

These are the minutes of the regular meeting of the Texas Transportation Commission held on October 26, 2017, in Austin, Texas. The meeting was called to order at 9:00 a.m. by Chairman Bugg with the following commissioners present:

Texas Transportation Commission:

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

Administrative Staff:

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

A public notice of this meeting containing all items on the proposed agenda was filed in the Office of the Secretary of State at 4:42 p.m. on October 18, 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 September 28, 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 September 28, 2017, regular meeting by a vote of 5 - 0.

ITEM 3. Discussion Item

Draft December update of the Unified Transportation Program (UTP) (Presentation)

This item was led by Transportation Planning and Programming Division Director Peter Smith. Project Planning and Development Director Lauren Garduno also answered questions from the commission. The commission heard remarks from private citizen and engineer Don Dixon.

ITEM 7. Financial Assistance for Projects

Bexar County - Alamo Regional Mobility Authority - Consider granting final approval of a request from the Alamo Regional Mobility Authority to receive a grant of up to \$17,000,000 to be used to pay for project development of the Loop 1604 Managed Lanes Project, which includes the addition of two tolled managed lanes in each direction along Loop 1604 from SH 16 to I-35 while ensuring that funding from sources

designated for non-tolled purposes will not be used on the tolled managed lanes of the Project. (MO)

This item was presented by Project Finance, Debt & Strategic Contracts Division Director Ben Asher. The commission also heard remarks from Alamo Regional Mobility Authority board member Senator John T. Montford who, in addition to his own remarks, read into the record a letter from Alamo RMA Chairman Michael J. Lynd, Jr.; Bexar County Commissioner and Alamo Area Metropolitan Planning Organization board member Kevin Wolff; and private citizen and engineer Don Dixon. 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.

115073
PFD

The Texas Department of Transportation (department) and the Alamo Regional Mobility Authority (ARMA) have been proceeding with the development of the Loop 1604 Managed Lanes Project in Bexar County, as a toll project (Loop 1604 Project).

The Loop 1604 Project consists of tolled and non-tolled improvements, including the addition of two tolled managed lanes in each direction along Loop 1604 from SH 16 to I-35, and the addition of eight direct connectors at the Loop 1604 and I-10 interchange. Additional improvements to Loop 1604 are planned as part of the project and include: (1) mill, overlay, and re-striping of the existing mainlanes; and (2) improvements to the non-tolled portions of the roadway, including frontage roads, ramps, intersections, and bicycle and pedestrian facilities.

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

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

Pursuant to Transportation Code §372.002, added by S.B. 312, Acts of the 85th Legislature, the department may contribute funds as participation in the cost of a project for which repayment is not required if a toll project entity commenced the environmental review process for the project on or before January 1, 2014. ARMA commenced the environment review process for the Loop 1604 Project before January 1, 2014, and is nearing the completion of the environmental study for the Loop 1604 Project.

On February 24, 2011, the commission adopted Minute Order 112605, directing that if financial assistance is provided to a public entity under Transportation Code §222.103 from a statewide funding source: (1) that assistance shall be repaid, or (2) the department shall require the entity to which the assistance is provided to agree to share

project revenue with the department, in such amounts and for such period of time as is approved by the commission. These requirements do not apply to financial assistance provided from funds allocated to metropolitan planning organizations and department districts.

In accordance with Sections 27.53 and 27.54(a) of the financial assistance rules, the commission, in Minute Order 115051 dated September 28, 2017, granted preliminary approval of financial assistance in the amount of up to \$17,000,000 in the form of a grant, to be used to pay development costs of the Loop 1604 Project, including the costs of an investment grade traffic and revenue study, environmental review work, and design work, and found that: (1) the project is consistent with the Statewide Long-Range Transportation Plan and the metropolitan transportation plan developed by the applicable metropolitan planning organization; (2) the project is not in a Clean Air Act non-attainment area; (3) the project will improve the efficiency of the state's transportation systems; and (4) the project will expand the availability of funding for transportation projects or reduce direct state costs.

Pursuant to §27.54(b) and (c) of the financial assistance rules, the executive director has completed negotiation of the terms of financial assistance necessary to complete an agreement, to comply with the requirements of preliminary approval, to protect the public's safety, and to prudently provide for the protection of public funds, and has prepared findings and recommendations for the commission regarding final approval of the financial assistance.

In accordance with Section 27.54(c) of the financial assistance rules, the commission has determined that: (1) providing financial assistance will prudently provide for the protection of public funds; and (2) the project will provide for all reasonable and feasible measures to avoid, minimize, or mitigate adverse environmental impacts.

IT IS THEREFORE DETERMINED AND ORDERED that the request submitted by ARMA for a grant in the amount of up to \$17,000,000, to be used to pay development costs of the Loop 1604 Project, including the costs of an investment grade traffic and revenue study, environmental review work, and design work, meets the applicable requirements of 43 TAC §§27.53 and 27.54(a) and, in accordance with those provisions, and in accordance with the requirements of Minute Order 112605, the commission grants final approval of the request for financial assistance.

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

1. The grant funds shall be disbursed on a reimbursement basis. ARMA will deliver to the department prior to each disbursement a certificate in which ARMA accounts for all grant funds disbursed under the financial assistance agreement and certifies that the disbursement, when added to the amount of all prior disbursements under the financial assistance agreement, will not exceed the total amount of funding authorized.

2. As a condition precedent to disbursement of the grant funds, ARMA must be in compliance with the requirements of its internal ethics and compliance program (required by 43 TAC §26.56).

