

TEXAS DEPARTMENT OF TRANSPORTATION

COMMISSION MEETING

Ric Williamson Hearing Room  
Dewitt Greer Building  
125 East 11th Street  
Austin, Texas

Thursday, October 25, 2012

COMMISSION MEMBERS:

Ted Houghton, Chair  
Jeff Austin III  
William Meadows  
Jeff Moseley  
Fred Underwood

STAFF:

Phil Wilson, Executive Director  
John A. Barton, Deputy Executive Director  
Jeff Graham, General Counsel  
Rose Walker, Chief Clerk  
Kristen Webb, Chief Minute Order Clerk

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for the PGBT project to be repaid, and authorize the executive director of the department to enter into agreements with the RTC and the NTTA to effectuate agreed conditions for the use of the SH 121 payments (MO)

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- a. **Donations to the Department**
- (1) **Administration** - Consider a donation from Experience Arlington for rental of the Hall of Fame Theater in the Rangers Ballpark for the Texas Transportation Commission Meeting on November 15, 2012 (MO)
- (2) **Bridge Division B** Consider a donation from the American Segmental Bridge Institute for a department employee's travel expenses to attend the American Segmental Bridge Institute (ASBI) Convention in Miami, Florida on October 28-30, 2012 (MO)
- (3) **Bridge Division B** Acknowledge a donation from the Precast Concrete Manufacturers Association of Texas for a department employee's travel expenses to participate in site visits to projects using new technology for sliced precast concrete U-girders in Denver, Colorado on September 17-19, 2012 (MO)
- (4) **Construction Division B** Acknowledge a donation from the Precast/Prestressed Concrete Institute (PCI) for a department employee's travel expenses to attend the PCI 2012 Committee Meetings, "Prestressed Concrete Plant Certification" and "Prestressed

- Concrete Personnel Training and Certification," in Nashville, Tennessee on September 27B29, 2012 (MO)
- (5) **Austin District B** Acknowledge a donation from the National Academy of Sciences for a department employee's travel expenses to attend the National Academy of Sciences, Transportation Research Board, National Cooperation Research Program Synthesis 20-05/Topic 44-13 Panel Meeting in Woods Hole, MA on September 10-12, 2012 (MO)
- (6) **Austin District B** Acknowledge a donation from Noblis, Inc. for a department employee's travel expenses to attend the USDOT FHWA Connected Vehicles Forum in Chicago, Illinois on September 25 B 27, 2012 (MO)
- (7) **Austin District B** Consider a donation from Walmart for the design and construction of a right turn deceleration lane and intersection restriping on US 290 at SH 95 to the proposed new Walmart Store in Elgin, Texas (MO)
- (8) **Bryan District B** Consider a donation from 60-Jones Associates, LTD, for the design and construction of a right-turn deceleration lane from FM 60 (Raymond Stotzer Parkway) to the proposed Dynasty Drive intersection (MO)
- (9) **Houston District B** Consider a donation from Beazer Homes, LP, for the design and construction of a right-turn lane and left turn-lane from FM 1463 south of Corbitt Road, for future residents of the donor's new facility (MO)
- (10) **Houston District B** Consider a donation from Nash Cinco Northwest, LLP, for the design and construction of a left-turn lane from FM 1463 at Westridge Creek Lane to the Nash Cinco development in Fort Bend County (MO)
- (11) **Houston District B** Consider a donation from Valero Texas City Refining, for the design and construction to extend a continuous left turn lane by removing a portion of the grass median break on SL 197 at 14th Street in front of the Valero Texas Refining development in Galveston County (MO)
- (12) **Yoakum District B** Consider a donation from Walmart for the development of professionally prepared set of

construction plans and construction costs to improve safety associated with two (2) proposed signal installations on BU 71 at the intersection of FM 609 and the proposed Walmart driveway in LaGrange, Texas within the department's right of way (MO)

b. **Right of Way Dispositions and Donations**

- (1) **Childress County**-FM 94 realignment southwest of Childress - Consider the transfer of surplus right of way easements to the county (MO)
- (2) **Harris County** - I-10 at Mason Road in Katy - Consider the sale of surplus right of way to the abutting landowner (MO)
- (3) **Polk County** - US 190 east of Long King Creek in Livingston - Consider the sale of surplus right of way to the city of Livingston (MO)
- (4) **Tarrant County** - SH 199 at North Commercial Street in Fort Worth - Consider the exchange of right of way and acceptance of a donation to the state (MO)

c. **Release of Access Rights**

- (1) **Fort Bend County B** SH 99, immediately south of Fry Road in Katy B Consider the designation of a location on the highway at which access will be permitted to the abutting property (MO)
- (2) **Jefferson County** - Authorize the re-designation of access control along FM 364, immediately South of US 90, in the city of Beaumont in order to move the two access points on FM 364 for the property owned by Magna Properties, LTD, from its original location to two new locations (MO)

d. **Finance**

- (1) Obligation Limit Report  
Quarterly status report on the FY 2012 Obligation Limit, the actual obligations utilized through the current month, proposed remaining highway maintenance and construction contract letting for the fiscal year and an update on motor fuel tax receipts
- (2) Quarterly report on FY 2012 State Highway Fund 6 cash status
- (3) Accept the Quarterly Investment Report (MO)

- (4) **Various Counties** B Concurrence with the Regional Transportation Council of the North Central Texas Council of Governments' funding of construction and other project development costs of projects to be advanced through the use of payments received from the North Texas Tollway Authority for the right to develop, finance, design, construct, operate and maintain the SH 161 toll project from I-20 to SH 183 in Dallas County (MO)
- (5) **Various Counties** B Concurrence with the Regional Transportation Council of the North Central Texas Council of Governments' funding of construction and other project development costs of projects to be advanced through the use of payments received from the North Texas Tollway Authority for the right to develop, finance, design, construct, operate and maintain the SH 121 toll project from Business SH 121 in Denton County to US 75 in Collin County (MO)
- e. **Transportation Planning**  
Economically Disadvantaged Counties Program  
**Various Counties** - Certify eligible counties for the 2013 Economically Disadvantaged Counties Program and establish local match adjustments for each county and certain cities (MO)
- f. **Speed Zones**  
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P R O C E E D I N G S

1  
2 MR. HOUGHTON: Good morning. It is 9:01, and I  
3 call to order the regular October 25, 2012 meeting of the  
4 Texas Transportation Commission. And note for the record  
5 that public notice of the meeting, containing all items on  
6 the agenda, was filed with the Secretary of State at  
7 2:41 p.m. on October 17, 2012.

8 I ask before we begin today, as customary,  
9 please place cell and communication devices in the off or  
10 silent mode.

11 And if you wish to address the commission  
12 today, there are two cards, one blue and one yellow. The  
13 yellow is an agenda item and the blue is at the end of our  
14 session today on anything you want to talk about.  
15 Regardless of the card, you've got to fill something out  
16 and it's three minutes. Today we're going to let the RMAs  
17 go five minutes. Anything beyond that, I've been told is  
18 public relations.

19 So with that, before I turn it over to my  
20 fellow commissioners, I would like Phil to talk about is  
21 it a safety briefing we have?

22 MR. WILSON: Yes, sir. Thank you, Chairman.

23 I would like to ask Jerral Wyer to come forward  
24 and provide a quick safety briefing. Jerral.

25 MR. WYER: Thank you, Phil, Commission. It's

1 an honor to be here today. For the record, my name is  
2 Jerral Wyer, director of Occupational Safety Division.

3 I want to thank our commission and our  
4 administration for their great leadership on safety. If  
5 you take a look at this building, there's been several  
6 safety enhancements made, something we're very, very proud  
7 of, and for the record, I want to share some of those  
8 enhancements.

9 Number one, we have a new and complete fire  
10 protection system throughout the building. Two, we have a  
11 pressurized stairwell system so that in the event of an  
12 emergency, the stairwell would be pressurized, allowing  
13 employees to safely get to the bottom floor. Next, our  
14 handrail system on our exits have been improved. The next  
15 item would be the fire alarm system is completely new  
16 throughout the building. We also have added an emergency  
17 paging system; in case there's an emergency, every  
18 employee will be quickly notified as far as direction and  
19 what to do.

20 There's been a complete asbestos abatement  
21 program implemented throughout the building and all  
22 asbestos has been removed. Our intrusion system has been  
23 upgraded to secure safety 24-7 in the building. Something  
24 we're all proud of is a new HVAC system which will improve  
25 indoor air quality throughout the facility.

1           Again, I want to thank the leadership from our  
2 commission and our administration and our facilities  
3 section for helping make these tremendous improvements  
4 take place. Let's give them all a hand. Thank you.

5           (Applause.)

6           MS. WYER: It's been a while since we've been  
7 in this grand building and I just want to remind you of  
8 our emergency exit operations. I'm going to ask for  
9 everyone to my left, if there's a fire alarm to exit the  
10 doorway nearest you and walk to the right down the  
11 sidewalk. Everyone on the right side, please exit the  
12 main entrance, turn right and then take another immediate  
13 right and walk down the aisleway. That's the easiest way  
14 for all of us to get out in case there's a fire alarm and  
15 we need to exit the building.

16           If there's a medical emergency, we have a first  
17 aid kit in operation at our security guard station. We're  
18 very proud we have an AED in case -- we hope we don't need  
19 it, but in case we do, it is available for emergency. In  
20 addition, we'll call 9-1-1 and our facility is at 11th and  
21 Congress.

22           Last but not least, don't expect any bad  
23 weather today, but if we have a tornado alert, we're going  
24 to ask that you enter the stairwell and try to make your  
25 way to the basement area.

1                   That's it. I appreciate it. Thank you very  
2 much.

3                   MR. WILSON: With the safety briefing  
4 completed, I'll hand the gavel back to you, Mr. Chair, to  
5 complete opening remarks.

6                   MR. HOUGHTON: As customary, we will begin with  
7 comments from our commissioners, and as customary, to the  
8 newest commissioner to my far right.

9                   MR. MOSELEY: Commissioner Meadows said I might  
10 even say something important so I need to turn my switch  
11 on.

12                   (General laughter.)

13                   MR. MOSELEY: Good morning. What a delight to  
14 be here in this historic building, the Dewitt Greer, this  
15 beautiful Art Deco building, and so I salute the  
16 leadership of TxDOT for the commitment to stay here in  
17 this building that encapsulates the spirit of Dewitt  
18 Greer.

19                   And what a delight to see each of you here this  
20 morning. I look forward to hearing the RMA presentations.

21                   That's an important dialogue for us, so I just look  
22 forward to learning more from these presentations.

23                   Thank you, Chairman, members.

24                   MR. AUSTIN: Good morning, everyone. This is  
25 RMA day, something near and dear to my heart, so welcome,

1 everyone. Just everyone that's associated with an RMA,  
2 please raise your hand. That's great. I know many of you  
3 made many trips, even Stein back there in the back could  
4 make it.

5 Yesterday was a significant day, opening up the  
6 new road with the higher speed limit, but I understand one  
7 of our fellow commissioners up here has also reached  
8 another milestone with a higher speed limit. Commissioner  
9 Meadows, I know yours has gone up, I'm going to decline to  
10 say but you lapped me a little bit.

11 This building, I did go back and ask Caroline  
12 to share a few stats with me of things about this  
13 building. This is my first meeting here as a  
14 commissioner, coming back, but I'm happy to be in here.  
15 But the first commission meeting was held here on July 25,  
16 1933, and a little over 79 years, three months later, here  
17 we are coming back in the remodeled, updated, safer  
18 facility. Don't get me wrong, I loved it down at  
19 Riverside, but this is much better accommodations, and  
20 we're glad to be home, I think, as many of you are as  
21 well.

22 As you entered the building this morning -- I  
23 love little interesting facts -- you may have noticed that  
24 above the entrance doors there's three cast metal plaques  
25 that represent the three stages of transportation, and

1 those go back to 1933 when it was constructed. If you  
2 look at it when you walk in, left to right, one, Native  
3 Americans pulling long poles as a vehicle, then a covered  
4 wagon pulled by oxen, and then last in the 1930s the  
5 modern automobile as a paved highway. So you think back  
6 with a lot of the history that is in this building, we  
7 have a lot to be proud of.

8 I know later today I-69 Advisory Committee,  
9 under Judy Hawley, will be meeting, and I'm really  
10 excited, in a couple of months we're going to be receiving  
11 their report. They have put in a lot of work statewide  
12 and we look forward to hearing their continued efforts  
13 coming up.

14 We also had the chance, all of us last week  
15 attended the Short Course down at Texas A&M, TTI, and  
16 there was a lot of great events, good comments that were  
17 shared. One, I recognized Dalton Pratt. You have heard  
18 his name as TxDOT's fiscal hero for continuing on to talk  
19 about savings, and we unveiled a savings meter. We hear a  
20 lot of talk about nationally right now about we have this  
21 debt cliff, et cetera, but I'm proud to be associated with  
22 an agency that's actually talking about savings. And I  
23 know what's already been realized, Phil, under your  
24 direction, the commission, the staff, over \$27 million.

25 But I want to throw out a challenge to you:

1 can we do one in two, or two in a few. Can we  
2 cumulatively reach \$1 billion in savings within two years,  
3 or can we do \$2 billion in a few years? I think we can do  
4 two in a few, and with your direction, with the  
5 commission's leadership and working with our staff and  
6 each of you out here, I think it's possible. And that's a  
7 challenge that we have to be better stewards of what we're  
8 doing with your dollars and put that money back in  
9 construction.

10 Last thing, please mark your calendars, the  
11 Transportation Forum, February 17-19 here in Austin.  
12 That's February 17-19. I believe the web page is just  
13 about up, but you'll be seeing some information coming for  
14 that.

15 With that, I'll pass to the birthday boy.

16 MR. MEADOWS: Thank you, Commissioner Austin.  
17 I appreciate it.

18 And welcome, everybody. And those folks from  
19 the RMAs and other volunteers that are involved in  
20 advancing these very important transportation projects in  
21 the state. Thank you. We really appreciate and  
22 understand that it's your volunteer efforts that make a  
23 lot of this happen, and the fact that you're here this  
24 morning continuing to advance these important projects is  
25 certainly recognized and appreciated.

1           There have been several comments made. I  
2 really appreciate, Jeff, you mentioning this Greer  
3 Building. What a beautiful and historic building, and  
4 it's been well described, I think, and I think we all are  
5 glad to be back here. But I just would like to take just  
6 a moment to express appreciation to our staff who was so  
7 involved over the last couple of months in moving  
8 everybody back in. I know it's been a monumental task and  
9 often those things are overlooked. The contractor's work  
10 on this was well done, and we just appreciate it. I think  
11 everybody at this dais knows how much effort was put forth  
12 by many people in this room and in this building today,  
13 and we thank you very much for that.

14           Yesterday, of course, Commissioner Austin and  
15 myself had the opportunity to join Governor Perry and our  
16 Chairman Houghton at the opening of the 130 facility,  
17 Segments 5 and 6. This really impressive new high-speed  
18 is really going to serve Texans and serve to facilitate  
19 the flow of traffic through Central Texas. And it's so  
20 important to see projects like that, what a great  
21 opportunity to open something up. Those are the good  
22 days, those are the fun days.

23           It is important, I think, as there has been  
24 much talked about this higher speed limit and these higher  
25 speed limit facilities, as well as our increasing speed

1 limits across this state, I think it's important to pause  
2 for just a moment and remind everybody, safe driving  
3 habits, particularly on these higher speed facilities, are  
4 very important. Some of these are self-evident and we  
5 talk about them a lot, but I think it's important just to  
6 take a moment and remind ourselves that you've got to pay  
7 attention, you've got to buckle the seatbelts, you put the  
8 phone away. Left lane for passing only, I think that's  
9 very, very important on these higher speed facilities. No  
10 drinking and driving, obviously, and obeying all traffic  
11 laws is important. All of these, very fundamental  
12 recommendations/suggestions are imperatives if we're going  
13 to continue to drive safe and be safe in Texas.

14           You know, as of this morning there have been  
15 2,465 fatalities on our roadway system in Texas. I mean,  
16 that's just unacceptable. You think about that number,  
17 how many families affected, loved ones. These are some  
18 statistics that I think are truly sobering, and I really  
19 do think that these are statistics that need to be taken  
20 to heart and shared: 46 percent of those fatalities were  
21 not wearing seatbelts. That's amazing today when you  
22 think about it, 46 percent -- 34.5 percent were under the  
23 influence of alcohol; and this is the statistic that  
24 undoubtedly is growing and we really need to focus on, and  
25 that is that 26.5 percent of those fatalities, over 2,400,

1 involved a distracted driver, texting or otherwise. So  
2 put the phone away, don't text, pay attention and drive.

