

TEXAS TRANSPORTATION COMMISSION

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MINUTE ORDER

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Minute Order 113052 adopted by the Texas Transportation Commission (commission) on March 29, 2012, authorized, among other matters, the execution and delivery of additional senior obligations (additional senior obligations) pursuant to the master resolution, as amended (master resolution), establishing a financing program for bonds, other public securities and credit agreements secured by and payable from revenue deposited to the credit of the State Highway Fund, as supplemented by the sixth supplemental resolution (original supplemental resolution) to the master resolution. Any terms not otherwise defined herein have the meanings given in Minute Order 113052 and the master resolution.

The original supplemental resolution authorized the issuance of additional senior obligations, in one or more series, to fund state highway improvement projects (new money bonds) and to refund certain outstanding senior obligations (refunding bonds) and prescribed certain terms, provisions and covenants related to the additional senior obligations.

The commission has determined that it is in the best interest of the state to amend and restate the original supplemental resolution (as amended and restated, supplemental resolution) for the purpose of extending the expiration date of the original supplemental resolution, amending and modifying certain terms and provisions of the original supplemental resolution, and, in addition to refunding bonds issued for savings, authorizing the refinancing of certain outstanding variable rate senior obligations through the issuance of refunding bonds, in one or more series, provided that the aggregate principal amount of new money bonds shall not exceed \$1,400,667,126.36, which is not more than \$1.5 billion of new money bonds issued in any fiscal year, and the aggregate principal amount of refunding bonds shall not exceed \$1.7 billion, as reflected in the supplemental resolution.

Government Code, §1231.041 provides that a state agency may not issue a state security, including a bond, unless the issuance is approved by the Texas Bond Review Board (board) or exempted from review by the board, and Texas Department of Transportation (department) staff is further reviewing whether any projects expected to be financed through the issuance of taxable new money bonds may be eligible for tax-exempt financing with an allocation of state volume cap through the board's private activity bond program.

Under the supplemental resolution, the department representative, defined in the supplemental resolution to include the chief financial officer of the department, the innovative financing/debt management officer and the deputy director, innovative financing/debt management office, is authorized to determine the method of sale for each series of additional senior obligations as well as the price and other terms of each series of additional senior obligations as prescribed in each award certificate for the additional senior obligations.

The commission understands that an official statement in preliminary and final form (collectively, official statement) will be distributed in connection with the public offering and sale of each series of additional senior obligations, which official statement will include a description of the revenues deposited to the credit of the highway fund and other security and payment provisions related to the additional senior obligations.

IT IS THEREFORE ORDERED by the commission that the chairman and executive director are authorized and directed to execute and deliver additional senior obligations, as provided by the supplemental resolution, and the department representative is authorized and directed to execute and

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deliver the supplemental resolution, each bond purchase contract, if applicable, paying agent/registrars agreement and escrow agreement (collectively, financing documents), in the form approved by the department representative or in substantially the form previously approved by the commission in connection with outstanding senior obligations, as applicable, with such changes as the department representative executing each such document may approve, such approval to be conclusively evidenced by execution of such financing document; and, the department representative is authorized and directed to take any and all actions necessary or appropriate to effect the delivery of the additional senior obligations in accordance with the terms and conditions of the financing documents.

IT IS FURTHER ORDERED by the commission that the department representative is authorized and directed to execute and deliver any remarketing agreement, tender agent agreement, liquidity agreement or similar agreement necessary for any variable rate bonds (collectively, supporting documents), in the form approved by the department representative or in substantially the form previously approved by the commission in connection with outstanding senior obligations, as applicable, with such changes as the department representative executing each such document may approve, such approval to be conclusively evidenced by execution of such supporting document.

IT IS FURTHER ORDERED by the commission that the department representative is authorized to direct the Comptroller of Public Accounts (comptroller) to withdraw amounts from the highway fund and forward such amounts as are necessary to permit the timely payment of obligations issued or incurred pursuant to the supplemental resolution or the cash defeasance or redemption of a portion of the outstanding senior obligations; and, the department representative is authorized to execute and deliver such management agreements or instructions as are deemed necessary or appropriate to evidence such direction and to provide for the management and administration of the highway fund and any other funds and accounts established and maintained in connection with or related to such obligations.

IT IS FURTHER ORDERED by the commission that any other agreements or ancillary documents necessary or desirable in connection with the issuance of the additional senior obligations and the performance of the terms and conditions of any financing documents and the supporting documents are hereby approved; and, the department representative is authorized and directed to execute and deliver such documents.

IT IS FURTHER ORDERED by the commission that the department representative is authorized and directed to file with the board an application for approval, exemption or state volume cap, as applicable and necessary, in connection with the issuance of each series of additional senior obligations.

IT IS FURTHER ORDERED by the commission that an official statement is approved for distribution in connection with the public offering and sale of each series of additional senior obligations in such form as a department representative may approve, such approval to be conclusively evidenced by the execution of the official statement. The department representative is authorized to deem final the preliminary form of the official statement for any additional senior obligations for purposes of Rule 15c2-12 of the Securities and Exchange Commission (rule) with such omissions as are permitted by the rule.

IT IS FURTHER ORDERED by the commission that each member of the commission, each department representative and the general counsel are authorized and directed to perform all such acts

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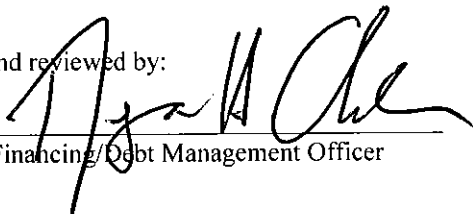
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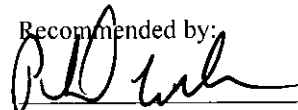
and execute such documents, notices and other instruments, including execution of certifications to the underwriters or purchasers, any counterparties, the attorney general, the comptroller, the board and other parties, as may be necessary or desirable to carry out the intent and purposes of this order and other orders of the commission relating to the State Highway Fund revenue financing program, the financing documents, any supporting documents and any credit agreements.

Submitted and reviewed by:



Innovative Financing/Debt Management Officer

Recommended by:



Executive Director

113442 JAN 31 13

Minute
Number

Date
Passed