IT IS FURTHER ORDERED that the sources of funds for the grant may not be from (1) money transferred to the State Highway Fund pursuant to Texas Constitution, Article III, Section 49-g, as amended by Senate Joint Resolution 1 (83rd Legislature, Third Called Session), as approved by statewide election on November 4, 2014 (Proposition 1); (2) money deposited to the credit of the State Highway Fund under Texas Constitution, Article VIII, Section 7-c, as amended by Senate Joint Resolution 5 (84th Legislature, Regular Session), as approved by statewide election on November 3, 2015 (Proposition 7); or (3) money in the State Highway Fund which is available to the department for projects as a result of the enactment of House Bill 20 (84th Legislature, Regular Session), which amended Transportation Code §222.001(a) to discontinue the use of State Highway Fund money by the Department of Public Safety.

The commission took a short break from 11:00 a.m. to 11:10 a.m.

ITEM 4. Aviation

Various Counties - Consider the award of federal and state grant funding, and federal non-primary entitlement grant funding for airport improvement projects at various locations (MO) (Presentation)

This item was presented by Aviation Division Director Dave Fulton. The commission also heard from First Assistant City Manager for the City of Sugarland Stephen Griffith. Commissioner Lewis made a motion, which was seconded by Commissioner Ryan, and the commission approved the following minute order by a vote of 5 - 0.

115074
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 non-primary entitlement grant funds for the improvements.

The airports listed in Exhibit B are currently in need of improvements to preserve the airports or to meets standards. The department recommends the award of federal apportionment grant funds and state grant funds for the improvements.

On October 4, 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 Exhibits A and B.

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

ITEM 5. Public Transportation**a. Various Counties - Consider the award of state funds and federal §5304 grant funds to locally designated lead agencies and fiscal agents in planning regions across the state (MO)**

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

115075
PTN

The Texas Transportation Commission (commission) desires to award state and federal program funds to support public transportation needs in planning regions across the state. A total of \$550,000 is awarded in this minute order.

Title 43, Texas Administrative Code (TAC), §31.22 authorizes the state to contract with entities for planning and research activities as defined in the Federal Transit Administration (FTA) Statewide and Nonmetropolitan Transportation Planning grant program (49 U.S.C. §5304). An award of \$440,000 in federal §5304 funds and \$110,000 in state matching funds is shown in Exhibit A and has been determined in accordance with 43 TAC §31.22. These funds will support lead agencies in the state's planning regions in implementing strategies identified in regional public transit-human services transportation plans.

Transportation Code, Chapter 455 assigns a broad spectrum of public transportation roles and missions to the Texas Department of Transportation (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 Exhibit A, submit any necessary state applications to the FTA, and enter into the necessary contracts.

IT IS FURTHER ORDERED by the commission that the executive director may not enter into an agreement with any entity pursuant to this minute order until the department has determined the entity has an internal ethics and compliance program that complies with 43 TAC §10.51.

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

b. Various Counties - Consider the award of federal funding for projects submitted in the department's 2017 Transportation Alternatives Set-Aside call for projects (MO) (Presentation)

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

115076
PTN

The Texas Transportation Commission (commission) desires to award \$44,167,423 in federal funds under the Transportation Alternatives Set-Aside (TASA) Program, authorized under Section 1190 of Fixing America's Surface Transportation (FAST) Act and codified at 23 U.S.C. §133(h). The commission recognizes that the FAST Act requires the state to have a competitive process to allow eligible entities to submit projects for funding.

The commission adopted administrative rules that establish the guidelines under which the TASA Program is administered by the Texas Department of Transportation (department), located at Title 43, Texas Administrative Code (TAC), §§11.400 - 11.418. Pursuant to the program rules, a Notice of the TASA Call for Projects was published in the Texas Register on January 27, 2017, for the distribution of TASA funds apportioned to the department for fiscal years 2016 and 2017, as well as for the distribution of TASA funds anticipated for fiscal years 2018, 2019, and 2020. TASA project nominations were received by the department on or before May 22, 2017. Projects were evaluated for eligibility, technical standards, and specific selection criteria as set forth in the 2017 TASA Program Guide.

This award distributes funds available for projects in small urban areas with a population of 5,001 to 200,000 and in nonurban areas with a population of 5,000 or less.

In accordance with the TAC rules, the commission will select TASA projects for funding based on recommendations from the director of the division responsible for administering the TASA Program, the potential benefit of the projects to the state, and whether the projects enhance the surface transportation system. Exhibit A is a list of the nonurban projects recommended for funding, and Exhibit B is a list of the small urban projects recommended for funding.

IT IS THEREFORE ORDERED by the commission that the projects listed in Exhibit A and Exhibit B are hereby selected and designated for funding under the TASA Program and that the executive director or the director's designee is authorized to proceed with the award and execution of local agreements, as required by the program rules.

IT IS FURTHER ORDERED that for each project listed in Exhibit A and Exhibit B and subsequently verified as eligible for development, the total amount in federal funds must be locally matched by a minimum of 20 percent. The required match may be 100 percent in cash or a combination of cash and state funds, available through the department's Economically Disadvantaged Counties Program, or cash and federally eligible in-kind contributions. The federal funding awarded to a 2017 TASA Program project will be limited to the amount shown in Exhibit A or in Exhibit B.

IT IS FURTHER ORDERED that should additional funding become available, the commission may select additional eligible projects for funding from among those project nominations submitted in the 2017 TASA Call for Projects.

IT IS FURTHER ORDERED by the commission that the executive director may not enter into an agreement with any entity pursuant to this minute order until the department has determined the entity has an internal ethics and compliance program that complies with 43 TAC §10.51.