3 Thank you all very much.

4 MR. UNDERWOOD: Let me see if I can figure out  
5 how to work this. This is nice. By the way, staff, thank  
6 you very much. These chairs are really nice. The ones we  
7 used to have, you'd get rigor mortis of the rear sitting  
8 up here.

9 (General laughter.)

10 MR. UNDERWOOD: I want to thank our maintenance  
11 people for all the hard work they've done over the last  
12 few weeks. I was here Sunday, and if you were trying out  
13 for the hurdles in the Olympics, you would have really  
14 enjoyed going up and down the halls this past weekend. So  
15 it really is a lot nicer the way you've done that, and I  
16 appreciate all your work.

17 While we're talking about safety, I also want  
18 to talk about our employees, the ones that when we were at  
19 Short Course won the Extra Mile Award. That was Jason De  
20 Leon, Jason Dale, Dean Gaitlin, Branda Whitley, Danny  
21 Massey, Kayla Bryant, and Ross Ozuna. These are  
22 individuals, TxDOT men and women that put their life on  
23 the line for our fellow Texans. I really want to thank  
24 Branda Whitley because not only did she save a life but  
25 possibly she saved a person's soul, and she knows what I'm

1 talking about when I say that.

2 I want to also bring my fellow commissioners up  
3 to date on our Energy Task Force. We've met in Austin,  
4 Cleburne, Midland-Odessa, Laredo and our last meeting was  
5 Tuesday in Amarillo. The point of this is to get people  
6 that are involved in the energy sector that are involved  
7 in using our roads, and you're reading about the damage  
8 that's being done, but we're trying to get people that are  
9 involved in it to be part of the solution, to come up with  
10 ideas that can go to the legislature. To me, I like the  
11 idea. I like being involved in it before somebody  
12 legislates me.

13 I want to thank the Texas Commission on  
14 Environmental Quality, the Railroad Commission, the  
15 Department of Public Safety, the Department of Motor  
16 Vehicles, Motran, the Wind Coalition, Texas Motor  
17 Transportation, Texas Oil and Gas Association, the Texas  
18 Farm Bureau, countless judges and county commissioners,  
19 the City of Sweetwater, the Texas Alliance of Energy  
20 Producers, the Texas Independent Producers and Royalty  
21 Owners, the American Natural Gas Association, the  
22 Association of Energy Services Companies, Texas  
23 Competitive Power Advocates, and the Texas Pipeline  
24 Association.

25 As you can see, these are all industries that

1 are involved in helping make our country energy  
2 independent. And I appreciate the work that they do and I  
3 appreciate them coming to the table and sitting down and  
4 saying: Look, let's figure out ways that we can help  
5 repair the roads, build the roads better, and provide a  
6 better service and make our country independent energy-  
7 wise.

8 Also, I want to thank our staff, the men and  
9 women at TxDOT, for the safety award. Mission Zero was  
10 our campaign, TxDOT's safety campaign, which was recently  
11 named the 2012 Work Zone Safety Awareness Award for  
12 Reaching Out Program of the Year by the American Road and  
13 Transportation Builders Association, the Transportation  
14 Development Foundation.

15 Mission Zero is TxDOT's internal employee  
16 safety program, and TxDOT has experienced the loss of over  
17 100 employees over its 95-year history. Mission Zero was  
18 kicked off at a statewide safety summit held March 10 of  
19 2011. Through this, TxDOT has achieved our safest year in  
20 the agency's history. TxDOT is the safest department of  
21 transportation in the nation as of 2012. This is the  
22 third year in a row that TxDOT has been the safest DOT in  
23 the nation.

24 Through this program, numerous safety best  
25 practices have been identified and shared agency-wide.

1 TxDOT field crews have daily safety meetings before  
2 leaving the office and follow-up reviews at the end of the  
3 day. We call it the play of the day. These improvements  
4 in safety in the fiscal year 2012 have saved Texas and  
5 Texas taxpayers more than \$1.8 million. So for the men  
6 and women of TxDOT, thank you for the efforts you put into  
7 Mission Zero.

8           And on a last thought, as my fellow  
9 Commissioner Meadows said, we have the campaign going and  
10 at the back you'll find some wristlets, Save a Life. No  
11 texting or handheld phones while you're driving. You've  
12 heard the statistics. Pick up one of these to remind you  
13 whenever you hear the phone ring and you're in your car  
14 and you want to pick it up, you want to text. Then you'll  
15 see this on your wrist and say: Wait a minute.

16           Twenty-five percent, is that correct, Bill?  
17 There's no excuse for that, human life is too valuable, we  
18 have too much invested in them.

19           Thank you very much for your time.

20           MR. HOUGHTON: Thank you, commissioners. Thank  
21 you, Commissioner Underwood.

22           There's a couple of cleanups. I want to  
23 cleanup what Commissioner Meadows was trying to  
24 articulate. There's a little key chain reminder that we  
25 passed out yesterday at the State Highway 130 opening and

1 it says: Safe Driving Tips, pay attention, buckle  
2 seatbelts, put phone away, left lane for passing only,  
3 never drink and drive, obey all traffic laws. So this is,  
4 again, another campaign to remind us to keep safe. And as  
5 Phil and I got lost because our chauffeur, our driver  
6 couldn't find the restaurant yesterday after the opening,  
7 we had to remind her of one of these points on the card to  
8 keep us safe. But I want you all to please be safe and  
9 pay attention to the rules of the road.

10 We want to welcome you back to the Greer  
11 Building and to the Ric Williamson Hearing Room.

12 There's a couple of things that have gotten  
13 lost in the shuffle, I pick them up in the clips. We had  
14 a right of way award that was won by our staff. Our  
15 outdoor advertising regulatory program staff won a  
16 national award, and that was Wendy Knox and Gus Cannon  
17 from the Right of Way Division went to Spokane and on  
18 behalf of TxDOT and accepted the award, consisting of all  
19 state DOTs, FHWA, Scenic America and the regulatory  
20 industry. So our congratulations to those folks.

21 And then about a month ago or so, our *Texas*  
22 *Highways* magazine won an award. I don't remember the  
23 nature of the award, but we won several divisions of  
24 awards for our *Texas Highways*.

25 So we're very proud of our people here at the

1 agency and we sure enjoy working with them, and this is a  
2 nice environment for our people to be back into.

3 One clarification on the speed limit, it was  
4 said that Bill Meadows' age was now the speed limit.  
5 Well, we just opened a road out on State Highway 130  
6 that's 85, so close. My congratulations and happy  
7 birthday to you, Bill, and they can ask you how old you  
8 are when they have a chance.

9 Anything else? Phil, I turn it back over to  
10 you for a couple of recognitions. What have I got?

11 MR. WILSON: The meeting next month in  
12 Arlington.

13 MR. HOUGHTON: Oh, next month. Next month we  
14 will be in the Metroplex, Dallas-Fort Worth, and this will  
15 be our last traveling meeting of the year, the road show,  
16 and we're going to meet at the Hall of Fame Theater in  
17 Rangers Ballpark in Arlington. Hope to see you there.  
18 Same time, different place, and we'll be back here for  
19 December, and that meeting will be early, too, in the  
20 month. What is the meeting in December? I think we're  
21 two weeks before Christmas, around the 12th, 13th or so.  
22 Well, get your calendars out, you can check it out.

23 So with that said, and the minutes are coming  
24 up, but I have one other thing. Anybody that has an  
25 aversion to orange, I understand they're issuing in other

1 colors, so we'll just make that point.

2 (General laughter.)

3 MR. HOUGHTON: Let me finish with the minutes  
4 as we begin our meeting. Is there an approval? Everybody  
5 has read the minutes of the September 27, 2012 meeting?  
6 Draft minutes have been provided to you. Is there a vote?

7 MR. AUSTIN: So moved.

8 MR. UNDERWOOD: Second.

9 MR. HOUGHTON: All in favor?

10 (A chorus of ayes.)

11 MR. HOUGHTON: Thank you.

12 Now, Phil, it's yours.

13 MR. WILSON: Thank you, Mr. Chairman.

14 Our first item today is a resolution for the  
15 retirement of International Relations Office Section  
16 Director Agustin "Gus" De La Rosa, Jr. Gus, will you  
17 please come forward?

18 "Whereas, the Texas Transportation Commission  
19 takes great pride in recognizing Agustin "Gus" De La Rosa,  
20 Jr. for his outstanding service to the Texas Department of  
21 Transportation, after a distinguished career of more than  
22 18 years, most recently as director of the International  
23 Relations Section;

24 "And whereas, a native of Harlingen, De La Rosa  
25 earned a bachelor's degree in business administration from

1 Hardin-Simmons University and a master's degree in  
2 government from Campbell University;

3 "And whereas, he joined the department after 20  
4 years of service in the U.S. Army, retiring with the rank  
5 of Major in 1994;

6 "And whereas, during his military career, De La  
7 Rosa served at posts in the United States, Somalia, El  
8 Salvador and Germany, earning the Meritorious Service  
9 Medal and the Army Commendation Medal;

10 "And whereas, he began his TxDOT career in 1994  
11 as director of field operations with the Automobile Theft  
12 Prevention Authority and became director of the program in  
13 March 1998;

14 "And whereas, in 2001 he was named director of  
15 the department's International Relations Section;

16 "And whereas, De La Rosa served as TxDOT's  
17 primary liaison for international activities to the  
18 Governor and Secretary of State offices, US-Mexico Borders  
19 and Bridges Group, and the US-Mexico Binational Border  
20 Joint Working Committee on border transportation and  
21 programming;

22 "Whereas, De La Rosa has devoted his  
23 professional life to improving the quality of life for all  
24 Texans;

25 "Now, therefore, be it resolved that the Texas

1 Transportation commission does hereby extend its sincerest  
2 best wishes to Agustin "Gus" De La Rosa, Jr. in  
3 recognition of his professional achievements in a career  
4 of loyal service on behalf of the State of Texas and its  
5 citizens.

6 "Printed this Thursday, the 25th of October,  
7 2012."

8 Are there any comments from the commission?

9 MR. MOSELEY: Major De La Rosa, congratulations  
10 on this occasion. First of all, thank you for your  
11 service to our country, and secondly, what a tremendous  
12 service you've given the state by serving in this capacity  
13 as an advisor to our relations with Mexico. Because of  
14 the North American Free Trade Agreement and the fact that  
15 Texas is the number one exporter in the nation, we know  
16 Mexico is a strategic trade partner, and even though our  
17 neighbor has a little bit of challenges right now, now  
18 more than ever we depend on highly trained professionals  
19 like you to help us keep goods getting to market. So  
20 thank you for your service to the state and very best  
21 wishes on this next chapter.

22 MR. DE LA ROSA: Gus, I echo Commissioner  
23 Moseley's comments, and thank you for your service to our  
24 country.

25 You know, we tend to focus so much of our

1 activity and you look at the headlines, what happens  
2 inside the boundaries of Texas, but when you look at Texas  
3 as being an economic development leader, you have other  
4 countries looking at us, and in addition to Mexico, I know  
5 you've been involved a lot with the Panama Canal, looking  
6 at the ultimate impacts of that on our state, dealing with  
7 logistics on our waterways and our borders. And I guess  
8 international relations sometimes includes East Texans, I  
9 guess, and our neighbors from Louisiana.

10 Thank you for your service and we hope to  
11 continue to see you around.

12 MR. DE LA ROSA: Thank you very much, sir.  
13 Appreciate it.

14 MR. MEADOWS: (Microphone not turned on.)

15 Gus, congratulations, and really what a  
16 distinguished, productive career, and we're all better off  
17 for your efforts, and we appreciate it. And I certainly  
18 wish you personally the very best luck.

19 MR. DE LA ROSA: Thank you, sir.

20 MR. UNDERWOOD: I associate myself with my  
21 colleagues remarks, and thank you, sir, again for what  
22 you've done for our country and for TxDOT and for your  
23 fellow Texans. Thank you.

24 MR. DE LA ROSA: Thank you, sir.

25 MR. HOUGHTON: Gus, we have a lot of nice

1 things for you here, and especially a proclamation from  
2 Governor Rick Perry for your service, and it congratulates  
3 you on retirement after 18 years of service to the people  
4 of Texas, your history of service and community  
5 involvement demonstrates your commitment to your fellow  
6 Texans, your dedication and distinction highlight the best  
7 of the Lone Star State. I thank you for the many  
8 contributions. First Lady Anita Perry joins me in sending  
9 best wishes for an exciting future. And it's signed by  
10 Governor Perry on October 11, 2012.

11 My congratulations to you.

12 MR. DE LA ROSA: Thank you so very much.

13 MR. HOUGHTON: Coming from a border city, I  
14 know what our partner from Mexico means to us, and they're  
15 important to us. Gus, thank you.

16 MR. WILSON: Gus, would you like to say a few  
17 words?

18 MR. DE LA ROSA: Yes, sir. Thank you very  
19 much.

20 I guess for the record, my name is Agustin De  
21 La Rosa, director for the International Relations Section  
22 of the Federal Affairs Office.

23 First of all, I want to thank Chairman Houghton  
24 and the commission, as well as TxDOT Executive Director  
25 Phil Wilson and the administration for this resolution and

1 recognition that I have today.

2 And as indicated, this is my second retirement,  
3 retiring from the Army after 20 years back in May of 1994.

4 I do want to say that I feel that I've been blessed and  
5 very fortunate to have been able to be part of this great  
6 state agency. I have truly enjoyed my 18-1/2 years with  
7 the department.

8 As indicated earlier, my first 7-1/2 years were  
9 with the Automobile Theft Prevention Authority, and this  
10 department provided grant monies to our state, city and  
11 county law enforcement agencies to combat motor vehicle  
12 theft. That was in line with what I did in the military,  
13 was a military police officer, so I really enjoyed  
14 working with our law enforcement community.

15 And as you know, my last eleven years has been  
16 with the International Relations Office, representing  
17 TxDOT, as well as the state, in several US-Mexico  
18 binational committees, and we worked a lot with our border  
19 districts dealing with transportation issues that impact  
20 the Texas-Mexico border.

21 I do want to say that I have been very  
22 fortunate to have worked with some truly outstanding and  
23 professional people within TxDOT, as well as with  
24 organizations outside the agency, both in the United  
25 States and Mexico. Any accomplishments that I might have

1 been able to achieve were only because of the outstanding  
2 people that I had the privilege of working with, both with  
3 the ATPA, the Automobile Theft Prevention Authority, and  
4 the International Relations Office.

5           What I would like to do now, if I may, is I  
6 would like to publicly acknowledge and thank my current  
7 staff that are with me today, and the are part of the  
8 International Relations section. They are: Manuel Ortiz,  
9 Esther Hitsfelder, Eduardo Haggard, and Mario Paricio.  
10 And if I could ask them just to stand briefly to be  
11 recognized.

12           (Applause.)

13           MR. DE LA ROSA: There's also three other  
14 individuals that were a big part of the office, two of  
15 them have since retired, and those are Leo Mathias and  
16 Sasha Russell. The third person is Lettie Von Rossen,  
17 which I think most of you know she is currently the  
18 executive assistant for John Barton.

19           So they are the reasons that I think that our  
20 office has been very successful over the years.

21           So with that, just want to say again thank you  
22 very much for this recognition, it's really appreciated,  
23 and the best to TxDOT in the future. Thank you.

24           (Applause.)

25           MR. WILSON: Thank you, Gus. Let's take some

1 pictures.

2 (Pause for presentation and photos.)

3 MR. WILSON: Moving on to item 4 awarding  
4 federal and state grant funding for airport improvement  
5 projects, Aviation Director Dave Fulton will present.

6 MR. FULTON: Thank you, Phil. For the record,  
7 my name is Dave Fulton, director of TxDOT's Aviation  
8 Division.

9 This item is a minute order containing a  
10 request for grant funding approval for eleven airport  
11 improvement projects. The total estimated cost of all  
12 requests, as shown in the Exhibit A, is approximately \$6.7  
13 million: approximately \$5.9 million in federal funding,  
14 \$200,000 in state funding, and approximately \$600,000 in  
15 local funding.

