requested to purchase Tract 16-20 for \$120,988.

The commission finds \$120,988 to be a fair and reasonable value of the state's right, title, and interest in Tract 16-20.

IT IS THEREFORE ORDERED by the commission that Tract 16-20 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 16-20 to Victory at Heritage, LLC, a Texas limited liability company, for \$120,988; 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.

(8) Travis County - SL 360, northeast corner at Ben White/S. Lamar in Austin - Consider the sale of right of way to the successful bidder (MO)

115032
ROW

In Austin, TRAVIS COUNTY, on STATE LOOP 360, the state of Texas acquired certain land for highway purposes by instrument recorded in Volume 3250, Page 2116, Deed Records of Travis County, Texas.

A portion of the land (Tract 4), RCSJ 0113-13-160, described in Exhibit A, is no longer needed for a state highway purpose.

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

Tract 4 was advertised for sale, and Jimmy Nassour submitted a bid of \$1.021 million.

The commission finds \$1.021 million to be a fair and reasonable value of the state's right, title, and interest in Tract 4.

IT IS THEREFORE ORDERED by the commission that Tract 4 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 4 to Jimmy Nassour for \$1.021 million; 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.

(9) Travis County - SS 69, N. Lamar Blvd. at Koenig Lane, in Austin - Consider the sale of right of way to the abutting landowner (MO)

This item was not considered.

c. Reports

Compliance Division report

Note: Confidential report to commission.

d. Finance

(1) Dallas and Denton Counties - Consider the approval of the I-35E Managed Lanes Project annual budget of operating, maintenance, and capital expenditures, and acceptance of the annual inspection report (MO)

115033
PFD

Transportation Code, Chapter 228 and other applicable law, including Government Code, Chapter 1371, authorizes the Texas Transportation Commission (commission) to issue toll revenue bonds, notes, and other obligations to finance toll projects or systems on the state highway system, and to enter into trust agreements governing matters relating to the issuance of such obligations.

In Minute Order 113350 dated November 15, 2012, the commission designated the I-35E Managed Lanes Project (Project), from I-635 to US 380 in Dallas and Denton counties, including all managed lane connections, as a toll project on the state highway system.

Pursuant to Minute Order 113398 dated December 13, 2012, the Texas Department of Transportation (department) executed a development agreement on May 17, 2013 with AGL Constructors in connection with the construction of the Project.

Pursuant to Minute Order 114424 dated November 19, 2015, the commission entered into a TIFIA Loan Agreement, dated November 3, 2016, with the United States Department of Transportation, for a loan in the amount of up to \$285,000,000 pursuant to the Transportation Infrastructure Finance and Innovation Act of 1998 (TIFIA) to pay a portion of the eligible project costs of the Project, and executed a trust agreement dated November 1, 2016 securing IH 35E Managed Lanes Project Toll Revenue Obligations (Trust Agreement) and a First Supplemental Agreement dated November 1, 2016 securing the Loan Agreement and the Texas Transportation Commission Toll Revenue Converting Tier Note (IH 35E Managed Lanes Project), Series 2016.

Section 504 of the Trust Agreement states that the commission will cause the general engineering consultant to make an inspection of the Project on or before the 90th day prior to the end of each fiscal year and to submit to the commission a report setting forth (a) their findings whether the Project has been maintained in good repair, working order and condition and (b) their advice and recommendations as to the proper maintenance, repair, and operation of the Project during the ensuing fiscal year and an estimate of the amount of money necessary for such purposes.

The commission has engaged Brown and Gay Engineers, Inc. (BGE) to serve as the general engineering consultant in accordance with the Trust Agreement. The IH 35E Managed Lanes Project Annual Inspection Report, attached as Exhibit A, has been prepared by BGE in accordance with Section 504 of the Trust Agreement.

Pursuant to Section 505 of the Trust Agreement, the commission has covenanted that on or before the business day preceding the first day of each fiscal year, it will adopt an annual budget of operating, maintenance and capital expenditures for the Project and deliver copies of the budget to the trustee and the general engineering consultant.

The department has completed the annual budget which is attached as Exhibit B. In accordance with Section 505 of the Trust Agreement, the annual budget was provided to the general engineering consultant for review and comment prior to adoption by the commission.

IT IS THEREFORE ORDERED by the commission that the general engineering consultant's IH 35E Managed Lanes Project Annual Inspection Report attached as Exhibit A is accepted.

IT IS FURTHER ORDERED that the commission adopts the annual budget for the I-35E Managed Lanes Project for fiscal year 2018 attached hereto as Exhibit B.

IT IS FURTHER ORDERED that the executive director is hereby authorized to make necessary adjustments to spending levels in accordance with the Trust Agreement as may be necessary in the operation of the Project.

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

(2) Travis and Williamson Counties - Approval of the Central Texas Turnpike System (CTTS) annual operating, maintenance, and capital budgets (MO)

115034
PFD

Transportation Code Section 228.051 provides that the Texas Transportation Commission (commission) by order may designate one or more lanes of a segment of the state highway system as a toll project or system.