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

ITEM 6. Promulgation of Administrative Rules Under Title 43, Texas Administrative Code, and the Administrative Procedure Act, Government Code, Chapter 2001:

Final Adoption

Chapter 9 - Contract and Grant Management

Amendments to §9.32, Selection Processes, Contract Types, Selection Types, and Projected Contracts (Contracting For Architectural, Engineering, and Surveying Services) (MO)

This item was presented by Professional Engineering Procurement Services Division Deputy Director Lucio Vasquez. 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.

115077
PEPS

The Texas Transportation Commission (commission) finds it necessary to adopt amendments to §9.32 relating to Selection Processes, Contract Types, Selection Types, and Projected Contracts, to be codified under Title 43, Texas Administrative Code, Part 1.

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

IT IS THEREFORE ORDERED by the commission that the amendments to §9.32 are adopted and are authorized for filing with the Office of Secretary of State.

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

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

ITEM 8. Design-Build Contract

Travis and Williamson Counties - Consider authorizing the Central Texas Regional Mobility Authority (CTRMA) to use state owned right of way as necessary to operate the tolled managed lanes portion of the US 183 North Mobility Project from SH 45 North/RM 620 to Loop 1 in Travis and Williamson Counties (Project); consider approving the connection of the CTRMA's tolled managed lanes portion of the Project to the State Highway System; consider authorizing the executive director to enter into a project development agreement with the CTRMA pursuant to which the department will develop, design, construct, and potentially maintain the tolled managed lanes on behalf of the CTRMA; and, contingent upon execution of a project development agreement between the department and the CTRMA concerning the Project, consider authorizing the department to issue a request for qualifications to design, develop, construct, and potentially maintain the US 183 North Mobility Project from SH 45 North/RM 620 to Loop 1 in Travis and Williamson Counties, which includes the

construction of two tolled managed lanes in each direction, and an additional general purpose (non-tolled) lane in each direction, while ensuring that funding from sources designated for non-tolled purposes will not be used on the tolled managed lanes of the Project. (MO) (Presentation)

This item was presented by Project Finance, Debt & Strategic Contracts Division Comprehensive Development Agreement Program Director Katherine Holtz. Project Finance and Debt Management Division Director Ben Asher and Executive Director for the Central Texas Regional Mobility Authority Mike Heiligenstein also answered questions from the commission. 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.

115078
PFD

The Texas Department of Transportation (department) and the Central Texas Regional Mobility Authority (CTRMA) have been proceeding with the development of projects within the US 183 corridor between SH 45 North/RM 620 in Williamson County to Loop 1 in Travis County. The projects are located within the boundaries of the CTRMA and include both tolled and non-tolled improvements.

The CTRMA intends to develop tolled managed lanes within the US 183 corridor between SH 45 North/RM 620 and Loop 1. The CTRMA's project will include two tolled managed lanes in each direction, transitions along US 183 north of SH 45 North/RM 620 and south of Loop 1, and direct connectors to and from Loop 1 managed lanes with transitions along Loop 1 to RM 2222 (the Managed Lanes Project).

The department intends to construct an additional (fourth) general purpose lane in each direction in addition to bicycle and pedestrian improvements along US 183 (the US 183 Project). These additional general purpose lanes would be constructed southbound from approximately Lake Creek Parkway to the entrance ramp from SH 45 North, southbound from north of McNeil Drive/Spicewood Springs Road to Loop 1, and northbound between Braker Lane and McNeil Drive/Spicewood Springs Road. The bicycle and pedestrian improvements include two shared-use path segments, new sidewalks, and cross-street connections for bicycles and pedestrians. The existing US 183 will be reconstructed and expanded through the US 183 Project to provide an equivalent or greater number of non-tolled lanes than currently exists exclusive of the frontage road lanes.

The Managed Lanes Project and the US 183 Project, collectively referred to as the US 183 North Mobility Project, will be constructed in state highway right-of-way pursuant to a design-build construction contract procured by the department. On May 8, 2017, the Capital Area Metropolitan Planning Organization (CAMPO) adopted amendments to the FY 2017-2020 Transportation Improvement Program, which included the US 183 North Mobility Project. CAMPO further included the US 183 North Mobility Project in the CAMPO 2040 Plan adopted on May 11, 2015.

The construction of the US 183 North Mobility Project will provide for the expeditious completion of critically needed projects within the US 183 corridor. The US 183 North Mobility Project will improve safety and mobility, enhance system continuity, and accommodate projected growth throughout this region. The planned

improvements will provide increased capacity that is critical to the region's continued mobility and economic viability. Increasing capacity will relieve congestion and reduce travel time as well as provide social and economic benefits locally, regionally, and statewide.

The Managed Lanes Project is subject to the primacy requirements of Transportation Code, Chapter 373. Pursuant to Transportation Code § 373.052, the CTRMA has exercised its option to develop, finance, construct, and operate the Managed Lanes Project. Pursuant to Transportation Code § 370.301(e), the Managed Lanes Project will not be on the state highway system. The US 183 Project will remain on the state highway system as US 183.

Pursuant to Transportation Code, Chapter 373, Subchapter C, the department shall allow a regional mobility authority to use state highway right-of-way and to access the state highway system as necessary to construct and operate a toll project.

Transportation Code § 373.103 provides that a local toll project entity and the department shall enter into an agreement for any toll project for which the entity has exercised its option to develop, finance, construct, and operate a project for which the entity intends to use state highway right-of-way to protect the interests of the Texas Transportation Commission (commission) and the department.