16 A public hearing was held on September 20 of  
17 this year. No comments were received. We would recommend  
18 approval of this minute order.

19 And I believe there's a speaker here.

20 MR. HOUGHTON: There is a speaker. City  
21 manager from the Cit of Granbury, Wayne McKethan.

22 MR. MCKETHAN: I appreciate being able to speak  
23 in front the commissioners and chairman, representing the  
24 people of Granbury, the mayor, the council.

25 We appreciate he funds that have been expended

1 in Hood County, even not just the aviation. We appreciate  
2 Dave Fulton and his work that he's done for us, and also  
3 there's a Loop 567 that you have also approved, and we  
4 appreciate that. And in Granbury, when we have people  
5 help us, we believe we should say thank you, and so we  
6 thank you for everything you do and your support. Thank  
7 you very much.

8 MR. HOUGHTON: Do we have anybody else, Dave?  
9 No, that's it?

10 Any questions of Dave? Is there a motion?

11 MR. UNDERWOOD: So moved.

12 MR. MOSELEY: Second.

13 MR. HOUGHTON: You've got to stand up, Dave.

14 MR. FULTON: I now. I should have learned this  
15 after 20 years, I would think.

16 (General laughter.)

17 MR. HOUGHTON: All in favor?

18 (A chorus of ayes.)

19 MR. HOUGHTON: Thank you, Dave.

20 MR. FULTON: Thank you.

21 MR. WILSON: Next is item 5 awarding state  
22 funds to public transportation providers, Public  
23 Transportation Division Director Eric Gleason will  
24 present.

25 MR. GLEASON: Good morning. For the record,

1 I'm Eric Gleason, TxDOT's director of Public  
2 Transportation.

3           Agenda item 5 awards approximately \$2.3 million  
4 in state funds to public transportation providers listed  
5 in Exhibit A to help offset funding impacts of the 2010  
6 census. The 82nd Legislature appropriated \$3.2 million  
7 for the 2012-2013 biennium to mitigate the anticipated  
8 impacts of the 2010 census on recipients of state public  
9 transportation grant funding. A formula award of \$900,000  
10 from this appropriation was made by the commission in June  
11 2012.

12           The department issued a call for projects on  
13 July 12, 2012 to address specific census impact  
14 circumstances not covered by the formula awards in June.  
15 Seven proposals were received, totaling \$4.2 million. Two  
16 were determined to be outside the scope of the effort, and  
17 five are recommended for award.

18           These awards will help preserve existing  
19 service levels in each of these areas, including New  
20 Braunfels, San Marcos, Kyle, Georgetown, Killeen,  
21 Galveston and Fort Bend County, until longer term  
22 solutions can be put in place. These award amounts have  
23 been discussed and agreed to by each of the recipients  
24 listed in Exhibit A. Their total is equal to the  
25 remaining balance of funds for this biennium.

1                   We recommend your approval of this minute  
2 order.

3                   MR. HOUGHTON: We have people that would like  
4 to testify. Edna Johnson, Alamo Regional Transit, transit  
5 director.

6                   Are you going to thank us or say you don't need  
7 the money?

8                   MS. JOHNSON: I'm going to thank you. I'm  
9 going to say what a beautiful day and good morning, and it  
10 is good to be here at the Greer Building today.

11                   My name is Edna Johnson. I'm the transit  
12 director for Alamo Regional Council which is part of the  
13 COG, and we serve 10,000 square miles in eleven counties  
14 surrounding San Antonio.

15                   On behalf of our agency and my board which  
16 consists of eleven county judges, we'd like to thank you  
17 for this funding which continues to provide service for  
18 people that are impacted by the census. And also, I'd  
19 like to thank you, this opportunity, for everything you  
20 do, and your staff, every day of the year.

21                   And I'm just going to say thank you from Miss  
22 Ruth, who is 90 years old, who recently gave up her  
23 driver's license -- begrudgingly, of course. We continue  
24 to provide service to her to volunteer on the Aging  
25 Advisory Committee and she also attends our regional

1 transportation coordination committees. And she loves  
2 1604, by the way.

3 So I could give you lots of names and things  
4 that we do every day, but just to thank you for all the  
5 people we serve.

6 MR. HOUGHTON: We appreciate your passion.  
7 Thank you.

8 Then we have Carol Warlick, general manager of  
9 Hill Country Transit. Did I get it right?

10 MS. WARLICK: Good morning. It's nice to see  
11 all of you. My name is Carol Warlick. I'm general  
12 manager of Hill Country Transit District. We're based in  
13 San Saba and we serve nine Central Texas counties, 9,000  
14 square miles, including the urbanized area of Killeen.

15 Chairman Houghton and commissioners, I really  
16 appreciate this opportunity to talk to you this morning  
17 and thank you so much for your consideration of this  
18 census impact funding.

19 The Killeen area, as you know, is one of the  
20 fastest growing areas of the state and we're providing a  
21 lot of service there. Our ridership has increased  
22 tremendously, and we are going to be opening up a new  
23 route in January that's going to serve the new Central  
24 Texas A&M campus there in Killeen.

25 We have a new mayor, a new city council that

1 we're working with, and will continue to work with  
2 regarding additional funding. But during this transition  
3 from a small urbanized area to a large urbanized area,  
4 this is hugely important to us to receive this funding, so  
5 we really appreciate very much the efforts of the  
6 commission, of Executive Director Phil Wilson, of PTN  
7 Director Eric Gleason in support of public transportation.

8 We feel like we have such a great group of people that  
9 are providing support to us and realizing our needs and  
10 appreciating our efforts, and we just really appreciate  
11 you.

12 On behalf of the City of Killeen, I want to  
13 thank you for your consideration of this funding. Thank  
14 you.

15 MR. HOUGHTON: Thank you very much.

16 Next George Garver, mayor, City of Georgetown.

17 MAYOR GARVER: Good morning. I'm George  
18 Garver. I'm privileged to serve as the mayor of  
19 Georgetown. My role this morning is simply to say thank  
20 you. Mr. Gleason's leadership in helping to provide the  
21 needed funds for the transition period is deeply  
22 appreciated.

23 I would be remiss if I did not point out that  
24 as we've reached the 50,000 threshold, the needs of  
25 transportation in our area are very acute. We have a city

1 of 50,000 with over 20 percent of our people qualifying as  
2 senior citizens, and when they get into that category, not  
3 all are able to provide the transportation needs, and  
4 CARTS has done a phenomenal job of supplying that process.  
5 And so the money that Mr. Gleason has set aside and  
6 recommended to you, the \$228,000, is essential to this  
7 year.

8 We appreciate your consideration, and more  
9 important, we thank you for your willingness to consider  
10 this because it is very important to our community. And  
11 with that, I say thank you to you for your leadership and  
12 your courtesy.

13 MR. HOUGHTON: Thank you, Mayor.

14 Our next speaker is Kim Porterfield, City of  
15 San Marcos, council member and mayor pro tem.

16 MS. PORTERFIELD: Hello. For the record, my  
17 name is Kim Porterfield, council member and deputy mayor  
18 pro tem for the City of San Marcos. I'd like to thank  
19 Chairman Houghton and the commissioners for listening to  
20 us today and consideration of this item.

21 San Marcos, as you're probably aware, is home  
22 to the San Marcos River, the largest outlets shopping  
23 centers in the United States and Texas State University  
24 and its 35,000 students. We're located in the middle of  
25 the fast growing Austin-San Antonio corridor. You can

1 imagine that transportation is of paramount concern to our  
2 residents.

3           The 2010 census changes gave us new insight  
4 into the importance of transit service in our community  
5 and also to the significant role that TxDOT plays in the  
6 administration support of small city and rural transit in  
7 Texas. Since the March 26 announcement of the census  
8 changes affecting our city, we have been actively engaged  
9 in adapting to the changes and how they're going to affect  
10 the delivery of transit service to our constituents.  
11 Locally, our new transit district boundaries include three  
12 counties and two cities and the necessary coordination  
13 with all involved did take us some time, but in the end it  
14 was a very useful and important exercise and one that  
15 culminated in a great outcome.

16           I chaired the three transportation conferences  
17 conducted, including two public hearings that included the  
18 five local governments and numerous stakeholders. In the  
19 end, our decision was unanimous and informed.  
20 Additionally, the act of bringing all these folks together  
21 to talk about transit has spread to other areas of mutual  
22 concern where we are now working in a more regional  
23 fashion.

24           As recommended by the conferees, CARTS has  
25 formed an urban-rural transit district, and together with

1 the City of San Marcos, we'll plan for our future transit  
2 needs while maintaining and enhancing our current  
3 services. But most importantly, CARTS will be able to  
4 continue its current operations as a rural provider for an  
5 additional six-month bridge period, enabling CARTS and our  
6 city to have an effective transition to the new status in  
7 the FTA regulatory and financial protocols and to adjust  
8 to our expanded jurisdiction.

9 In San Marcos we're grateful for the positive  
10 relationship we have with the Texas Transportation  
11 Commission and TxDOT. Our citizens appreciate the \$26  
12 million pass-through partnership that brought us our new  
13 Wonder World Drive extension. Our citizens and visitors  
14 also are benefitting from the public safety improvements  
15 resulting from our two new overpasses in San Marcos.

16 Today I'm here to thank the department for its  
17 foresight in anticipating and planning for these effects  
18 locally from the census changes and for including CARTS  
19 and its local government partners in the census impact  
20 funding recommendations for award.

21 I also want you to know that in San Marcos we  
22 are building roads but we recognize that a multimodal  
23 approach is best fitted for our community. I also serve  
24 as the council's representative on the Lone Star Rail  
25 Board, and we appreciate the \$2.5 million match to the

1 CAMPO funding we received. The working relationship among  
2 TxDOT, notably Phil Wilson, its Rail Division and federal  
3 authorities is a model of positive collaboration. All of  
4 these partnerships are having a significant impact on our  
5 economic development efforts, congestion relief, public  
6 safety and quality of life for our citizens and visitors.

7 Your anticipation of the effect of the census  
8 and providing a solution to counter issues resulting from  
9 this change is simply good government, and we thank you.

10 MR. HOUGHTON: Thank you very much.

11 Eric, anything else?

12 MR. GLEASON: Be happy to answer any questions  
13 you may have.

14 MR. AUSTIN: Mr. Chairman, I've got one of  
15 Eric.

16 You know, we've heard a lot of great things  
17 about these cities on the grow, but one I think we've got  
18 to be sensitive to is Galveston, also, who suffered a  
19 population decline. What other challenges are we seeing  
20 from the Galveston area because of the hurricane? I mean,  
21 this is one that they obviously didn't get back up over  
22 the 50,000.

23 MR. GLEASON: Well, what we're seeing is an  
24 area that when the census count was taken was below the  
25 50,000 threshold, and I think most people would say now

1 it's above. And that difference going below significantly  
2 impacted their funding streams, particularly from the  
3 federal government. So we've been working with them in a  
4 variety of different programs that we administer to try  
5 and see if we can't help fill that gap, and part of that  
6 money that you see here today will do that. I'll be back  
7 in front of you in December with some additional funding  
8 recommendations that will also address that. So we're  
9 working quite closely with them on that.

10 MR. AUSTIN: Thank you.

11 MR. HOUGHTON: Any other questions? Is there a  
12 motion?

13 MR. MOSELEY: Chairman, as Texas grows over the  
14 next three decades, potentially doubling from 25- to 50  
15 million in population, the census data will be a very  
16 useful ally in mobility planning, and I appreciate the  
17 presentations this morning.

18 There are actually some urban myths that I  
19 don't think anybody in this room believes that if you  
20 build a roadway it causes growth. But the reality of it  
21 is we are growing and we need roadways to facilitate the  
22 quality of place and moving goods to market. So thank you  
23 for brining the census data in. It really does show a  
24 huge demand and a need for more capacity on our mobility  
25 system.

1 MR. HOUGHTON: With that, is there a motion?

2 MR. MOSELEY: So moved, Chairman.

3 MR. MEADOWS: Second.

4 MR. HOUGHTON: All in favor?

5 (A chorus of ayes.)

6 MR. HOUGHTON: Thanks, Eric.

7 MR. GLEASON: Thank you.

8 MR. WILSON: Item 6 will designate State  
9 Highway 183 Managed Lanes Project as a toll project on the  
10 state highway system. Strategic Projects Division  
11 Director Ed Pensock will present. Ed.

12 MR. PENSOCK: Good morning, Chairman,  
13 commissioners, Director Wilson. My name is Ed Pensock.  
14 I'm the director of the Strategic Projects Division of  
15 TxDOT.

16 Agenda item 6 authorizes the designation of  
17 State Highway 183 from west of State Highway 161 to near  
18 I-35 East, Trinity Parkway in Dallas County as a toll  
19 project and a controlled access facility.

20 The department received final environmental  
21 clearance from Federal Highway Administration on the  
22 project as a toll facility on February 10, 2004 and  
23 concurrence of the environmental reevaluation on April 9,  
24 2012. On March 1, 2012, the North Texas Tollway Authority  
25 waived and declined to exercise its option to develop,

1 finance, construct and operate the SH 183 Managed Lanes  
2 Project. On March 29, 2012, Minute Order 113045 exercised  
3 the department's option to develop, finance, construct and  
4 operate SH 183 as a managed lane project.

5 On June 21, 2012, State Highway 183 Managed  
6 Lanes Senate Bill 1420 Committee announced their final  
7 report concerning the project. In accordance with their  
8 determination, TxDOT is moving forward with the delivery  
9 of this tolled facility. The department, in coordination  
10 with the region, will begin developing and operating this  
11 toll project as we speak.

12 Staff recommends your approval of this minute  
13 order and I'll be happy to answer any questions.

14 MR. HOUGHTON: This is one that was authorized  
15 by the legislature, one of the seven that we are now  
16 checking off the list?

17 MR. PENSOCK: We are working very hard to check  
18 it off the list. Yes, sir.

19 MR. HOUGHTON: Great.

20 Any other questions of Ed? Is there a motion,  
21 Commissioner Meadows?

22 MR. MEADOWS: Move approval.

23 MR. UNDERWOOD: Second.

24 MR. HOUGHTON: All in favor?

25 (A chorus of ayes.)

1 MR. HOUGHTON: Thank you.

2 MR. WILSON: Now item 7 is a discussion item to  
3 received an update from the RMAs on current projects and  
4 future work programs and priorities. Marc Williams,  
5 direct of Planning, will introduce. Marc.

6 MR. WILLIAMS: Thank you, Phil.

7 Good morning, Chairman Houghton, members of the  
8 commission. For the record, I am Marc Williams and I  
9 serve the Texas Department of Transportation as director  
10 of Planning.

11 Today we are joined by representatives from our  
12 eight regional mobility authorities in Texas who will  
13 provide an update to the commission on the status of  
14 ongoing efforts to procure comprehensive development  
15 agreements for projects authorized by the 82nd  
16 Legislature, as well as action plans for implementation of  
17 these projects and other priorities of the RMAs.

18 Phil, I believe that you have a list of the  
19 RMAs and will call them up in order.

20 MR. WILSON: Thank you, Marc.

21 We'll begin with item 7a, the Alamo RMA.  
22 Presenting this morning, Interim Chair Robert Thompson and  
23 Executive Director Terry Brechtel making the presentation.

24 MR. THOMPSON: Good morning, Commissioner  
25 Houghton and fellow commissioners. My name is Bob

1 Thompson. I'm the interim chair for the Alamo RMA. I  
2 want to thank you for your invitation to us to come in and  
3 share with you. I think it speaks of your interest in the  
4 well-being of the local RMAs and how we cooperate with one  
5 another.

6 Our projects, I'll speak of five. We have  
7 what's called a Super Street, and I'll explain that in a  
8 moment. Joint projects that we have worked with TxDOT are  
9 281-1604 interchange project, the 281 environmental impact  
10 statement, and the 1604 environmental impact statement.  
11 Those five efforts is what I'll bring to your attention  
12 this morning.

13 The Super Street. Now, that's kind of a  
14 strange name but you can see the diagram there. You turn  
15 right to turn left, and it's a leap of faith on the part  
16 of the community to experience this, and I also made that  
17 leap of faith, I was not a believer. But it, in fact,  
18 works and it helps decongest some very crowded areas in  
19 our community. We have three of those intersections on  
20 281 and there are two on 1604 presently. They're not the  
21 long-term solution but they're certainly a help in the  
22 short-term.