By Minute Order 108873, dated April 25, 2002, SH 130 was designated as a toll project and a controlled access state highway from I-35 north of Georgetown to the intersection of US 183 and SH 130 at SH 45 Southeast (SH 130) as part of the Central Texas Turnpike System (system).

By Minute Order 108896, dated May 30, 2002, SH 45 N was designated as a toll project and a controlled access state highway from west of US 183 to SH 130/SH 45 North interchange (SH 45 N) as part of the system.

By Minute Order 108896, dated May 30, 2002, Loop 1 was designated as a toll project and a controlled access state highway from the existing Loop 1 and FM 734 (Parmer Lane) to the Loop 1/SH 45 North interchange (Loop 1) as part of the system.

By Minute Order 109729 dated July 29, 2004 SH 45 Southeast was designated as a toll project and a controlled access state highway from I-35 at FM 1327 South of Austin to the SH 130/US 183 interchange (SH 45 SE) and by Minute Order 113243 dated August 30, 2012 SH 45 SE was designated as part of the system.

The commission has outstanding \$2,397,733,009 in aggregate principal amount of system bonds issued to finance or refinance a portion of the costs of the system, composed of the SH 130, SH 45 N, Loop 1 and SH 45 SE project elements, described above, pursuant to an Indenture of Trust (indenture) and supplemental indentures. Any terms not otherwise defined in this order have the meaning given in the indenture.

Pursuant to Section 702 of the indenture, the commission has covenanted that on or before August 31 in each year, it will adopt annual operating, maintenance and capital budgets for the system for the ensuing fiscal year. The annual budgets have been completed and are attached as Exhibit A. In accordance with the indenture the annual budgets were provided to the general engineering consultant for review and comment prior to adoption by the commission.

IT IS THEREFORE ORDERED that the commission adopts the annual budgets for the Central Texas Turnpike System for fiscal year 2018 attached hereto as Exhibit A.

IT IS FURTHER ORDERED that the executive director is hereby authorized to make necessary adjustments to spending levels in accordance with the indenture as may be necessary in the operation of the system.

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

(3) Annual review and approval of the investment policy and investment strategies applicable to all funds not otherwise required to be invested by the comptroller (MO)

115035
PFD

Pursuant to various provisions of Texas law, the Texas Transportation Commission (commission) is authorized to issue and incur obligations for transportation and other projects.

To ensure that all financings undertaken by the commission and/or the Texas Department of Transportation (department) are effected in accordance with the highest

standards of industry, law, and government practice, and to confirm the intent of the commission and the department to adhere to sound financial management practices, the commission initially adopted a Debt Management Policy in Minute Order 110656 on August 24, 2006. The policy requires an annual review and, if necessary, amendment. The Debt Management Policy attached hereto as Exhibit A has been reviewed and presented to the commission for consideration.

The Debt Management Policy establishes parameters within which to administer the commission's financing programs, and such parameters focus on acceptable levels of risk, minimizing interest costs, optimizing future flexibility, and achieving and maintaining the best possible credit ratings.

Pursuant to Chapter 1371, Texas Government Code, and other applicable Texas law, the commission is authorized to execute credit agreements including interest rate swap and other similar agreements.

To establish responsibilities, objectives, and guidelines for the use of interest rate swap and other similar products in order to efficiently and prudently manage the commission's asset/liability profile for each financing program the commission initially adopted a Derivative Management Policy as a subsidiary component of the Debt Management Policy, also in Minute Order 110656 on August 24, 2006. The policy also requires annual review and, if necessary, amendment. The Derivative Management Policy attached hereto as Exhibit B has been reviewed and presented to the commission for consideration.

IT IS THEREFORE ORDERED by the commission that the Debt Management Policy attached hereto as Exhibit A and Derivative Management Policy attached hereto as Exhibit B have been reviewed and are hereby approved.

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

(4) Annual review of debt management policy and derivative management policy (MO)

115036
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.

In Minute Order 108970, dated July 25, 2002, the commission approved and adopted a written investment policy 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.

Government Code §2256.005(e) and Section 20.0 of the investment policy require the commission to review the investment policy and investment strategy on an annual basis, and to approve by order any modifications to the investment policy and investment strategy. The investment policy and investment strategies of the commission have been reviewed and revised annually by minute order since 2003, to

update the investment policy and strategies and to make them applicable to all funds under the control of the commission and not otherwise required to be invested by the Comptroller of Public Accounts (comptroller) including the Texas Mobility Fund and Central Texas Turnpike System.

The investment policy and investment strategies are attached as Exhibit A.1 - A.5.

IT IS THEREFORE ORDERED by the commission that the investment policy and investment strategies applicable to all funds of the commission not otherwise required to be invested by the comptroller, attached as Exhibit A.1 - A.5, have been reviewed and are hereby approved in accordance with Government Code §2256.005(e) and Section 20.0 of the investment policy.