The department and the CTRMA are negotiating a project development agreement (PDA) pursuant to which, among other things, the department will develop, design, construct, and potentially maintain the Managed Lanes Project on behalf of the CTRMA. The PDA will set forth the roles, responsibilities and obligations of the parties in the design, development, construction, operation, maintenance, and financing of the Managed Lanes Project.

Transportation Code § 370.187 provides that a regional mobility authority may not begin construction of a transportation project that will connect to the state highway system or a department rail facility without the approval of the commission. Title 43, Texas Administrative Code § 26.31, et seq. prescribe the conditions for that approval. The environmental review of the Managed Lanes Project required by Transportation Code § 370.188 or by federal law has been completed. Title 43, Texas Administrative Code § 11.58 provides that the commission must approve a public or private entity's connection of a regionally significant highway to the state highway system, and provides the criteria for that approval.

Pursuant to 43 Texas Administrative Code § 26.31 and 43 Texas Administrative Code § 11.58, the CTRMA has submitted a request to the executive director to connect the Managed Lanes Project to the state highway system. Pursuant to 43 Texas Administrative Code § 26.32, the commission has determined that the Managed Lanes Project may be effectively integrated into the state's transportation system. Further, the commission has determined that all other criteria and conditions for connection of the Managed Lanes Project to the state highway system have been met or satisfied.

Pursuant to Transportation Code § 370.301(a), the department may agree with the CTRMA to provide for or contribute to the payment of costs of financial or engineering and traffic feasibility studies and the design, financing, acquisition, construction, operation, or maintenance of the Managed Lanes Project.

Subchapter F, Chapter 223, Transportation Code prescribes the process by which the department may enter into a design-build contract with a private entity that provides for the design, construction, expansion, extension, related capital maintenance, rehabilitation, alteration, or repair of a highway project. Transportation Code § 223.242 authorizes the department to enter into, in each fiscal year, up to three design-build contracts for highway projects with estimated construction costs of \$150 million or more.

Transportation Code § 223.245 prescribes requirements for a design-build contract procurement, and requires the department to publish a notice advertising a request for qualifications in the Texas Register that includes the criteria that will be used to evaluate any qualification submittals, the relative weight given to the criteria, and a deadline by which qualification submittals must be received.

IT IS THEREFORE ORDERED by the commission that the CTRMA is permitted to use state highway right-of-way as necessary to operate the Managed Lanes Project from SH 45 North/RM 620 to Loop 1.

IT IS FURTHER ORDERED that the executive director of the department is authorized to enter into a project development agreement with the CTRMA for the use of state owned right-of-way and pursuant to which, among other things, the department will develop, design, construct, and potentially maintain the Managed Lanes Project on behalf of the CTRMA.

IT IS FURTHER ORDERED that pursuant to Transportation Code § 370.187, and 43 Texas Administrative Code §§ 11.58 and 26.32, the connection of the Managed Lanes Project with a segment of the state highway system is approved.

IT IS FURTHER ORDERED by the commission that the department is authorized to publish in the Texas Register a notice advertising the issuance of a request for qualifications to design, develop, construct, and potentially maintain the Managed Lanes Project and the US 183 Project, collectively referred to as the US 183 North Mobility Project, from SH 45 North/RM 620 in Williamson County to Loop 1 in Travis County, and to post the notice and the request for qualifications on the department's website.

IT IS FURTHER ORDERED that the issuance of the request for qualifications is contingent upon execution of a project development agreement between the department and the CTRMA for the design, development, construction, financing, maintenance, and operations of the Managed Lanes Project.

IT IS FURTHER ORDERED that any funding authorized from (1) money transferred to the State Highway Fund pursuant to Texas Constitution, Article III, Section 49-g, as amended by Senate Joint Resolution 1 (83rd Legislature, Third Called Session), as approved by statewide election on November 4, 2014 (Proposition 1), (2) money deposited to the credit of the State Highway Fund under Texas Constitution, Article VIII, Section 7-c, as amended by Senate Joint Resolution 5 (84th Legislature, Regular Session), as approved by statewide election on November 3, 2015 (Proposition 7), or (3) money in the State Highway Fund which is available to the department for projects as a result of the enactment of House Bill 20 (84th Legislature Regular Session), which amended Transportation Code §222.001(a) to discontinue the use of

State Highway Fund money by the Department of Public Safety will not be used on the Managed Lanes Project.

ITEM 9. Appointment to El Paso County Stormwater Control and Recapture Planning Authority (MO)

This item was presented by Chief Engineer Bill Hale. Commissioner Lewis made a motion, which was seconded by Commissioner Austin, and the commission approved the following minute order by a vote of 5 - 0.

115079
ADM

Local Government Code, Section 391A.004, as amended by House Bill No. 2725, 85th Regular Session, 2017, requires the Texas Transportation Commission (commission) to appoint a representative of the Texas Department of Transportation (department) to the board of directors of a stormwater control and recapture planning authority established by statute in certain counties of the state. Local Government Code, Section 391A.004(b), provides that a person may not serve as a director if the person holds another public office.

Currently, a stormwater control and recapture planning authority has been created only for El Paso County. The commission has determined that the person holding the position of El Paso District Engineer will have the knowledge and experience necessary to serve as the representative of the department.

IT IS THEREFORE ORDERED by the commission that the person holding the position of El Paso District Engineer is appointed to the board of directors of a stormwater control and recapture planning authority for El Paso County.

ITEM 10. 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 Engineering and Safety Operations Director Michael Lee. 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.

115080
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 October 3 and 4, 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 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.

b. Highway Maintenance (MO)

This item was presented by Engineering and Safety Operations Director Michael Lee. 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.