23 We had a Gold Medal Award from the Texas  
24 Council of Environmental Engineering Companies and an  
25 international award for that. We imported that concept

1 out of another state, which I'll not mention, but we are  
2 the first to bring it to reality in Texas and we're here  
3 to tell you that it works.

4 Joint projects that we have worked on with  
5 TxDOT, partnered with our friends at Bexar County and the  
6 ATD district out of VIA, our transportation entity to  
7 pursue environmental clearance on 1604 Super Street as  
8 well as the 1604 and 151 underpass area. That project had  
9 an endangered species find and we're going to have to work  
10 on that, working with TxDOT to work around that.

11 The second effort I'd mention is the public  
12 involvement and engagement we've had with the IH 35  
13 planning for an environmental impact statement there. We  
14 have had four rounds of public meetings, two meetings each  
15 round, to gain input from the community as to what they  
16 expect to see and how we can accommodate community needs  
17 as we move forward into an EIS on 35.

18 281 environmental impact statement and the 1604  
19 impact statement, monumental efforts. We're at about 2-  
20 1/2 years into each one of those. We have completed our  
21 input, we're in now for legal sufficiency on 1604,  
22 awaiting that, and we'll soon have the same status with  
23 281 impact statement. So as soon as we get that, come  
24 back for public hearing on the draft, and then we look  
25 forward to moving out on that. So that's where we are on

1 both of those, and it's been a tremendous effort for our  
2 staff to be where we are today.

3           The interchange, a big, big help for our  
4 community, 281 and 1604, convergences of hundreds,  
5 thousands of cars. So we were the first to come up with  
6 and use the design-build contract for that effort, and  
7 it's worked splendidly, it has worked very well. We're on  
8 time, I think we're about 30 days off the schedule but the  
9 contractors are confident they can make that up.  
10 Construction started a year ago. We are very pleased with  
11 Williams Brothers Contractors as they have done an  
12 excellent job out there.

13           The four connectors that you can see on there,  
14 we've got two that are going to open very shortly, next  
15 week, and we'll have all of them finished by February, and  
16 the project with all the landscaping and all the other  
17 things that have to be done, lighting, will be finished by  
18 May, so we're on schedule with that.

19           There are some pictures of that we just went  
20 by. We had a walking tour of that, and that's a very  
21 exciting thing to do. That is the project, that's a great  
22 help for us.

23           281 environmental impact statement. We started  
24 in 2009, we are going forward with two proposed build  
25 alternatives, non-tolled, tolled with managed lane

1 options. The draft, I said, is ready for the legal  
2 sufficiency review right now. We're tentatively thinking  
3 about our public hearing on that draft in January or  
4 February, and our environmental consultants, Jacobs  
5 Engineering.

6 1604. We started that also in 2009. We're  
7 going forward with three proposed alternatives: tolled,  
8 non-tolled and managed lane options. The draft impact  
9 statement is under review and we have a tentative public  
10 hearing -- and I have to emphasize the word tentative --  
11 for next month on that. I think we're going to have to  
12 slip that a little bit. Our engineering consultants and  
13 environmental consultants is Michael Baker Corporation.

14 Terry, if you'd mention the future.

15 MS. BRECHTEL: Thank you, Chairman.

16 Thank you, commissioners, for the opportunity  
17 to be here today and for the session yesterday. It was  
18 very helpful.

19 Moving forward, obviously the most premier  
20 thing on our minds is getting environmental clearance for  
21 281 and 1604. We hope to be able to achieve that by the  
22 end of 2013. We've also been working with our financial  
23 consultants and we've gotten to a point where we have a  
24 financial feasibility study that was done for sections of  
25 281 and 1604, and we feel we have a viable project to move

1 forward. Both 281 and a section of 1604, it's about a  
2 total of 20 miles and it's about a \$700 million combined  
3 project.

4 One of the things that I think is really  
5 important is that we look at 281 and 1604 as a system. We  
6 can't be building piecemeal, we need to be thinking about  
7 how we can advance 1604 from approximately Bander Road to  
8 the 281 interchange that's under construction today, and  
9 then 281 with a managed lane project from the interchange  
10 of 281 and 1604 all the way to the Comal County line.  
11 It's doable, it's doable to do the two together, and with  
12 your help, with your support and the exciting things that  
13 we heard about yesterday, we feel we're in a very good  
14 position to move forward with getting a design-build  
15 comprehensive development agreement project underway in  
16 the San Antonio area.

17 Thank you for SH 130. It is a tremendous  
18 opportunity for San Antonio residents to be able to see  
19 how a toll road works, to be able to drive 85 miles an  
20 hour on that road. I'm looking forward to it. I would  
21 have used it yesterday morning but it wasn't open when I  
22 came up. So again, thank you so much. That is so  
23 important to San Antonio.

24 Thank you.

25 MR. THOMPSON: Thank you very much. Do we have

1 any questions?

2 MR. HOUGHTON: Well, we're going to hold  
3 questions until afterwards, and I think we've got several  
4 questions for some of you.

5 MR. WILSON: Next is item 7b, a presentation  
6 from the Cameron County RMA, Executive Director Pete  
7 Sepulveda. Pete.

8 MR. SEPULVEDA: Good morning, Chairman  
9 Houghton, members of the commission. My name is Pete  
10 Sepulveda. I'm the county administrator and also the  
11 executive director for the Cameron County Regional  
12 Mobility Authority.

13 Before I proceed with my presentation, I would  
14 like to introduce members of our delegation. With me today  
15 is the county commissioner from Precinct 3, David Garza.  
16 We have the chairman of our RMA, David Alex, the treasurer  
17 of our RMA, Michael Scaief Chairman Alex and Mr. Scaief  
18 have been with the RMA since February of 2005. And our  
19 newest board member, who has been onboard for about 30  
20 days, is Horacio Barrera.

21 Since our inception, in looking at the  
22 transportation infrastructure we're going to be provided  
23 for Cameron County, we looked at and established goals.  
24 Our very first goal was to create jobs and improve  
25 economic development. We wanted to provide a better

1 quality of life for everybody in Cameron County, and we've  
2 got several projects that are accomplishing that. We  
3 wanted to improve mobility, to relieve congestion, and to  
4 be able to ensure efficient trade corridors.

5           These are some of the major projects that we  
6 have been working on for the last seven-eight years, and  
7 further along in the presentation I will go into more  
8 detail on some of these projects. This is our system map  
9 that shows the connectivity between all the projects that  
10 we're working on, and one project that's not shown here is  
11 a border master plan that we are about to complete, and  
12 that was in coordination with the City of Matamoros, the  
13 State of Tamaulipas, and the federal government of Mexico.

14       We're about 45 to 60 days from completing that and we  
15 will present that plan to the district office.

16           But this map, very comprehensive system of  
17 projects that shows you connectivity, not only in Cameron  
18 County but north on US 77 and then south into Mexico and  
19 west to our partners in Hidalgo County.

20           This is the ultimate configuration of State  
21 Highway 550. As you all know, for the last 20 months  
22 we've had a toll road open. We opened our very first  
23 gantry over State Highway 1847 and the railroad that goes  
24 by there. When we complete the ultimate configuration, it  
25 will have four gantries. The one gantry that's been

1 opened has about 800 to 1,000 cars a day. This December  
2 we are hoping to be able to open the gantries by the Port  
3 of Brownsville. That's a  
4 3-1/2-mile spur that we've been working with TxDOT on for  
5 the last 18 months.

6 We, a couple of weeks ago, awarded a contract  
7 on the direct connectors onto US 77 for this project, and  
8 when that's complete in another 18 to 20 months, then we  
9 will have all four gantries open for traffic.

10 This is a map that we created at the request of  
11 some of the commissioners back a couple of years ago, and  
12 when we first started we probably had about close to 12-14  
13 projects along the US 77 route from Corpus to Brownsville.

14 We're now down to about seven. Three of those projects,  
15 you are in the RFP process for design-build, and so we'll  
16 be left with four projects, and also working with Federal  
17 Highway Administration on a design waiver along the King  
18 Ranch area.

19 This is a slide showing the transportation  
20 reinvestment zone that we currently have. The bold is the  
21 existing zone. It covers most of our projects, I believe  
22 it's about 80 miles in length. At the request or  
23 following up on a suggestion made by your Planning  
24 department, you see the broken lines, we want to amend the  
25 zone to include the Laguna Madre area as well as the South

1 Padre Island area.

2 We had a conference call a couple of weeks ago  
3 between your Environmental staff, your Planning staff and  
4 Federal Highway Administration, and based on that  
5 conference call, we are moving forward with amending the  
6 TRZ. Because of legal issues, we're going to have to  
7 break it into two TRZs. We plan on having a public  
8 hearing in mid November and then going before  
9 commissioners court in mid December for their  
10 consideration.

11 The map doesn't show it, but we are going to  
12 clean up on US 77, connect that part that's not connected  
13 on the south end, on the north end, and then include US 83  
14 as well. Actually, last December 2011, commissioners  
15 court and the RMA entered into an agreement where the  
16 court agreed to allocate 100 percent of the increase in  
17 the tax revenues to the RMA so that the RMA can utilize  
18 that for RMA projects that are in the TRZ.

19 We want to establish the base year of 2012 for  
20 this amended zone, and right now the schedule that we have  
21 will allow us to do that. By amending the zone, the early  
22 projections from our consultants will allow us to double  
23 the net present value of revenues on our TRZ. So this is  
24 a tool the state legislature gave us and we're putting it  
25 to use.

1           This is a spreadsheet that we update on a  
2 monthly basis. We've got different categories, toll roads  
3 that have been opened, projects that have been completed,  
4 projects that are under construction, projects that have  
5 been environmentally cleared, projects that are in the  
6 environmental phase, and then projects that are in the  
7 corridor analysis phase.

8           As you can see, our system is \$1.7 billion. Of  
9 that, \$400 million have either been already completed or  
10 are under construction, and every single project that you  
11 see up here, TxDOT has been our partner in and that's why  
12 we've been as successful as we have because of the  
13 partnership we established with TxDOT since the beginning.

14           This is the slide that I want to focus on and  
15 use the remaining time. This is where you come in, this  
16 is where you can help us complete funding gaps or help us  
17 go through the process on some of our projects.

18           The West Rail relocation project, again, the  
19 first international rail bridge project between the U.S.  
20 and Mexico in over ten decades. This is a project of  
21 international significance. On the U.S. side the project  
22 is about 85 percent complete; on the Mexican side the rail  
23 line and the switch yard is about 60 percent complete.  
24 The international bridge itself is 100 percent complete.  
25 That was completed this past September.

1           Because of the size of the project and because  
2 this is the first rail bridge in 100 years, we've had a  
3 lot of issues that have come up, we've had some cost  
4 overruns, we've had some issues with DHS that remain  
5 unresolved. They changed scope after the construction had  
6 started on the project. We've had issues with relocating  
7 a transmission gas line that conflicts with the rail right  
8 of way in five different locations. Nonetheless, we  
9 continue to work with the district office, we will need  
10 additional funding to close the gap and complete the  
11 project, and I'll continue the dialogue with the district  
12 engineer.

13           On US 77, you are totally, completely familiar  
14 with this project. A couple of years ago, as I mentioned  
15 earlier, we are about 12 or 14 different projects away  
16 from completing the improvements needed to upgrade US 77  
17 to a interstate standard highway. Today we are about  
18 three or four projects away, and so we will continue to  
19 work with your staff until we can get an interstate down  
20 to the Lower Rio Grande Valley.

21           The SPI second access project, as you all are  
22 aware, this past July we had one of the most successful  
23 public hearings that I've ever been a part of and I  
24 believe that the district has ever had. We had well over  
25 700 people in attendance, the overwhelming majority was in

1 support of the project. The leadership of your staff's  
2 Environmental Division in Austin and the district engineer  
3 have allowed us to move forward with the process since we  
4 had the public hearing.

5           Since mid July we have had numerous conference  
6 calls, meetings with ENV, the district office, Federal  
7 Highway Administration and the cooperating agencies. As  
8 we speak, there is a meeting going on in Corpus with U.S.  
9 Fish and Wildlife, FHWA, ENV, the district office, and the  
10 RMA, and so we hope to move the process forward. We have  
11 established a schedule that would give us environmental  
12 clearance August of 2013. It is an aggressive schedule,  
13 but again, with the leadership that your staff has shown,  
14 we feel we can meet that schedule.

15           We have also, hopefully by the end of this  
16 week, if not early next week, we'll be submitting a letter  
17 of interest for the second access project for a TIFIA  
18 loan. We will submit that under the rural section of the  
19 program and we hope to be able to utilize TIFIA funding  
20 for this project.

21           The CDA process, during the last legislative  
22 session two of our projects were granted CDA authority,  
23 the second access project and the outer parkway project.  
24 Our consultants have established a schedule to move  
25 forward with the CDA process. We plan on starting that

1 process in the next 30 to 45 days, and we're keeping an  
2 eye on the environmental clearance, both for the second  
3 access and outer parkway. The outer parkway, we will not  
4 federalize that project, we will use the local  
5 environmental policies that we have. We  
6 do have experience going through the CDA process. About  
7 three years ago we started the CDA process on the State  
8 Highway 550 project. Unfortunately, we were not able to  
9 negotiate an agreement with the developer, but we did gain  
10 quite a bit of knowledge that I'm sure will come in handy  
11 for this project.

12 A couple of weeks ago, again, your Planning  
13 staff, Federal Highway Administration and the RMA had a  
14 conference call, and we will be allowed to do one CDA for  
15 both projects. So that's huge for us because it saves  
16 time, it saves money and it probably provides a better  
17 incentive for developers to participate in the process.

18 State Highway 32 project, this is a project  
19 that will move the existing overweight corridor from the  
20 Veterans Bridge to the Port of Brownsville, from an urban  
21 area to a rural area. We are in the environmental phase,  
22 we have pass-through funding from TxDOT, we have a pass-  
23 through agreement in place. This is also a very complex  
24 project. We have issues with the relocation of a US IBWC  
25 levee, we have issues with the relocation of a DHS border

1 fence, and so it's become a little bit more complicated  
2 than what we anticipated.

3 The pass-through agreement has an April 2013  
4 deadline to start construction. We are currently working  
5 with the district office on updating the schedule, and at  
6 a future meeting we'll probably be coming to the  
7 commission to amend that schedule.

8 The General Brandt project is a project that's  
9 been funded. We are working with the district office and  
10 your Environmental Division on environmental clearance for  
11 a July 2013 letting. And then we've had several meetings  
12 with your Planning staff and the Port of Brownsville on a  
13 freight shuttle pilot project, and again, we request your  
14 continued cooperation and guidance on this project.

15 Very interesting projects. I'd venture to say  
16 the environmental process that we're going through on the  
17 second access project is probably one of the most, if not  
18 the most challenging environmental projects in the state,  
19 very complex, very complicated, but again, your staff in  
20 the Environmental Division have shown great leadership and  
21 have allowed us to move forward with that process and  
22 coordinating with the Federal Highway Administration.

23 Lastly, this is a picture of our county judge  
24 and the mayor of Matamoros on the 22nd of September, the  
25 first beam that connected the bridge on the U.S. side with

1 the Mexican side was installed. That hadn't happened in  
2 105 years, and so we're very proud of that.

3 And this concludes my presentation. Again, I  
4 want to thank you all and just want to let you know what  
5 great work your staff at the district level has been  
6 doing.

7 MR. HOUGHTON: Thank you, Pete, very much.

8 MR. WILSON: Now a presentation from the Camino  
9 Real RMA, item 7c, Scott McLaughlin. Scott.

10 MR. McLAUGHLIN: Good morning, Chairman  
11 Houghton, commissioners. My name is Scott McLaughlin. I  
12 am chair of the Camino Real Regional Mobility Authority.  
13 It is indeed a privilege to be here today speaking before  
14 you, letting you know the good things we have going on in  
15 El Paso, and as many have said before, thanking you for  
16 your support for El Paso and our critical infrastructure  
17 program and projects over the past years.

18 Our RMA was created by the City of El Paso in  
19 2007. Currently comprised of a very lean organization of  
20 seven board members and our executive director -- that's  
21 our entire staff -- focused on a couple of key areas:  
22 project financing, management, design, toll operations and  
23 new TRZ operations.