Note: Exhibit A.1 - A.5 is on file with the commission chief clerk.

e. Designation of Access Control

(1) Baylor County - US 277, north of FM 422 - Consider the designation of one location on the frontage road at which access will be permitted to the abutting property (MO)

115037
DES

In BAYLOR COUNTY, on US 277, a designated controlled-access highway, the State of Texas acquired certain land for highway purposes by instrument recorded in Volume 310, Page 203, Deed Records of Baylor County, Texas, with denial of access to the abutting remainder property as described in the instrument.

SEYMOUR COMMUNITY DEVELOPMENT CORPORATION, the current owner of the abutting property, has requested that access to and from the southbound frontage road of US 277 be permitted at one location along the eastern property line at a new access point, described in Exhibit A.

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

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

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

NOW, THEREFORE, the commission finds that the new access point will not compromise the mobility, safety or operation of the existing state highway facility, and designates the new access point described in Exhibit A as a location where ingress and egress are permitted to and from the southbound frontage road of US 277.

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

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

(2) Harris County - I-10, approximately 700 feet east of Studemont Street - Consider the designation of a location on the highway at which access will be permitted to the abutting property (MO)

115038
DES

In HARRIS COUNTY, on INTERSTATE HIGHWAY 10, a designated controlled-access highway, the State of Texas acquired certain land for highway purposes by instrument recorded in Harris County Clerk File 20070722134, with denial of access to the abutting remainder properties as described in the instrument.

City of Houston, the current owner of the abutting property, has requested that access to the eastbound frontage road of I-10 be permitted along its north property line at the new access points described in Exhibit A.

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

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

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

NOW, THEREFORE, the commission finds that the new access point will not compromise the mobility, safety, or operation of the existing state highway facility, and designates the new access point as a location where ingress and egress is permitted to the eastbound frontage road of I-10.

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

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

(3) Harris County - I-10, approximately 220 feet east of Studemont Street - Consider the designation of a location on the highway at which access will be permitted to the abutting property (MO)

115039
DES

In HARRIS COUNTY, on INTERSTATE HIGHWAY 10, a designated controlled-access highway, the State of Texas acquired certain land for highway purposes by instrument recorded in Harris County Clerk File 20090523798, with denial of access to the abutting remainder properties as described in the instrument.

Summer Street Retail, LP, the current owner of the abutting property, has requested that access to the eastbound frontage road of I-10 be permitted along its north property line at the new access point described in Exhibit A.

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

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

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

NOW, THEREFORE, the commission finds that the new access point will not compromise the mobility, safety, or operation of the existing state highway facility, and designates the new access point as a location where ingress and egress is permitted to the eastbound frontage road of I-10.

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

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

(4) Harris County - SH 99, approximately 500 feet south of Clay Road (SW corner) - Consider the designation of two locations on the highway at which access will be permitted to the abutting property (MO)

115040
DES

In HARRIS COUNTY, on STATE HIGHWAY 99, a designated controlled-access highway, the State of Texas acquired certain land for highway purposes by instrument recorded in the Official Public Records of the Real Property of Harris County under file number 20100161896, with denial of access to the abutting remainder properties as described in the instrument.

Chevron U.S.A., Inc., the current owner of the abutting property, has requested that access to the southbound frontage road of SH 99 be permitted along its east property line at the new access points described in Exhibit A.

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

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

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

NOW, THEREFORE, the commission finds that the new access points will not compromise the mobility, safety, or operation of the existing state highway facility, and designates the new access points as locations where ingress and egress is permitted to the southbound frontage road of SH 99.

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

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

(5) Harris County - SH 288, approximately 200 feet north of North MacGregor Drive - Consider the designation of three locations on the highway at which access will be permitted to the abutting property (MO)

115041
DES

In HARRIS COUNTY, on STATE HIGHWAY 288, a designated controlled-access highway, the State of Texas acquired certain land for highway purposes by instruments recorded in the Official Public Records of the Real Property of Harris County under file number (H.C.C.F. No.) E773014; H.C.C.F. No. C983948; H.C.C.F. No. C872570; H.C.C.F. No. C468852; H.C.C.F. No. C681224, with denial of access to the abutting remainder properties as described in the instruments.

Houston Community College System, the current owner of the abutting property, has requested that access to the northbound frontage road of SH 288 be permitted along its west property line at the new access points described in Exhibit A.

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

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

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

NOW, THEREFORE, the commission finds that the new access points will not compromise the mobility, safety, or operation of the existing state highway facility, and designates the new access points as locations where ingress and egress is permitted to the northbound frontage road of SH 288.

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

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

g. Speed Zones

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

115042
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 19. 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 did not meet in executive session.

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 Vandergriff motioned adjournment and Commissioner Ryan seconded the motion. The commission voted 5 - 0 to adjourn. The regular meeting of the Texas Transportation Commission was adjourned at 12:49 p.m.

APPROVED by the Texas Transportation Commission on September 28, 2017:



J. Bruce Bugg, Jr., 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 August 31, 2017, in Austin, Texas.



Robin Carter, Commission Chief Clerk
Texas Department of Transportation