115081
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 October 3 and 4, 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 Austin made a motion, which was seconded by Commissioner Lewis, and the commission approved the following minute order by a vote of 5 - 0.

115082
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 October 3, 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 11. 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 Lewis and the following minute order was approved by Chairman Bugg, Commissioner Austin, Commissioner Vandergriff, Commissioner Lewis and Commissioner Ryan (a vote of 5 - 0).

115083
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 - N. 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 - 40, 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>
Brazoria	SH 36	3	0188-03-020	117
Brazoria	SH 36	4	0188-03-020	131
Brazoria	SH 36	5	0188-03-020	419
Brazoria	SH 36	6	0188-03-020	423
Brazoria	SH 36	7	0188-03-020	424
Brazoria	SH 36	8	0188-03-020	427
Brazoria	SH 36	2	0188-04-041	25
Fort Bend	SH 36	22	0188-02-038	104
Fort Bend	SH 36	21	0188-02-038	123
Fort Bend	SH 36	23	0188-02-038	124
Fort Bend	SH 36	28	0188-02-038	134
Fort Bend	SH 36	10	0188-02-038	142
Fort Bend	SH 36	18	0188-02-038	143A
Fort Bend	SH 36	19	0188-02-038	143B
Fort Bend	SH 36	11	0188-02-038	144
Fort Bend	SH 36	13	0188-02-038	146
Fort Bend	SH 36	16	0188-02-038	147
Fort Bend	SH 36	14	0188-02-038	148
Fort Bend	SH 36	12	0188-02-038	149

CONTROLLED ACCESS (continued)

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Fort Bend	SH 36	15	0188-02-038	150
Fort Bend	SH 36	17	0188-02-038	201
Fort Bend	SH 36	24	0188-02-038	209
Fort Bend	SH 36	26	0188-02-038	210
Fort Bend	SH 36	27	0188-02-038	212
Fort Bend	SH 36	29	0188-02-038	213
Fort Bend	SH 36	30	0188-02-038	214
Fort Bend	SH 36	25	0188-02-038	227
Fort Bend	SH 36	31	0188-02-038	230
Gregg	FM 2206	1	2073-01-012	26
Guadalupe	FM 1103	20	1268-02-028	32
Harris	FM 2100	33	1062-04-053	136
Harris	FM 2100	32	1062-04-053	143
Harris	FM 2100	38	1062-04-059	306
Harris	FM 2100	35	1062-04-059	321
Harris	FM 2100	36	1062-04-059	328
Harris	FM 2100	34	1062-04-059	331
Harris	FM 2100	37	1062-04-059	332
Hopkins	SH 11	9	0083-02-054	14
Randall	SL 335	39	0904-11-060	2
Randall	SL 335	40	0904-11-060	14

NON-CONTROLLED ACCESS

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Angelina	US 59	C	0176-03-116	31B
Dallas	IH 45	N	0092-14-091	4
Dallas	IH 45	M	0092-14-091	5
Dallas	IH 45	B	0092-14-091	8
El Paso	FM 659	D	1046-01-033	3
El Paso	FM 659	J	1046-01-033	4
El Paso	FM 659	E	1046-01-033	5
El Paso	FM 659	K	1046-01-033	7
El Paso	FM 659	L	1046-01-033	8
El Paso	FM 659	A	1046-01-033	9
Galveston	IH 45	I	0500-04-136	334AC
Harris	IH 610	H	0271-16-141	106
Harris	IH 45	G	0500-03-547	5
Tarrant	SH 360	F	2266-02-145	148

Note: Exhibits A - N and 1 - 40 are on file with the commission chief clerk.

ITEM 12. Routine Minute Orders and Reports

This item was presented by Executive Director James Bass. Commissioner Lewis made a motion, which was seconded by Commissioner Austin, 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)

115084
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) Brazos County - FM 974, old Hearne Road in Bryan - Consider the transfer of right of way to the City of Bryan (MO)

115085
ROW

In Bryan, BRAZOS COUNTY, on FARM TO MARKET ROAD 974, the state of Texas acquired certain land for highway purposes by instruments recorded in Volume 158, Page 243, and Volume 214, Page 542, Deed Records of Brazos County, Texas, and Volume 3453, Page 170, Official Public Records of Brazos County, Texas.

Portions of the land (Tract 1), RCSJ 0540-03-031, described in Exhibit A, are no longer needed for a state highway purpose.

In accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (commission) may recommend the 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 Bryan (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 Bryan, 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.

(2) Brazos County - SH 6 at Raintree Drive in College Station - Consider the sale of a drainage easement (MO)

115086
ROW

In College Station, BRAZOS COUNTY, on STATE HIGHWAY 6, the state of Texas acquired an easement interest in certain land by instrument recorded in Volume 267, Page 795, Deed Records of Brazos County, Texas.

The easement (Tract 1), RCSJ 0049-12-113, shown on Exhibit A, is no longer needed for a state highway purpose.

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

Gibeon, LP, a Texas limited partnership, is the owner of the fee in the property and has requested to purchase Tract 1 for \$16,500.

The commission finds \$16,500 to be a fair and reasonable value for the state's right 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 of the attorney general, that the governor of Texas execute a proper instrument releasing the state's right and interest in Tract 1 to Gibeon, LP, a Texas limited partnership, for \$16,500.

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

(3) Harris County - US 290 at Mason Road in Cypress - Consider the sale of right of way to the abutting landowner (MO)

115087
ROW

In Cypress, HARRIS COUNTY, on US HIGHWAY 290, the state of Texas acquired certain land for highway purposes by instrument recorded in Volume 5370, Page 30, Deed Records of Harris County, Texas.