24 One of our very first projects right out of the  
25 chute was our State Spur 601 inner loop, the Liberty

1 Expressway. It's an approximately 7-mile project, \$368  
2 million, design-build, completed by J.D. Abrams. It was  
3 also the inaugural bond issuance of \$233 million of the  
4 RMA. It's a 7.4-mile connection between the Patriot  
5 Freeway US 54 and the Purple Heart US 375. This was a  
6 critical connection due to BRAC, the Base Realignment and  
7 Closure Act that was bringing the additional 50,000 troops  
8 into El Paso, and this infrastructure provided needed  
9 access both in Fort Bliss as well as the airport.

10 Of note, it was the first bond issuance  
11 supported solely by pass-through proceeds. As such, it  
12 got the Bond Buyer Deal of the Year for the Southwest, and  
13 this also received an engineering award for design in  
14 2010. The project was completed in 2011.

15 Some of our current projects. We're providing  
16 project financing on the Zaragoza direct connectors which  
17 is listed as one of the top 65 most congested roadways in  
18 Texas. The RMA, through the city, is providing up to \$20  
19 million through a SIB loan and utilizing TRZ-2 as a  
20 repayment source for that SIB loan.

21 Project financing. Trans-Mountain Northeast,  
22 about a \$50 million project. The RMA, through the city,  
23 is providing up to \$6 million for requested aesthetics and  
24 cost overruns. Repayment source, again, TRZ-3. This will  
25 provide a link to connect our loop from the east side to

1 the northeast and will complete a portion of our loop.

2 Project management. CDA for Americas. This is  
3 the first project where we've really been a project  
4 developer and have run this really from the project design  
5 to the letting, financing, the entire gamut. The  
6 ultimately configuration is eight DCs. This project  
7 currently comprises of three DCs. It's a combination of  
8 funding sources, as you can see: ARRA funds, CBI funds, a  
9 SIB loan. And it's also the first project to utilize a  
10 TRZ as a repayment source for debt.

11 It's currently in the red zone. The  
12 substantial completion date is January 2013. We are being  
13 told that this project is being brought in ahead of  
14 schedule, December of 2012. This project has gone as  
15 planned with AGB which is a consortium of Zachry and CH2M  
16 Hill, and the RMA is managing the project.

17 I-10 aesthetics. Total project cost of \$10  
18 million. It's a partnership with TxDOT and the City of El  
19 Paso, the RMA providing the project engineering, the city  
20 bringing in a nationally recognized artist, Vicki Scuri,  
21 and TxDOT providing the funding and project oversight.  
22 Currently developing some concepts, going out to the  
23 community for further discussion.

24 As mentioned earlier, the Americas Interchange,  
25 also known as our Eastside Spaghetti Bowl. The ultimate

1 configuration is eight DCs. We were able to get three  
2 done. With the commission's help, we have designed an  
3 additional three, those were let and we are now designing  
4 the final two, as well as the cloverleaf and frontage road  
5 that will bring this project to its ultimate  
6 configuration.

7 Spur 1966. A project coordinated between  
8 TxDOT, UTEP and the City of El Paso, about a \$40 million  
9 project. Currently TxDOT providing the environmental and  
10 schematic, the RMA is providing the design.

11 Toll operations. Kind of a milestone for the  
12 RMA and for El Paso, our first toll road. A terrific  
13 project, nine miles of managed lanes with electronic toll  
14 collection. We have just selected a toll integrator and  
15 in the process of negotiating an agreement with them.  
16 It's the first segment of the southern relief route. That  
17 southern relief route is the major arterial access to get  
18 off of I-10. Currently, if there's an incident on I-10,  
19 whether it be a hazardous spill, accident, weather,  
20 whatever the case may be, we experience gridlock. Cars  
21 are stuck on the freeway, nowhere to go, going through  
22 neighborhoods, residential areas, it's an important piece  
23 to get the southern relief route completed.

24 Interesting project, the \$68 million is  
25 actually refurbishing the two free lanes that exist in

1 both directions, and those will remain free, and then  
2 building two new managed lanes, one in each direction, for  
3 this 9-mile toll operation.

4 The remaining projects are the southern relief  
5 route, Americas managed lanes, approximately a 6-mile  
6 managed lane project, one managed lane in each direction.

7 We are currently in the procurement process for  
8 engineering and environmental services. I-10 managed  
9 lanes, the piece from Racetrack out to the state line.  
10 TxDOT is going to be taking over the environmental, as  
11 well as the schematic. And Border Highway West, the RMA  
12 is coordinating with TxDOT, I understand this is  
13 potentially a CDA project, or is a CDA project, with  
14 environmental being completed sometime in summer of 2013.

15 TRZs. As mentioned, we were the first entity  
16 to utilize TRZs as a repayment source. The county has  
17 asked for our help. We've gone out to the county and  
18 worked with them to set up three TRZs. The county has a  
19 TRZ and that is overlaid by two municipal TRZs at the  
20 towns of Socorro and Horizon City. Estimated to generate,  
21 on a conservative basis, \$70 million, optimistic \$100-.  
22 We're using the \$70 million and will be coordinating with  
23 the county to develop the projects that come up as a  
24 priority in that list.

25 This is just a quick overview of the TRZ that

1 was developed, one mile wide, half mile off the  
2 centerlines, and then you can see the town of Horizon City  
3 which will be overlaid over the county. The county will  
4 be collecting the county taxes, the municipalities, the  
5 municipalities of Horizon City and Socorro will be  
6 collecting the city taxes.

7           Where do we go from here? Obviously, the key  
8 is for us to complete the southern relief route. As  
9 discussed, we're working on Cesar Chavez, currently  
10 working on the Americas managed lanes. Border Highway  
11 West has been called, and is the keystone project that  
12 links everything together. It's the critical piece that  
13 makes the whole system work. When we combine that with I-  
14 10 managed lanes, we've got a viable alternative to I-10  
15 in case of some incident, as well as giving the citizens  
16 of the community mobility choices and alternatives to  
17 sitting in the congestion that exists today.

18           International bridges. The City of El Paso is  
19 unique in that it owns some international bridges. We are  
20 currently in discussion with the city to take over  
21 management of those bridges. In addition, the county is  
22 working on a brand new international bridge in Tornillo.  
23 There has been some discussion and we'll have to resolve  
24 some jurisdictional issues with us taking over,  
25 potentially, the management of that bridge and having a

1 regional-wide focus of those bridges. And lastly, we look  
2 at parking facilities and assist where needed in that  
3 regard.

4 So Commission, Chairman Houghton, thank you  
5 very much for the opportunity to get up and let you know  
6 what we're doing with the RMA in El Paso.

7 MR. HOUGHTON: Thank you, Scott.

8 MR. WILSON: Moving on to item 7d, Central  
9 Texas RMA Executive Director Mike Heiligenstein. Mike.

10 MR. AUSTIN: Mike, congratulations on your  
11 award last night.

12 MR. HEILIGENSTEIN: I appreciate it. Thank  
13 you, Commissioner, for being there. That was very  
14 touching, the whole thing.

15 Mr. Chairman and Commission, the RMA is pleased  
16 to present today. As you know, Ray Wilkerson is our  
17 chairman, and Commissioner Meadows, you're so right about  
18 all the volunteer time that's spent by our boards, it's  
19 amazing -- and you, so we thank you.

20 Quickly, the regional plan. Under construction  
21 we have the Manor Expressway. What you can see before you  
22 is the completed 183A, the Manor Expressway under  
23 construction, and the under development projects at  
24 various stages, including the MoPac improvement project,  
25 Loop 1, which is now in the short list for a design-build

1 contractor.

2           The reason I'm showing this particular slide,  
3 as you can see, every piece of Austin has something that  
4 needs congestion relief, and we are working on almost  
5 every sector. One of the areas I do want to point out,  
6 and I don't know that a laser is appropriate since I have  
7 to point it in your direction, but north of the MoPac  
8 project, one of the things that the MPO has approved is  
9 extension of those managed lanes south of the river and up  
10 183 towards the Williamson County area at 620. That's  
11 another addition that has been recent over the summer.

12           Quickly, the 183A, as you know, it's 10-mile  
13 limited access completed, with three tolled lanes and non-  
14 tolled frontage in each direction. It was constructed in  
15 two phases. The phase we opened this year was developed  
16 and presented to the public seven years ahead of schedule,  
17 and we felt like that was one of the promises of toll  
18 roads all along has been it creates an economic engine  
19 that can build more congestion relief. That extension was  
20 built totally with toll revenue bonds, it had no toll  
21 equity dollars whatsoever, had no public dollars  
22 whatsoever.

23           The Manor Expressway is under construction.  
24 This is a very important road for SH 130, it gives us  
25 another way back into Austin. This is three lanes each

1 direction on the mainlanes, plus another six because we  
2 have to rebuild the frontage roads. That's a \$426 million  
3 project that does include the direct connects. That was a  
4 project that we, of course, on the direct connects  
5 cooperated with the department and the department cleared  
6 that for a stimulus program which we greatly appreciated.

7 It finally gives Austin one of the more unusual things  
8 about the city is we're actually going to have direct  
9 connects when we open a major freeway.

10 That would be the Manor Expressway then. The  
11 expected completion of that is 2014 for the entire program  
12 on the Manor and later this year or early January of 2013  
13 we have an early completion piece of about a mile and a  
14 half that gets some folks out of some traffic in a hurry.

15 Very complicated but very much needed, MoPac  
16 express lanes, managed lanes. The finding of no  
17 significant impact was issued just in August. It goes  
18 from Parmer Lane on the north to Cesar Chavez/1st Street  
19 on the south, eleven miles, \$210 million, and I'll talk a  
20 little bit more about our agreement with the MPO on that.

21 It was a very, very unique and interesting agreement that  
22 we worked with the MPO on to create a regional  
23 infrastructure fund.

24 The project includes, of course, direct  
25 connections to downtown from the managed lane to 1st

1 and/or 5th, bridges will be expanded, and an option now  
2 for reliable travel time down MoPac. You can see it's a  
3 parking lot.

4 Oak Hill Parkway, another very unique project  
5 of ours. This is the Y at Oak Hill, it's the gateway to  
6 the Hill Country. That has been an area of dynamic growth  
7 over the last decade and will continue to see that type of  
8 growth over the next foreseeable future.

9 One of the more unique things we did with this  
10 project is what's called a Green Mobility Challenge. We  
11 raised funds from donors throughout the region and they  
12 put together a collection of about \$30,000, and then we  
13 went out and challenged groups, everything from Rice  
14 University and A&M University in Texas to private  
15 engineering firms to come up with unique ways to address  
16 the environmental concerns in that region and that  
17 particular roadway.

18 We partnered with the department on that, it  
19 was a juried review, we had six or seven folks that  
20 actually judged those presentations, and it was very  
21 exciting. The winner got \$15,000, and I can guarantee  
22 they put a lot more into it than that. We were very proud  
23 of the A&M-Rice team that did an excellent job of  
24 presenting some ideas. That has gone a long way toward  
25 some significant public buy-in and outreach.

1           The Bergstrom Expressway, also known as 183,  
2 another really critical facility that is in the CDA  
3 legislation. We would propose that it be reinstated at  
4 the end of next year, 7.2 miles, very important roadway.  
5 If and when we get going on I-35 with whatever renovation  
6 we do there, we hope that this facility is finished by  
7 then. It should be a goal of all of ours as a team to  
8 have this facility built and ready to go when I-35 is  
9 under construction.

10           Future program costs, just real briefly. You  
11 see the numbers there. Bergstrom, in this case we include  
12 71 East, a portion of that, so we're looking at close to  
13 \$2 billion of program. The MoPac express lanes, real  
14 quickly, very unique scenario where we worked with the MPO  
15 to create an infrastructure fund. What we're doing is  
16 building this facility at about \$210 million total project  
17 cost, with no debt, and our payments back to the MPO will  
18 be structured to go into a fund that will be for their use  
19 for other projects in the region. So it's a very exciting  
20 proposal and the chairman worked extensively, helping work  
21 out the details of that, along with Brian Cassidy and our  
22 team.

23           We have a quick video. The reason for the  
24 video is our stakeholders really do want a 90-second  
25 review of what's going on, and so we've put this together

1 (Whereupon, the video was shown.)

2 Mr. HEILIGENSTEIN: Thank you very much.

3 MR. HOUGHTON: Thank you, Mike.

4 MR. WILSON: He is Grayson County RMA Chairman  
5 Bill Hubbard.

6 MR. HUBBARD: Good morning, Chairman Houghton  
7 and commissioners. It's my pleasure to be here.

8 The Grayson County RMA was formed in 2004. I  
9 can't help but be just awed by all the things people are  
10 talking about because Grayson County's population grew to  
11 121,000 last year, and so we've never had those pictures  
12 of the traffic jams you see, but everything that was being  
13 said in 2004 said the onslaught to the Red River was  
14 coming. Those of us who lived in Grayson County, when you  
15 went south you saw the North Dallas Tollway being  
16 extended, you saw all these houses coming, and so we were  
17 really there.

18 Our first project was the extension of State  
19 Highway 289, known as Preston Road if you get to Plano and  
20 Frisco and that part, and from Highway to the intersection  
21 with Highway 56 up to north of Pottsboro. That was  
22 completed in 2009, we handed it over to TxDOT in 2010.  
23 The success of that project was very highly based on the  
24 help we got from the district office of TxDOT and the  
25 crew. They've always been part of our negotiations and

1 our discussions and they give us good counsel.

2 In 2009, because all this was coming and it was  
3 still being talked as growing fast, it wasn't such a great  
4 need, partly we were trying to undo some of the congestion  
5 that comes through Sherman on State Highway 75 because  
6 that's grown to be a real problem, it's a bottleneck. And  
7 so we came to TxDOT and the commission granted us \$10  
8 million in financial assistance. \$6-1/2 million of that  
9 was a grant for engineering, public education and  
10 outreach, and we've spent about \$2 million of that to this  
11 point in time. The other  
12 \$3-1/2 million was in the form of a loan to fund the  
13 financial traffic and revenue studies.

14 One of the things that happened once we got  
15 that and we started working with TxDOT, and they helped us  
16 get an engineering firm to go do the work, this is what  
17 drove us to get started because this is all moving. The  
18 circle down in the lower right-hand corner, that's the  
19 junction of the Dallas North Tollway with Highway 380 that  
20 runs between McKinney and Denton. The green line you see  
21 going up there are northern bound access roads which  
22 Collin County built, and then it curved and went up that  
23 yellow line, the dotted line, and that's the Collin  
24 County-Denton County line, and the red line is where it  
25 came back in and went to FM 121 in southern Grayson

1 County.

2 That all looked pretty good, we felt pretty  
3 good because we were talking to NTTA and they had these  
4 things going, and Collin County and Denton County were  
5 working together. And then all of a sudden, Collin County  
6 said, Why are we going up to the county line? And so they  
7 said, We'll cancel our interlocal agreement, we'll move it  
8 over. So the orange line you see there is the line that  
9 NTTA put on to say this is how Collin County will put that  
10 on. The green line says if we've got an eastern route,  
11 let's go to a western route, and the green line ran over  
12 to 377 and eventually you could get back to Interstate 35.

13 NTTA had a number of public meetings and they  
14 were very well attended, they had 400 or 500 people at  
15 each one of those, one over in Salina, one in Pilot Point.

16 And they had all of these laid out, they took comments  
17 from people in attendance, you could write them in, you  
18 could say them, and what came out is the original route by  
19 far had the most people supporting it and it had by far  
20 the least people upset about it, because all the rest of  
21 them went through some towns and changed things that  
22 people didn't feel very good about.

23 So today the preferred route from the NTTA  
24 comes up and goes up and comes into Grayson County except  
25 then we started having discussions with NTTA and they

1 said, You know, this economy has really kind of goofed  
2 things up. We've got all these possible projects in the  
3 Metroplex that are big ticket and move lots of cars. Now,  
4 this is going to be economic development and help some  
5 things but we don't have a traffic jam going down State  
6 Highway 289 if you take that route or 75. And so all of a  
7 sudden, kind of a cold water shower for the county judge  
8 and I, they said, We probably don't have this on our radar  
9 for about 30 years.

10 Well, we were starting to do those engineering  
11 projects and they were coming along and Brown and Gay were  
12 doing this, and with TxDOT help and they did their traffic  
13 studies, and they came back and said, This is not going to  
14 ever be economical at this point in time, you can't pay  
15 for it. Secondly, if we look at what's happening with 289  
16 and the expansion that TxDOT is doing ongoing improving  
17 289 communities, that will probably handle you with the  
18 growth projections in Grayson County for plus or minus 30  
19 years. Which is a real disappointment to me because that  
20 means I'm probably never going to see what's going to  
21 happen there. It's a long ways off, but we couldn't argue  
22 that.

23 And so then we said, well, it makes no sense  
24 for us not to do anything, and so we got together, we had  
25 been told that Collin County decided not to spend any more

1 money on the North Dallas Tollway, they're working on the  
2 blue line which is the new roundabout the city, and so we  
3 started talking with Denton County and they have the bond  
4 issues approved for \$20-1/2 million for that yellow line  
5 going up the county line, and they have some money that  
6 they're working with NTTA to do some engineering studies  
7 to see how we hook it into the extension and give us at  
8 least an access road that hooks to the North Dallas  
9 Tollway, and that will probably do us for a long time.

10 As you can see, that red line, we moved it  
11 further west because we really saw that there's no reason  
12 to run it on top of 289. At the north end where it curves  
13 back into 75, Pottsboro and Denison worked together to  
14 wind that through which they both felt was to their  
15 advantage. And so at this point we're waiting to hear  
16 from Denton County on how they're making progress, we're  
17 working with Bobby Littlefield, because once we get a  
18 termini down there, then we can talk about doing some  
19 work.

20 There's that little line between the dotted  
21 line you see going up from the Collin County-Grayson  
22 County line, we never put that in our planning because  
23 that's where NTTA was going to come. They're not coming,  
24 so the county is going to build a county road there until  
25 such time as the tollway comes and we get that done.

1           So that's where we are. I kind of feel like  
2 we're treading water and just trying to stay out of the  
3 way, but we're learning an awful lot talking to guys that  
4 have been very successful, and we thank you for having an  
5 opportunity to visit with you a few minutes this morning.

6           MR. HOUGHTON: Thank you very much.

7           MR. WILSON: Next is item 7f, a presentation by  
8 the Hidalgo County RMA, Executive Director Pilar Rodriguez  
9 and Chair Dennis Burleson.

10           MR. RODRIGUEZ: Good morning, Chairman and  
11 commissioners. My name is Pilar Rodriguez. I'm the  
12 executive director for the Hidalgo County RMA. I'm going  
13 to make a very quick presentation and update you on where  
14 we're at and where we're going, and then the chairman  
15 would like to say a few words.

16           Again, a quick overview of our mission, our  
17 board leadership, our vision, our progress and our  
18 partnerships with TxDOT. We're here to provide our  
19 customers in Hidalgo County with a rapid and reliable  
20 alternative for safe and efficient movement of people,  
21 goods and services in our county. And this effort is led  
22 by our board which is: Dennis Burleson, chairman;  
23 Michael Cano, vice chairman; Ricardo Perez our  
24 secretary/treasurer; Joe Olivarez, director; David Guerra,  
25 director; Forest Runnels, director; and Alonzo Cantu, also

1 director.

2           Again, our vision is to enhance the quality of  
3 life and economic vitality of our region, and so part of  
4 this vision is building this network of roadways in the  
5 county. Our board has developed a strategic plan and  
6 we're focused on three projects: SH 365, IBTC, and what  
7 we call Segment D. We serve a population of approximately  
8 800,000 residents in Hidalgo County and we have five  
9 international ports of entry that will interface with this  
10 network of roadways.

11           This is the progress that we've made to date,  
12 starting with State Highway 365. We hope to have an  
13 advanced funding agreement executed with TxDOT in the next  
14 couple of months, and we'd like to follow that with an  
15 update to our strategic plan and hopefully we'll get a  
16 decision on our environmental classification letter by the  
17 end of this year. That will be followed by, hopefully, a  
18 FONSI in early 2014, and the early part of 2015 we'd like  
19 to begin acquisition of right of ways and easements, and  
20 then the latter part of 2015 we hope to have the  
21 utilities, the project let for bid and be under  
22 construction, and hopefully we'll be completed in the  
23 middle of 2018 with State Highway 365. Let me add that  
24 Highway 365 connects the Anzalduas Bridge to Pharr  
25 International Bridge.

1           IBTC would go from the Pharr International  
2 Bridge to the Donna International Bridge and up to US 83.

3       Again, we hope to have our strategic plan updated, we're  
4 doing an update to our traffic and revenue study, so  
5 hopefully by the end of the year we'll have that updated.

6       In the latter part of 2014, we hope to have a  
7 classification for the environmental documents and also in  
8 the middle part of 2014 hopefully have our design done.  
9 In the early part of 2015 we hope to begin acquisition,  
10 again, of right of ways and easements necessary for the  
11 project, followed by the bidding of the project late that  
12 year, and beginning of construction and completion of  
13 utility relocations early in 2017, and we hope to have the  
14 facility open in the latter part of 2019.

15           And then the last project that the board is  
16 focused on is what we call Segment D, and again, that goes  
17 from US 83 up to US 281 through the eastern part of the  
18 county. Again, we'd like to have our strategic plan  
19 updated by the end of this year. We hope to have an  
20 environmental classification decision early 2017. We'd  
21 like to have, hopefully, a FONSI by the latter part of  
22 2018. We'd like to start acquiring, again, right of way  
23 shortly after that, and again, we'd like to get the  
24 utilities cleared, bid the project and begin construction  
25 in the latter part of early part of 2021-2022, and

1 hopefully have the project open by the end of 2024.

2 And that completes my presentation. The  
3 chairman would like to say a few words.

4 MR. BURLESON: Chairman Houghton and  
5 commissioners, we really appreciate the partnerships.  
6 Mario Jorge, our district engineer, all of the staff at  
7 TxDOT has been very helpful. You and several of the  
8 commissioners have made visits and taken a personal  
9 interest in South Texas. We appreciate that.

10 We have a partnership with the county. Hidalgo  
11 County led the effort to get a local vehicle registration  
12 fee which has been critical to not only Hidalgo County but  
13 Cameron County. Hidalgo County also established the first  
14 county transportation reinvestment zone, some 140,000  
15 acres. That was remodified and reaffirmed after the last  
16 legislative change for investment zones, and that was  
17 expanded to 160,000 acres. We'll be anxiously awaiting  
18 our first increment check and figure out how to use that,  
19 leverage that, and come back to TxDOT and further partner.

20 We hope that we can speed up some of these projects after  
21 we get 365 under our belt to deliver them faster than the  
22 schedules that we have laid out.

23 I again thank you for the partnerships. We  
24 think it's going to be needed. It's not a flood yet but  
25 some of the companies that have moved to China and

1 lessened their activity in Mexico, even with some of the  
2 Mexican problems, they're coming back to Mexico because  
3 they want to be closer, and China is not without its own  
4 set of problems. So we expect that the border will  
5 increase as its gateway and its front door to Texas and we  
6 look forward to being part of the solutions for getting  
7 over some of those challenges. Thank you.

8 MR. HOUGHTON: Thank you.

9 MR. WILSON: Now the North East Texas RMA will  
10 present, Chairman Linda Thomas.

11 MS. THOMAS: Good morning, Chairman Houghton,  
12 commissioners, Director Wilson, TxDOT staff and  
13 distinguished guests. I'm Linda Thomas, chair of the  
14 North East Texas Regional Mobility Authority. We  
15 appreciate your giving us the time today to visit with  
16 you.

17 I have quite a delegation with me from North  
18 East Texas. In fact, I think they got from Longview to  
19 Austin faster than they did from the Austin airport to the  
20 commission meeting, unfortunately, but they did come. And  
21 I want to introduce to you County Judge Bill Stout with  
22 Gregg County, County Judge Joel Baker of Smith County,  
23 County Judge High Taylor of Harrison County, Judge James  
24 Carlow of Bowie County, NET RMA Vice Chair Gary Halbrooks  
25 of Smith County, NET RMA Secretary Dave Spurrier from

1 Gregg County, our NET RMA GEC, Mike Battles with Adkins,  
2 and our NET RMA project director, Everett Owen.

3 The NET RMA consists of 12 member counties in  
4 North East Texas and is governed by 19 board members. We  
5 coordinate our activities with two TxDOT districts and  
6 three metropolitan planning organizations. Our flagship  
7 project is Toll 49, a 110 mile long toll road that will  
8 serve Smith, Gregg, Upshur and Harrison counties, and the  
9 cities of Tyler, Longview and Marshall, plus many other  
10 smaller cities.

11 The 32-mile portion of Toll 49 around Tyler,  
12 which is shown here, is progressing very well. Segments  
13 1, 2 and 5, located south of Tyler, are all open to  
14 traffic and being tolled. Segment 3A, west of Tyler, is  
15 being constructed by TxDOT, is 93 percent complete and  
16 will be open by the end of 2012. Segment 3B, northwest of  
17 Tyler, is being constructed by the NET RMA and is 85  
18 percent complete and will be open in the spring of 2013.  
19 And I hope you'll mark it on your calendars because we're  
20 going to have a big celebration when we open that.

21 Segment 4, located west of Lindale and bounded  
22 by I-20 on the south and US 69 on the north, was planned  
23 by TxDOT and is currently undergoing review by the Federal  
24 Highway Administration. As soon as the environmental  
25 clearance is received, the NET RMA will purchase the right

1 of way, design and construct the project.

2 As you may remember, you all provided the NET  
3 RMA with \$89.2 million in loans on October 28, 2010. We  
4 hired a design-build CDA developer who proposed to build  
5 the 10-mile Segment 3B toll road in 22 months. We are  
6 pleased to report that the construction is on schedule and  
7 is currently 85 percent complete. Segment 3B is scheduled  
8 to open to traffic in early spring of 2013. Once it opens  
9 to I-20, Toll 49 will be a huge benefit to the region.

10 So once again, I would like to say thank you to  
11 you and your staff for the financial and administrative  
12 support that you have given to the NET RMA. I truly  
13 believe that we have been good stewards of your money.

14 Now we are looking to the future to the  
15 remaining 78 miles of the Toll 49, what we call the East  
16 Texas Hourglass. The NET RMA is currently conducting  
17 feasibility planning for the Hourglass to determine which  
18 segments should be planned next. We recently met with the  
19 county judges and Segments 6 and 7 of the Hourglass have  
20 been segmented to allow for easy planning, design and  
21 construction. Smith County Judge Joel Baker and Gregg  
22 County Judge Bill Stout are very excited about this  
23 ongoing work, as are the cities of Tyler, Longview and  
24 others. This facility will be a huge advancement to the  
25 economic development of the region.

1           At our last meeting with the counties, Smith,  
2 Gregg and Upshur counties expressed interest in  
3 designating a transportation reinvestment zone, or TRZ, to  
4 accelerate the funding for all of Toll 49. We expect to  
5 return to you in the near future with a proposal to use  
6 that TRZ revenue to support new SIB loans to continue the  
7 development activities on Segments 6 and 7 and possibly  
8 Segment 4. This would truly be a partnership with the  
9 affected counties and cities, the RMA and TxDOT to provide  
10 needed transportation improvements to the area.

11           In addition to our toll road projects, this  
12 month we are finishing a site feasibility analysis for a  
13 proposed multimodal facility in Tyler. This MMF facility  
14 would combine taxi, Tyler Transit, regional Greyhound Bus,  
15 paratransit medical bus, airport shuttle, rental car,  
16 future commuter rail and other forms of transportation all  
17 into one facility. This facility will be of great benefit  
18 to the region's low income, disabled, student and veteran  
19 communities.

20           And last but not least, the NET RMA has formed,  
21 along with DART and numerous county, city, MPO and COG  
22 representatives the Texas-Louisiana Rail Coalition to  
23 promote high-speed rail between the DFW Metroplex and  
24 Shreveport-Bossier City. Once again, we appreciate all of  
25 the support provided by the commission and the TxDOT Rail

1 Division regarding this matter.

2           Once again, we want to thank you all for all  
3 your support and pledge our time and effort to do the very  
4 best job we can for the State of Texas, and thanks to the  
5 commission.

6           MR. WILSON: The last presentation will be from  
7 the Sulphur River RMA, item 7h, Chairman Delbert Horton.

8           MR. HORTON: Thank you, Chairman and the  
9 commissioners, and Mr. Wilson.

10           I bring a load of thanks for the Proposition 12  
11 funding you've done on our project which I'll get into and  
12 explain in a little more detail. I'd like to recognize  
13 your Paris District, Bobby Littlefield, as a big supporter  
14 of it. We'd also like to thank you for the minute orders  
15 recently approved for the SIB loan that we have requested.

16       So we'll go into the presentation.

17           To give you an idea of the location of the  
18 Sulphur River RMA, we're up in the far northeast part of  
19 the state up around Paris, Texas -- you're probably  
20 familiar with that -- and Greenville, Texas, and we cover  
21 three counties, Hunt County, and then we run into Delta  
22 County and then into Paris. So those are the three  
23 counties that comprise the SURRMA, as we refer to it, the  
24 Sulphur River RMA.

25           The major project that we've undertaken right

1 now is what we refer to as State Highway 24, and I'll give  
2 you a map of it. It's an extension of, if you look at I-  
3 30 and the exit 101 off to Commerce, Texas, beginning  
4 there, up through to Paris was what we refer to as our  
5 State Highway 24 project. All if it has been completed as  
6 a four-lane, divided highway, except for the portion  
7 that's highlighted there that goes through Delta County.  
8 It's about 10.4 miles of a gap that has not been converted  
9 to a four-lane, divided highway. There's a larger picture  
10 of it you can see there, and it actually stays right  
11 within the county, outside the county line of Hunt County  
12 which is 904.

13 For approximately, believe it or not, close to  
14 40 years, our community leaders have urged and been before  
15 this commission before encouraging upgrades to that  
16 highway link so that we could have a four-lane link to an  
17 interstate up through that part of the state, and we have  
18 reached that point now, due to you guys' successful effort  
19 that you put forth. And what that does is that second  
20 bullet gives us a four-lane access through Hunt County,  
21 Delta County and Lamar County to Interstate 30, as you  
22 know, which can provide a lot of safety to have a four-  
23 lane like that, as well as some economic development for  
24 an area that does need some encouragement on the economic  
25 side, and then that leaves us this 10.4 miles to get that

1 accomplished.

2 In doing that, in 2008 we were encouraged,  
3 after the voters approved the RMA authority, we were  
4 encouraged to organize into a RMA, which we did in 2008,  
5 got operational. The first thing we did, we did a long-  
6 range planning project and came up with the selected State  
7 Highway 24 project as one of our top priorities, and with  
8 the approval recently of the Proposition 12 funding for  
9 that for the construction, we went in and requested and  
10 submitted application for a State Infrastructure Bank  
11 loan.

12 And what our plans are and the application  
13 shows that SURRMA is going to act as really a local  
14 conduit of local funding to buy the right of way and  
15 utility relocation that might be needed for that  
16 expansion. That would be funded directly to TxDOT who  
17 will handle the construction. So with the arrangement of  
18 the SIB loan and agreement with local governments, we've  
19 got the three counties participating, we've got the two  
20 county seats and the Paris EDC that are providing their  
21 credit backing as well as the security to leverage that  
22 loan funding.

23 So in the future what we're going to be doing,  
24 as our British friends in England would say across the  
25 pond, they'd say mind the gap when you get off the London

1 subway. So that's what we're going to be doing for the  
2 next few years until we get this completed, targeting for  
3 August 2015. And again, I'd like to come back and thank  
4 you again for the support that you've given us.

5 MR. HOUGHTON: Thank you very much.

6 That was our last presentation. Don't run off.

7 Marc, can you come back up, please? Now, Marc, I know  
8 you have on the back of a piece of paper there probably  
9 the running total of the value of all of the projects that  
10 the RMAs are working on.

11 MR. WILLIAMS: I don't have that. I'm sorry.

12 (General laughter.)