A portion of the land (Tract 61), RCSJ 0050-06-091, 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.

A-S 123 Hwy 290-Mason Rd, L.P., is the abutting landowner and has requested to purchase Tract 61 for \$186,179.

The commission finds \$186,179 to be a fair and reasonable value of the state's right, title, and interest in Tract 61.

IT IS THEREFORE ORDERED by the commission that Tract 61 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 61 to A-S 123 Hwy 290-Mason Rd, L.P., for \$186,179; 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.

(4) McLennan County - I-35 at BU 77 in Lacy Lakeview - Consider the sale of right of way to the abutting landowner (MO)

115088
ROW

In Lacy Lakeview, MCLENNAN COUNTY, on INTERSTATE 35, the state of Texas acquired certain land for highway purposes by instruments recorded in Volume 973, Page 1, and Volume 969, Page 667, Official Public Records of McLennan County, Texas.

A portion of the land (Tract 1), RCSJ 0015-01-245, 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.

Mark E. Williams is the abutting landowner and has requested to purchase Tract 1 for \$34,000.

The commission finds \$34,000 to be a fair and reasonable value of the state’s right, title, and interest in Tract 1.

IT IS THEREFORE ORDERED by the commission that Tract 1 is no longer needed for a state highway purpose. The commission recommends, subject to approval by the attorney general, that the governor of Texas execute a proper instrument conveying all of the state’s right, title, and interest in Tract 1 to Mark E. Williams for \$34,000; SAVE AND EXCEPT, however, there is excepted and reserved herefrom all of the state’s right, title, and interest, if any, in and to all of the oil, gas, sulphur, and other minerals, of every kind and character, in, on, under, and that may be produced from the land.

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

(5) Navarro County - US 287, old location on Richland-Chambers Reservoir at County Road 3310 - Consider the transfer of right of way to Navarro County to remain in use for public road purposes (MO)

115089
ROW

In NAVARRO COUNTY, on US HIGHWAY 287, the state of Texas acquired certain land for highway purposes by instruments recorded in Volume 354, Page 548; Volume 354, Page 546; and Volume 360, Page 33, Deed Records of Navarro County, Texas.

A portion of the land (Tract 1), RCSJ 0122-02-030, 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 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.

Navarro County (county) has agreed to assume jurisdiction, control and maintenance and has requested that Tract 1 be transferred to the county.

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 Navarro County, 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.

c. Reports**(1) Compliance Division report**

Note: Confidential report to commission.

(2) Letting Allocation status report

Quarterly status report on the FY 2017 Letting Allocation, the actual allocation utilized through the current month, proposed remaining highway maintenance and construction contract letting for the fiscal year (Report)

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

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

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

d. Finance

(1) Harris, Montgomery, and Chambers Counties - Consider the acceptance of the annual escalated toll rates for portions of SH 99 (Grand Parkway) consisting of the tolled portion of Segment D in Harris County, Segments E, F-1, F-2, G, H, I-1, and I-2B, and for the existing tolling points on the portion of Segment I-2 from I-10 to Fisher Road (Segment I-2A), as calculated on the toll escalation determination date (MO)

115090
TOD

The Texas Department of Transportation (department) and the seven counties in the Houston area in which State Highway 99 (Grand Parkway) is located have been proceeding with the development of the Grand Parkway from SH 146 in Galveston County to SH 146 in Chambers County. In accordance with the requirements of former §228.0111 of the Transportation Code and the policies included in Minute Order 111410 dated June 26, 2008, the department and the seven counties entered into a Market Valuation Waiver Agreement, effective March 25, 2009, in which the parties agreed on the terms and conditions for the development, construction, and operation of the Grand Parkway, agreed to waive the development of a market valuation of the Grand Parkway, and agreed to certain other provisions applicable to the development, construction, and operation of the Grand Parkway, including terms for establishing baseline toll rates and toll escalation policies applicable to the Grand Parkway.

In Minute Order 113399, dated December 13, 2012, the Texas Transportation Commission (commission) established a toll rate escalation policy, consistent with the terms and conditions of the Market Valuation Waiver Agreement, for the tolled portion of Segment D in Harris County and Segments E, F-1, F-2, and G, which comprise the initial elements of the Grand Parkway System (system) which are operated on behalf of the commission by the Grand Parkway Transportation Corporation (GPTC) pursuant to a project agreement between the department and GPTC and in accordance with a trust agreement between GPTC and the trustee for the holders of GPTC's toll revenue bonds issued to pay the costs of constructing the system (Trust Agreement). Minute Order 113399 also authorized GPTC to charge tolls for the tolled portion of Segment D of the

Grand Parkway in Harris County and for Segments E, F-1, F-2, and G of the Grand Parkway in Harris and Montgomery counties. Minute Order 114881, dated March 28, 2017 authorized GPTC, upon substantial completion of the construction of Segments H, I-1 and I-2B, to charge tolls for the tolled portions of Segments H, I-1, and I-2B of the Grand Parkway in Montgomery, Harris, Liberty and Chambers Counties, and for the portion of Segment I-2A from Fisher Road to FM 1405 in Chambers County. Minute Order 113399 further authorized the chairman of the commission to execute a toll rate agreement with the GPTC regarding covenants to maintain toll rates on the tolled portion of Segment D of the Grand Parkway in Harris County and on the Grand Parkway Segments E, F-1, F-2, and G in Harris and Montgomery counties in accordance with the toll rate agreement.