13 MR. HOUGHTON: I've lost track, but I guess the  
14 point is I am amazed. It's kind of coincidental -- I  
15 think it's coincidental -- Mike Krusee was here and is  
16 here today back in the back. Mike, I think you had a lot  
17 to do with this, passing the legislation that created RMAs  
18 where people allow communities to create RMAs, and we  
19 thank you for that. And I saw Chris Heckman running  
20 around. Chris is back there, who was the go-between  
21 between the Governor's Office and Ric Williamson, the  
22 brain trust behind some of these RMAs. I  
23 don't know how you all feel about it, but I'm amazed by  
24 it. I'm glad we all got in one room and showed each other  
25 what we're doing, the amount of projects, local control,

1 financing opportunities, coming up with creative  
2 solutions. It's got to be in the several billion dollar  
3 range as to what's going on in those communities, and I  
4 just see nothing but prosperity for these RMAs and forward  
5 thinking.

6 I have one question that I probably misstated,  
7 Mike Heiligenstein, how many toll tags have you all issued  
8 here in the Central Texas region. Can you tell me?

9 MR. HEILIGENSTEIN: Yes, sir. Right at a half  
10 a million you issued, actually, as our partner.

11 MR. HOUGHTON: Well, okay.

12 MR. HEILIGENSTEIN: About a half a million.

13 MR. HOUGHTON: A half a million toll tags.

14 MR. HEILIGENSTEIN: Very few years.

15 MR. HOUGHTON: I would consider that a vote for  
16 what you guys are doing and what the department is doing  
17 in this region.

18 MR. HEILIGENSTEIN: Yes, sir, and I remind our  
19 public officials of that all the time.

20 (General laughter.)

21 MR. HOUGHTON: Now, I know others have  
22 something to say about this, but I am very appreciative of  
23 the leadership, and most importantly, it's volunteer  
24 leadership. These people are not being paid to do this,  
25 it's for the love of their community and the love of the

1 State of Texas, and we have put that local control to how  
2 they want to progress. But with that, I know some others  
3 may have something they want to talk about. Commissioner  
4 Moseley?

5 MR. MOSELEY: Thank you, Chairman, members. I  
6 really appreciate each of the RMA presentations, very  
7 impressive, as Chair Houghton stated, to see how the  
8 spirit of this law is really working to enhance mobility  
9 in the state. Thank you for what you're doing.

10 As you grow more and more local participation  
11 that steps up in partnership with TxDOT, I would also ask  
12 you to help us open a dialogue with the private sector  
13 that might have large land holdings that may be enticed to  
14 donate right of way which enhances all of our dollars to  
15 go farther. And now that we're in this new era where  
16 we're stretching dollars, it seems like a very wonderful  
17 time to have that discussion where we know that large  
18 landowners that will benefit directly from more mobility  
19 going through their parcels would see an enhanced value in  
20 that land holding, may want to give us rights of way to  
21 stretch our dollars.

22 But thank you for what you're doing, God bless  
23 you, and appreciate each of the presentations.

24 MR. AUSTIN: I have a few questions and a  
25 couple of comments. One, I was just making some notes, we

1 have eight RMAs, one of them has two counties, another one  
2 has three counties, and another one has twelve, so you  
3 look at the partnerships and coalitions around what comes  
4 and goes in and out of counties and you look at regions.  
5 Just about every one of them were talking about multimodal  
6 facilities. And just to remind what is an RMA, it is a  
7 political subdivision of the state that can own, acquire,  
8 operate, finance, build any type of multimodal project.  
9 And if you look at this, what the tools of an RMA can do,  
10 you can enter into a interlocal agreement with a  
11 neighboring county that is not a member or a jurisdiction.

12 Now, CCRMA, Alamo, looking at border crossings,  
13 bridges, coming across the rail project, and then the use  
14 of tools. A couple of questions. One, maybe for another  
15 time, but the DHS issue in Cameron County, working on the  
16 west rail, that's something that I hope we can give some  
17 guidance to maybe try to help out as well, because I know  
18 that's been an issue that's been held up, but what a great  
19 project that is to partner with another country.

20 I'd like to spend just a couple of minutes, if  
21 I may, going back talking about the TRZs, transportation  
22 reinvestment zones. They're being utilized, they're being  
23 put in, and two or three of you are really using these,  
24 and I think this is a great tool.

25 Educate those not just in this room but also

1 outside, David, I believe you said you're about to get  
2 your first check. You did an economic impact analysis,  
3 and I think you did in Cameron County as well. How long  
4 did it take -- if you don't mind, come back up, I just  
5 want to have a little dialogue -- how long did it take to  
6 do that economic impact analysis, how accurate was it, and  
7 then what process did you go through to put in the  
8 reinvestment zone, and what kind of feedback did you  
9 receive from your citizens, county, et cetera?

10 MR. SEPULVEDA: The existing zone was  
11 established back in 2010. It took us about six months to  
12 go through the process, only because we had to do all the  
13 leg work on 80 miles, look at the different property  
14 owners that were involved, a lot of work with the  
15 appraisal district. Then the consultants came up with two  
16 different analyses. One, they looked at the county's  
17 historical tax rate and then they projected that over a  
18 50-year period and came up with a number. In this case it  
19 was \$230 million net present value. And then another  
20 analysis was if the county's tax rate stays constant for  
21 the next 50 years, then that net present revenue will be  
22 \$150 million.

23 The actual process of going through public  
24 hearing, going through commissioners court, it takes about  
25 45 to 60 days. This amendment that we're doing where

1 we're splitting it into two different zones, we started  
2 the process about two weeks ago, we're planning on having  
3 the public hearing November 15, we're going to start the  
4 advertisement in the newspapers the first week in  
5 November, and then we plan to go to commissioners court  
6 for their consideration the second week in December.

7 Now, we've done very, very preliminary  
8 projections, but it appears that on a very, extremely  
9 conservative, those revenues will double, and if you take  
10 into consideration development that is going to occur,  
11 part of the second access project we did an economic  
12 development study, if you incorporate that into the  
13 projections, then that number can get close to \$450- to  
14 \$500 million. So for us it's huge. The last two years  
15 combined we've gotten about \$325,000 which it's not a lot  
16 of money but it's enough in our case to continue funding  
17 some of the planning process on some of our projects.

18 MR. AUSTIN: So you are able to raise that and  
19 look at potential leveraging it too.

20 MR. SEPULVEDA: Yes. And again, we've had  
21 complete support from commissioners court. Last December  
22 we have an agreement where they agreed to allocate 100  
23 percent of the increase in those tax revenues, so that's  
24 huge for us.

25 MR. AUSTIN: If this is a fair question, and

1 kind of the same for the Camino Real, what kind of public  
2 feedback did you receive when you put that in?

3 MR. SEPULVEDA: I believe we had one comment at  
4 the public hearing and that was in favor of the TRZ.

5 MR. AUSTIN: So really, what's the gentleman,  
6 Scott, from Camino Real?

7 MR. HOUGHTON: Scott McLaughlin.

8 MR. AUSTIN: You have four?

9 MR. McLAUGHLIN: We actually have three, sir.  
10 One is inactive and then we have two active. Comments  
11 mainly were: what is a TRZ, what's it for, how does it  
12 work? Recently with the county there was just an article  
13 in the editorial pages of the *El Paso Times* congratulating  
14 the county to look for alternative funding sources to  
15 expedite projects. At the end of the day, this is a tool  
16 that lets you build projects today by capturing the growth  
17 that comes from those projects. So overall, the comments  
18 have been extremely good.

19 MR. AUSTIN: I have not read the editorial but  
20 I'm going to make an assumption -- and that's dangerous --  
21 what you have done is provide local funding to solve local  
22 transportation challenges and multimodal challenges.

23 MR. McLAUGHLIN: That's correct. Working with  
24 TxDOT on certain projects where we're contributing a part,  
25 as part of the Americas Interchange it was a portion of

1 the total funding component. So it's one way to get the  
2 funds to get these projects over the goal line.

3 MR. AUSTIN: Well, congratulations. Now, you  
4 are unique because you can form the RMA at the county  
5 level and the city level.

6 MR. McLAUGHLIN: Actually, sir, we are the only  
7 municipally created RMA. Our discussions with the county,  
8 we're talking about creating interlocal agreements created  
9 by the city.

10 MR. AUSTIN: Congratulations.

11 MR. McLAUGHLIN: Thank you, sir.

12 MR. AUSTIN: To my friends at the NET RMA, Mr.  
13 Battles, or Everett, I know you are looking at opening up  
14 the next section of Toll 49, and that is coming up within  
15 the next month or so. That's going to complete all the  
16 way up to, I guess, US 31 and then working on Interstate  
17 20. Given the new environmental rules that TxDOT put in  
18 place, how can and will these new environmental rules help  
19 you advance future sections? And then I know we're  
20 looking at another section going back over to complete the  
21 hourglass -- I keep saying we, you all.

22 MR. OWEN: Potentially, it could save us a  
23 tremendous amount of time in the streamlining of the  
24 environmental process, shaving literally years off that  
25 process. So it will help us significantly to accelerate

1 those projects.

2 MR. AUSTIN: One of those or more of those,  
3 kind of back to Chairman Houghton's question, are you  
4 considering CDA potential?

5 MR. OWEN: Yes. We're going to look at all the  
6 available tools that you have provided us, including CDAs,  
7 design-build, the whole gamut, to see what best fits with  
8 our particular situation.

9 MR. AUSTIN: That's good. Thank you for your  
10 progress.

11 MR. OWEN: Thank you.

12 MR. AUSTIN: I pass.

13 MR. MEADOWS: You know, your actions,  
14 collective actions as described here today, speak volumes  
15 more than anything that we could say up here. I mean,  
16 really this is a story of success, and what is appropriate  
17 for us to say again is thank you all. Thank you very much  
18 for your commitment to the state and for your commitment  
19 to serving the citizens. I think working together in this  
20 partnership clearly we're succeeding. Thank you.

21 MR. HOUGHTON: I think that will do it, but I  
22 have one question. Since we had a major opening yesterday  
23 of State Highway 130, 85 miles an hour, some people  
24 driving back to the department here on that road  
25 yesterday, I think they may have exceeded 85, I'm not

1 sure, but I couldn't attest to it. Linda, when you open  
2 49 up in Tyler area, what's the speed limit going to be?  
3 Seventy? That's slow.

4 (General laughter.)

5 MR. HOUGHTON: I want to thank you all for  
6 coming here today. Now what I'd like to do is take a ten-  
7 minute break. I'd like to thank you all personally for  
8 coming and taking time out of your work schedule or your  
9 real jobs to come here. We'll reconvene back here at  
10 11:18 with the rest of the agenda.

11 (Whereupon, a brief recess was taken.)

12 MR. HOUGHTON: We'll reconvene at 11:22. Now  
13 moving on to the promulgation of administrative rules,  
14 item 8a(1) will be the final adoption of amendments to  
15 Chapter 1. TxDOT attorney, Rich O'Connell, will present.  
16 Rich.

17 MR. O'CONNELL: Good morning. This item  
18 concerns the adoption of proposed rules concerning  
19 alternative dispute resolution. The proposed rules would  
20 add a new Chapter 1, Subchapter G. The rulemaking is part  
21 of the implementation of the department's Sunset bill.  
22 Transportation Code, Section 201.118 requires the  
23 commission to adopt policy to encourage the use of ADR.

24 Under the rules, the executive director would  
25 appoint an employee to act as the alternative dispute

1 resolution coordinator, and then any person who sought ADR  
2 to resolve an internal or external dispute would submit  
3 their request to the ADR coordinator. The ADR coordinator  
4 would approve or disapprove the request and propose an  
5 impartial third party to conduct the ADR. We did get one  
6 public comment in response to our proposal of the rules.  
7 We did not make any changes.

8 And I will now describe the other half of the  
9 presentation which is the adoption of rule amendments to  
10 Section 9.1 concerning claims on contracts for goods or  
11 services, and a new rule, Section 9.7 about bid protests.

12 The changes to Section 9.1 would clarify the  
13 scope of the rule, namely the types of contracts that are  
14 subject to that contract claim rule. The new Section 9.7  
15 would add a general rule for processing bid protests here  
16 at the department. Amongst the contracts that it would  
17 affect are contracts for construction or maintenance on  
18 the state highway system. It would cover bid protests for  
19 all types of procurement unless TxDOT has a specific rule  
20 that covers that specific type of procurement, for  
21 example, for CDAs which would not be affected by what  
22 we're discussing today.

23 One set of comments was submitted by a law firm  
24 in the form of a law firm newsletter that was filed with  
25 us. The proposed adoption would agree with one of those

1 comments that was submitted, that the procedure on exactly  
2 how to submit a bid protest should be made more clear. We  
3 agreed with that and so the staff made the appropriate  
4 changes to the rules for your consideration on adoption.

5 So staff recommends adoption of these two  
6 packages of rules.

7 MR. AUSTIN: I move we approve.

8 MR. MOSELEY: I'll second Mr. Austin's motion,  
9 Mr. Chairman.

10 MR. HOUGHTON: All in favor?

11 (A chorus of ayes.)

12 MR. HOUGHTON: Thank you, Rich.

13 MR. WILSON: Rich, I think you're up still.

14 The next item is 8a(2), the final adoption of amendments  
15 to Chapter 9, if you'll continue. Did you cover it all in  
16 one swoop?

17 MR. O'CONNELL: I put them together.

18 MR. HOUGHTON: And if a lawyer does that, it's  
19 okay. Did you notice that?

20 MR. O'CONNELL: I'm sorry.

21 MR. WILSON: I guess it does. As long as the  
22 commission and the attorneys are happy, that's all I care  
23 about.

24 MR. HOUGHTON: If the attorney is happy, we're  
25 all happy.

1 (General talking and laughter.)

2 MR. WILSON: I double checked with Rose to make  
3 sure I wasn't missing anything. All right, Rich, you're  
4 done. Thanks.

5 Item 8a(3) is final adoption of amendments to  
6 Chapter 16 and will be presented by the director of  
7 Planning, Marc Williams. Marc.

8 MR. WILLIAMS: Again for the record, my name is  
9 Marc Williams, director of Planning for TxDOT.

10 Item 8a(3) covers changes and final adoption of  
11 Chapter 16, Planning and Development of Transportation  
12 Projects.

13 TxDOT's Sunset bill, Senate Bill 1420, enacted  
14 during the 82nd Regular Session, included new requirements  
15 for the department's transportation planning, programming,  
16 funding and project expenditure reporting functions. The  
17 amendments to Subchapters A through E in Chapter 16  
18 implement the requirements of Senate Bill 1420 and make  
19 additional changes to clarify the existing rule  
20 provisions.

21 The commission approved the proposed amendments  
22 on April 26 of 2012 with Minute Order 113085, notice was  
23 posted in the *Texas Register* on May 11 of 2012, and a  
24 public hearing was conducted on June 7 of 2012. Written  
25 comments were received through June 11 of 2012, and these

1 comments are addressed in Exhibit A. The comments that we  
2 received were offered by Michael Morris with the North  
3 Central Texas Council of Governments, and over the past  
4 couple of months, staff with TxDOT and NCT COG have worked  
5 together to address those comments and make revisions to  
6 the rules that were mutually agreed to.

7 Staff recommends approval and final adoption of  
8 the proposed rule changes.

9 MR. HOUGHTON: Motion?

10 MR. UNDERWOOD: So moved.

11 MR. MEADOWS: Second.

12 MR. HOUGHTON: All in favor?

13 (A chorus of ayes.)

14 MR. WILSON: Next up is item 8b(1), proposed  
15 amendments to Chapter 9, presented by the Design Division  
16 director, Mark Marek.

17 MR. MAREK: Good morning. For the record, my  
18 name is Mark Marek. I'm the director of the Design  
19 Division for the Texas Department of Transportation.

20 This minute order proposes repeal of Sections  
21 9.30 through 9.43 and new Sections 9.30 through 9.39.  
22 These sections pertain to the rules concerning contracting  
23 for architectural, engineering and surveying services,  
24 i.e., professional services of consultant contracts.  
25 Architectural, engineering and surveying services are

1 procured by the department in accordance with Government  
2 Code, Chapter 2254, Subsection A, and 23 Code of Federal  
3 Regulations, CFR, 172.5.

4           The origin of this rule change was to bring our  
5 procedures in closer compliance with federal requirements,  
6 but staff has used this opportunity for some additional  
7 enhancements to these rules. These proposed amendments  
8 will provide a new organizational structure to the rules  
9 that follow a logical sequence of pre-certification,  
10 provider selection, contract negotiation and contract  
11 management.