Minute Order 111167, dated December 13, 2007, designated the portion of Grand Parkway Segment I-2, from I-10 to Fisher Road, as a toll project on the state highway system (included within Segment I-2A). Minute Order 114881, dated March 28, 2017, designated the portion of Grand Parkway Segment I-2A from Fisher Road to FM 1405, as a toll project on the state highway system. Segment I-2A is in operation outside the Grand Parkway System as a four-lane controlled-access toll road, although tolls are not currently being charged for the portion of Grand Parkway Segment I-2A from Fisher Road to FM 1405. Minute Order 112756, dated July 28, 2011, authorized the department to charge tolls in Chambers County on the portion of Segment I-2A from I-10 to Fisher Road at the existing tolling points on that segment, and Minute Order 113399 authorized the department to revise the toll rates on the portion of Grand Parkway Segment I-2A from I-10 to Fisher Road to be consistent with the rates and toll rate escalation policy in effect for the segments comprising the system.

The toll rate escalation policy adopted by the commission in Minute Order 113399 and Minute Order 114881 provides for the department to calculate the annual toll rate escalation percentage (toll rate escalation percentage) in accordance with the toll rate escalation policy and report the toll rate escalation percentage to the GPTC and the commission each year at or before the commission's October meeting. The department has established a toll rate escalation percentage of 2.01% to be applied to the current base toll rates for each segment of the Grand Parkway identified above and each tolling point, generating the schedule of increased toll rates for calendar year 2018 shown on the attached Exhibit A.

The toll rate escalation percentage and the escalated toll rates shown in Exhibit A for Segment D of the Grand Parkway in Harris County, Segments E, F-1, F-2, G, H, I-1, and I-2B of the Grand Parkway, and the existing tolling points on Segment I-2A of the Grand Parkway have been prepared in accordance with the toll rate escalation policy established in Minute Order 113399. As provided in Minute Order 113399, the percentage increase in the toll rates will be effective automatically on January 1 of the next calendar year and implemented by the executive director and by the GPTC, as applicable, unless the commission affirmatively votes prior to January 1 to modify the toll rate escalation percentage.

IT IS THEREFORE ORDERED by the commission that the schedule of escalated toll rates for Segment D of the Grand Parkway in Harris County, Segments E, F-1, F-2, G, H, I-1, and I-2B of the Grand Parkway, and the existing tolling points on

Segment I-2A of the Grand Parkway, attached as Exhibit A, is accepted, replacing the current rate tables with the escalated toll rates on January 1, 2018.

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

(2) Travis and Williamson Counties - Consider the acceptance of the annual escalated toll rates for the Central Texas Turnpike System, as calculated on each toll escalation determination date (MO)

115091
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 traffic and revenue reports; (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.

The Central Texas Turnpike System (CTTS) consists of the following elements: SH 130, which runs from I-35 North of Georgetown to the intersection of US 183 and SH 130 at SH 45 Southeast; SH 45 North, which runs from west of US 183 to SH 130 / SH 45 North interchange; Loop 1, which runs from existing Loop 1 and Farm to Market 734 (Parmer Lane) to the Loop 1 / SH 45 North interchange; and SH 45 Southeast, which runs from I-35 at FM 1327 south of Austin to the SH 130 / US 183 interchange.

Minute Order 113244, dated August 30, 2012, authorized the executive director to annually escalate toll rates on the CTTS in accordance with established indices and the toll escalation policy set forth in the minute order. The Texas Department of Transportation (department) has established a toll rate escalation percentage of 1.90% (toll rate escalation percentage) to be applied to the current base toll rates for each CTTS element and paypoint, generating the schedule of increased toll rates for calendar year 2018 shown on Exhibit A. The toll rate escalation percentage and the escalated toll rate table shown in Exhibit A for each CTTS element have been prepared in accordance with the toll escalation policy established in Minute Order 113244. As provided in Minute Order 113244, the percentage increase in the toll rates will be effective automatically on January 1 of the next calendar year and implemented by the executive director, unless the commission affirmatively votes prior to January 1 to modify the toll rate escalation percentage.

In accordance with the CTTS Indenture of Trust, revenues received must be used to pay debt service, the costs of maintenance and operation, and other obligations incurred under the Indenture of Trust, and, after having made the deposits required under the Indenture of Trust, to repay the commission for amounts expended to pay maintenance and operating expenses, and then to purchase or redeem outstanding obligations, pay maintenance expenses, make payments to the construction fund, fund improvements, extensions and replacements of the CTTS, and for any other lawful purpose.

IT IS THEREFORE ORDERED by the commission that the schedule of escalated toll rates for each CTTS element, attached as Exhibit A, is accepted replacing the current rate tables with the escalated toll rates on January 1, 2018.

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

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

115092
TOD

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

In 2002 the commission issued \$2,199,993,782 in obligations to finance a portion of the costs of the Central Texas Turnpike System (system), a toll project composed initially of the SH 130, SH 45, and Loop 1 project elements (2002 Project), pursuant to an Indenture of Trust, dated July 15, 2002 (indenture), and four supplemental indentures. The indenture prescribes the terms, provisions and covenants related to the issuance of toll revenue bonds and obligations to finance a portion of the costs of the 2002 Project. Subsequent bond refundings occurred in 2009, 2012 and 2015, pursuant to the indenture and additional supplemental indentures. The 2015 bond refinancing significantly reduced the long term interest expense of the project. Pursuant to Section 702 of the indenture, the commission has covenanted that on or before August 31 in each fiscal year, it will adopt annual operating, maintenance and capital budgets for the system for the ensuing fiscal year and provide copies of such budgets to the Trustee and the U.S. Department of Transportation.

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

Pursuant to Minute Order 111081, dated September 27, 2007, the system was declared substantially complete as defined within the indenture.

Section 501(c) of the indenture covenants that at the conclusion of the five year period, the commission may discontinue such reports if the revenues for the previous two years have been sufficient to meet the rate covenant. The revenues for the previous two years have been sufficient to meet the rate covenant; however, the commission has not exercised its option to discontinue the reports.

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

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

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

(4) Quarterly investment report (MO)115093
PFD

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

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

In Minute Order 108970, dated July 25, 2002, the commission approved and adopted a written investment policy and investment strategy applicable to funds of the commission relating to the Central Texas Turnpike System held by Bank One, N.A., (in such capacity with its successors, currently Bank of New York Mellon), as Trustee under the Indenture of Trust dated July 15, 2002, between the commission and the trustee. Pursuant to Government Code §2256.005(e) and Section 20 of the investment policy, the investment policy and investment strategies of the commission have been reviewed and revised annually by minute order since 2003. In Minute Order 114360, dated August 27, 2015, the commission approved and adopted a written investment policy that added an investment strategy applicable to funds in the prepaid TxTag custodial account under the Master Lockbox and Custodial Account Agreement by and between the Bank of New York Mellon Trust Company, N.A., as custodian, and the department. In Minute Order 114706, dated August 25, 2016, the commission approved and adopted a written investment policy that added an investment strategy applicable to funds related to obligations issued for the IH 35E Project under a Trust Agreement by and between Amegy Bank, a Division of ZB, National Association, as trustee, and the department.

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

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

Section 9.0 of the investment policy requires the investment officer to prepare and submit to each member of the commission and the executive director of the department an investment report on no less than a quarterly basis. The report must be

prepared in accordance with the requirements of that section, including containing sufficient information to provide for a comprehensive review of investment activity and current investment instruments and performance for the reporting period. A quarterly investment report for the department for the period ending August 31, 2017, attached as Exhibit A, has been prepared in accordance with Government Code §2256.023 and Section 9.0 of the investment policy.

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

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

e. Highway Designation

Henderson County - Consider designating US 175 along a new location in the City of Poynor and redesignating the old alignment of US 175 as Business US Highway 175-H (MO)

115094
TPP

The Tyler District has requested the following actions: (1) designation of US 175 along a new location from approximately 0.5 miles west of FM 315 to approximately 0.5 miles east of FM 315, a distance of approximately 1.0 mile; and (2) redesignation of US 175 as BU 175-H from approximately 0.5 miles west of FM 315 to approximately 0.5 miles east of FM 315, a distance of approximately 1.0 mile.

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

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

IT IS THEREFORE ORDERED by the commission that: (1) US 175 is designated along a new location from approximately 0.5 miles west of FM 315 to approximately 0.5 miles east of FM 315, a distance of approximately 1.0 mile; and (2) US 175 is redesignated as BU 175-H from approximately 0.5 miles west of FM 315 to approximately 0.5 miles east of FM 315, a distance of approximately 1.0 mile, as shown on Exhibit A.

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

f. Designation of Access Control

(1) Denton County - SH 114, east of Double Eagle Boulevard - Consider the designation of one location on the frontage road at which access will be permitted to the abutting property (MO)

115095
DES

In DENTON COUNTY, on STATE HIGHWAY 114, a designated controlled-access highway, the State of Texas acquired certain land for highway purposes by instrument recorded in the Instrument No. 2011-60481 of the Official Records of Denton County, Texas (O.R.D.C.T.) with denial of access to the abutting remainder property as described in the instrument.

IDI SERVICES GROUP, LLC., the current owner of the abutting property, has requested that access to and from the westbound frontage road of SH 114 be permitted at one location along the southern 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 westbound frontage road of SH 114.

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) Parker County - I-20, West of Cinema Drive - Consider the redesignation of one location on the westbound frontage road at which access will be permitted to the abutting property and the designation of one location on the westbound frontage road at which access will be permitted for ingress only (MO)

115096
DES

In PARKER COUNTY, on INTERSTATE 20, a designated controlled-access highway, the State of Texas acquired certain land for highway purposes by instrument recorded in Volume 417, Page 484, Deed Records of Parker County, Texas, with denial of access to the abutting remainder property as described in the instrument.

HUDSON OAKS CREEKSIDE, LTD, the current owner of the abutting property, has requested redesignation of the control of access along their southern property line. The existing access point as described in volume 2111 page 454 of the deed records of Parker County, Texas, will become controlled whereby access is denied from the westbound frontage road of I-20. Access to and from the westbound frontage road of I-20 will be permitted at one location along the southern property line at a new access point, described in Exhibit A1. In addition, the current property owner has requested that ingress access be permitted from the westbound frontage road at one location along the southern property line at a new access point, described in Exhibit A2.

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 redesignation of the access point and release of the ingress only access point will not compromise the mobility, safety or operation of the existing state highway facility. The commission authorizes redesignation of the permitted access along 100 linear feet of the I-20 westbound frontage road at the location described in Exhibit A1, and designates the new 42.24 linear foot access point at the location described in Exhibit A2.

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: Exhibits A1 and A2 are 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)

115097
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 13. 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 Austin motioned adjournment and Commissioner Vandergriff seconded the motion. The commission voted 5 - 0 to adjourn. The regular meeting of the Texas Transportation Commission was adjourned at 11:53 p.m.

APPROVED by the Texas Transportation Commission on November 16, 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 October 26, 2017, in Austin, Texas.

Robin Carter, Commission Chief Clerk
Texas Department of Transportation