12           Also, text deemed to be overly prescriptive was  
13 removed. Much of this text and the procedural  
14 requirements therein will be captured in the department's  
15 engineering, architecture and surveying manual and other  
16 guidance documents. This resulted in about a 30 percent  
17 text reduction in these rules. Overall, these amendments  
18 will make the subchapter as a whole more understandable.

19           The proposed amendments also introduced a  
20 number of substantive changes. The repeal of Section  
21 9.31(b)(1) removes the size limitations for indefinite  
22 deliverable contracts. New 9.31(b)(1) permits the  
23 executive director, or their designee, to control these  
24 limitations through management directives.

25           New Section 9.34 establishes a procedure for

1 firms to become administratively qualified through self-  
2 certification. The option to self-certify is important as  
3 it provides a means by which to become administratively  
4 qualified without having to conduct an external audit.  
5 These audits are sometimes cost prohibitive, particularly  
6 to small businesses. This self-certification process is  
7 endorsed by the Federal Highway Administration. As stated  
8 in the new rule, self-certification shall be conducted in  
9 accordance with FARs and the Generally Accepted Government  
10 Auditing Standards and AASHTO's Uniform Audit Accounting  
11 Guide.

12           New Sections 9.34 and 9.35 separate the current  
13 provider selection process into two parts: a standard  
14 process and a federal process. The federal process must  
15 be used for any engineering or design-related services  
16 contract related to a construction project and reimbursed  
17 with Federal Aid Highway Program funds. Also, providers  
18 competing for contracts under the federal process must be  
19 administratively qualified. The standard process may be  
20 used for any contract not subject to the federal process,  
21 that is, contracts that don't use federal funds. Also,  
22 providers competing for a contract under the standard  
23 process need not be administratively qualified. Firms do  
24 not have to have an audited overhead rate and may opt to  
25 use a rate established by the TxDOT Audit Office.

1           New Section 9.36 establishes a new provider  
2 selection process known as a small contract process. To  
3 use this process, four requirements must be met: first,  
4 the total contract value may not exceed \$750,000; second,  
5 the contract must not be subject to the federal process;  
6 third, the contract must be a specific deliverable  
7 contract; and finally, the selection must be a single  
8 contract provision.

9           I would like to point out that this procurement  
10 method differs from our current two-step selection process  
11 in which the department first evaluates letters of  
12 interest and then evaluates short-listed firms with an  
13 interview and/or proposal. Under the small contract  
14 process, a provider will simply be evaluated and selected  
15 strictly on the information it provides in its statement  
16 of qualifications. Thus, establishing a basic selection  
17 process specific to small contracts that requires a lower  
18 investment on the part of the providers, the department  
19 hopes to provide more opportunities for small businesses  
20 to compete for contracts as prime providers. However, the  
21 small contract process in no way restricts any consulting  
22 firm, regardless of size, from competing for these  
23 contracts.

24           Prior to proposing these amendments, staff met  
25 with the consultant industry representatives and

1 considered their input in drafting these rule revisions.  
2 Staff also met multiple times with the Federal Highway  
3 Administration staff to ensure the department was in  
4 compliance with federal requirements. Also, if the  
5 commission chooses to approve these proposed rules, staff  
6 will offer a couple of webinar opportunities to all the  
7 consultant firms in our pre-certified database so that  
8 they are familiar with these proposed rules and can offer  
9 comment if they wish.

10 I'll be glad to answer any questions. Staff  
11 recommends approval of this minute order.

12 MR. HOUGHTON: Would you say there's a word  
13 "streamlined" involved here?

14 MR. MAREK: Yes, sir, I believe there is,  
15 particularly for the small contract process.

16 MR. HOUGHTON: Simplicity.

17 MR. MAREK: Yes. There won't be the interview,  
18 there won't be the proposal, it will simply be selection  
19 based on their qualifications that they submit. Should be  
20 relatively easy for the firms to make that submission.

21 MR. HOUGHTON: That's great, that's a great  
22 step forward for the small businessperson.

23 Any other questions of Mark? Motion?

24 MR. MOSELEY: So moved, Chairman.

25 MR. AUSTIN: Second.

1 MR. HOUGHTON: All in favor?

2 (A chorus of ayes.)

3 MR. HOUGHTON: Thanks, Mark.

4 MR. WILSON: Item 8b(2), proposed amendments to  
5 Chapter 12, presented by the Maintenance Division  
6 director, Howard Holland. Howard.

7 MR. HOLLAND: Good morning. I'm Howard  
8 Holland, director of the Maintenance Division for the  
9 Texas Department of Transportation.

10 This minute order provides new rules that will  
11 allow the department to place signs to acknowledge the  
12 acceptance of donations for transportation services, such  
13 as mowing, litter pickup, maintenance of picnic areas,  
14 rest areas, and travel information centers. These new  
15 rules also allow the department to solicit proposals for  
16 one or more professional service vendors to do the  
17 marketing, administer, recruit and secure sponsors for the  
18 program at no cost to the department.

19 Recommend approval of this minute order.

20 MR. HOUGHTON: Questions?

21 MR. UNDERWOOD: I've got a question, Howard.  
22 Is this yearly, the way they do this?

23 MR. HOLLAND: It could be, but that's yet to be  
24 decided.

25 MR. UNDERWOOD: Because we had that issue,

1 remember, with signs saying that this is so-and-so, and  
2 then they would say wait a minute, they took the sign down  
3 after a year. Remember that?

4 MR. HOLLAND: No, sir.

5 MR. UNDERWOOD: Okay. I may be getting them  
6 mixed up. But this will amount to what you said, \$3.5  
7 million? Is that right?

8 MR. HOLLAND: That is an estimate at this point  
9 since this is a new program in the United States. It's  
10 very difficult to estimate a cost. That cost is estimated  
11 based upon what the State of Virginia has done. They have  
12 43 safety rest areas, and they're receiving \$2 million  
13 from the sponsor which is Geico.

14 MR. UNDERWOOD: Per year?

15 MR. HOLLAND: Per year.

16 MR. UNDERWOOD: Okay. That's what I want to  
17 make sure.

18 MR. HOLLAND: Per year. It also has a very,  
19 very nice side benefit to their program. Since it is an  
20 insurance company, they're promoting it as a safe phone  
21 area, so it has a very, very big safety aspect to it also,  
22 in addition to the financial.

23 MR. UNDERWOOD: Right. Pull over to the rest  
24 area to use your phone. I like that. Thank you.

25 MR. HOUGHTON: Any other questions? Motion?

1 MR. UNDERWOOD: So moved.

2 MR. AUSTIN: Second.

3 MR. HOUGHTON: All in favor?

4 (A chorus of ayes.)

5 MR. HOUGHTON: Thank you.

6 MR. WILSON: Item 8c will be presented by  
7 Deputy General Counsel Joanne Wright, and it relates to  
8 rule review. Joanne.

9 MS. WRIGHT: I'm Joanne Wright with the Office  
10 of General Counsel.

11 State law requires state agencies to readopt  
12 rules at least every four years, and prior to readoption  
13 to seek public input and consider whether the reasons for  
14 each rule continue to exist. Rules in Chapter 26,  
15 Regional Mobility Authorities, Chapter 30, Aviation, and  
16 Chapter 31, Public Transportation, were reviewed by the  
17 public. No comments were received. The reasons for these  
18 rules continue to exist.

19 Staff recommends adoption of the minute order.

20 MR. MOSELEY: So moved, Chairman.

21 MR. UNDERWOOD: Second.

22 MR. HOUGHTON: All in favor?

23 (A chorus of ayes.)

24 MR. HOUGHTON: Thank you.

25 MS. WRIGHT: Thank you, sir.

1 MR. WILSON: Item 9 will be presented by  
2 Suzanne Latimer, director of the Office of Compliance and  
3 Ethics. Suzanne.

4 MS. LATIMER: Hello. For the record, I am  
5 Suzanne Latimer, director of the Office of Compliance and  
6 Ethics.

7 The purpose of this report is to provide a  
8 summary of information related to complaints and  
9 investigations for the month of September 2012.  
10 Transportation Code 201.452 provides that the compliance  
11 office has primary jurisdiction for oversight and  
12 coordination of all investigations occurring on department  
13 property or involving department employees.  
14 Transportation Code 201.454 requires the director of the  
15 compliance office to provide a monthly report to the  
16 commission regarding investigation and a summary of  
17 information relating to trends and recommendations.

18 The Human Resources Division Office of Civil  
19 Rights and the Audit Office notify the Office of  
20 Compliance and Ethics when investigations are initiated  
21 and completed, and the Office of Compliance and Ethics  
22 monitors those investigations. All data is compiled by  
23 the Office of Compliance of Ethics for reporting purposes.

24 Twenty-four complaints were received during the  
25 month of September, 13 complaints were closed during

1 September, and allegations were substantiated in three of  
2 those complaints.

3 No further action is required.

4 MR. HOUGHTON: Thank you, Suzanne.

5 MR. WILSON: Moving on to item 10, the approval  
6 of the update to the 2013 Unified Transportation Program,  
7 Director of Planning Marc Williams will present.

8 MR. WILLIAMS: Once again for the record, Marc  
9 Williams, director of Planning for TxDOT.

10 Item 10 is to approve updates to the 2013 UTP.  
11 The UTP is a ten-year statewide plan for transportation  
12 project development. The commission approved the 2013 UTP  
13 in April of 2012 and revisions to the document in June and  
14 August of 2012.

15 This minute order updates funding allocations  
16 based on fund transfer requests in multiple categories,  
17 including applied carryover amounts from fiscal year 2012  
18 and revised statewide allocations to address MAP 21  
19 funding levels. In addition, this minute order updates  
20 project-specific program lists, revises the tiered project  
21 exhibits, and makes other minor revisions or technical  
22 corrections.

23 The minute order also authorizes adjustments to  
24 unobligated 2003 through 2006 federal earmarks that on  
25 August 17 of this year the US DOT identified would be

1 subject to potential revisions at the end of 2012. Texas  
2 was originally identified with approximately \$31 million  
3 in earmarks subject to this revision. Since that time,  
4 approximately half of these were already in the process of  
5 authorization and are not reflected in this minute order.

6 The remainder of these funds involve adjustments to  
7 scope, schedule or definition of projects authorized by  
8 these funds to ensure their obligation by the end of this  
9 year.

10 Some of the primary considerations that we gave is the  
11 schedule and federal eligibility, regional and district  
12 proximity with original earmarks, or priority safety,  
13 congestion and maintenance needs.

14 On September 28, as required by the US DOT, we  
15 submitted a preliminary plan to FHWA for their review and  
16 we have received their preliminary approval on this plan.

17 On August 22 of 2012, the department conducted a  
18 statewide public meeting was held on October 8 of 2012 to  
19 allow for comment and testimony. No comments were  
20 received.

21 Staff recommends adoption of the updates to the  
22 2013 Unified Transportation Plan.

23 MR. HOUGHTON: Comments?

24 MR. AUSTIN: One question. So after this  
25 reallocation, we will still have some unused earmarks that

1 are still on the books, or will this take care of all of  
2 them?

3 MR. HOUGHTON: No.

4 MR. AUSTIN: This will take of all of them?

5 MR. WILLIAMS: This will take care of those,  
6 yes, sir.

7 MR. AUSTIN: Good.

8 MR. WILSON: Commissioner, just to elaborate on  
9 what Marc said for a moment. We went through a fairly  
10 rigorous process to make sure that any earmark dollar that  
11 was prior sent to a congressional district and was  
12 allocated for a project, if that project was still not  
13 active or alive, to find something similarly situated  
14 within the UTP to address that congressional district's  
15 needs, trying to honor the intent of Congress prior.

16 MR. HOUGHTON: Any other questions? Motion?

17 MR. UNDERWOOD: Second.

18 MR. HOUGHTON: All in favor?

19 (A chorus of ayes.)

20 MR. HOUGHTON: Thanks, Marc.

21 MR. WILSON: Next is item 11, referring to the  
22 State Infrastructure Bank, presented by Chief Financial  
23 Officer James Bass.

24 MR. HOUGHTON: Did you bring a check?

25 MR. BASS: Good morning. For the record, I'm

1 James Bass, chief financial officer at TxDOT.

2 This item seeks your concurrence with the  
3 Regional Transportation Council's allocation of a portion  
4 of the regional toll revenue that will allow for funds to  
5 be transferred to the State Infrastructure Bank in  
6 connection with the loan received by the NTTA for the  
7 President George Bush Turnpike project. This item would  
8 also authorize the executive director to enter into any  
9 necessary agreements with the Regional Transportation  
10 Council and the NTTA to effectuate the agreed-upon  
11 conditions.

12 I would be happy to answer any questions, and  
13 staff recommends your approval.

14 MR. MOSELEY: Is the dollar value approximately  
15 \$145 million?

16 MR. BASS: Yes, sir.

17 MR. MOSELEY: Move approval, Chairman.

18 MR. HOUGHTON: Not yet. There's a privileged  
19 motion, but go ahead.

20 MR. MOSELEY: Oh, pardon me.

21 MR. MEADOWS: I'd like to make the motion to  
22 approve and just observe that this minute order is not  
23 only a testament to the chair's leadership but perhaps  
24 more importantly, his perseverance.

25 MR. WILSON: Is that what they call it?

1 MR. MEADOWS: Yes, that's what they call it.

2 MR. HOUGHTON: Tenacity

3 MR. WILSON: Tenacity. You got that done yet?

4 (General laughter.)

5 MR. HOUGHTON: You have made the motion. Is  
6 there a second?

7 MR. MOSELEY: I second it, Chairman.

8 MR. HOUGHTON: All in favor?

9 (A chorus of ayes.)

10 MR. HOUGHTON: What does this do to the balance  
11 now in the SIB, the available balance?

12 MR. BASS: The available balance in the SIB  
13 after this would be around \$265 million.

14 MR. HOUGHTON: Very good. And I understand you  
15 have a clarification regarding toll tags in the Central  
16 Texas region.

17 MR. BASS: Your department has issued and has  
18 over one million active tags across the state.

19 MR. HOUGHTON: Across the state.

20 MR. BASS: Yes. Obviously, some drivers in  
21 the Tyler area utilized TxTags, some in the Laredo area  
22 for Camino Columbia. The vast majority of that million-  
23 plus are here in the Central Texas region but there are  
24 others.

25 MR. HOUGHTON: Throw a dart at the board, how

1 many in this region?

2 MR. BASS: Eight-five, ninety percent.

3 MR. HOUGHTON: That's amazing.

4 MR. AUSTIN: James, before you go. I was  
5 sharing at the break with a couple of the RMA folks that  
6 you are working on hiring someone to really help the  
7 department work with partners across the state to focus on  
8 transportation reinvestment zones, and I applaud you for  
9 doing that, because that's a tool that the legislature  
10 gave us, it's being utilized but it's being underutilized  
11 across the state. So thank you for the outreach.

12 MR. BASS: Earlier this week, Mr. Asher  
13 received 64 applications that he'll be reviewing and  
14 moving forward on that process.

15 MR. HOUGHTON: For zones?

16 MR. WILSON: For the job, the person we're  
17 going to hire.

18 MR. HOUGHTON: Oh, okay, the person.

19 MR. BASS: The individual that would then help  
20 to educate local governments on the process and the  
21 different tools that are available to help advance  
22 transportation.

23 MR. AUSTIN: Well, in looking at this, back to  
24 Commissioner Meadows' comments, just what we did today,  
25 this is showing the innovation of working with different

1 partners and regions to create funding. And the SIB, you  
2 have \$260 million plus available to partner with different  
3 jurisdictions, so this is a great tool.

4 MR. HOUGHTON: What's our loan balance?

5 MR. BASS: I looked at the amount of assistance  
6 provided from the State Infrastructure Bank to a variety  
7 of RMAs, and that's been just over \$130 million to date  
8 through the State Infrastructure Bank which, as you  
9 stated, we have leveraged many times that in overall  
10 project costs.

11 MR. HOUGHTON: Amazing. Good work, James.

12 MR. AUSTIN: Thank you.

13 MR. BASS: Thanks.

14 MR. WILSON: The next item is for the award of  
15 contracts for maintenance and department building  
16 construction, highway construction contracts. John Obr,  
17 Construction Division director, will present these minute  
18 orders. Item 12a.

19 MR. OBR: Good morning. For the record, I am  
20 John Obr, director of the Construction Division at TxDOT.

21 Item 12a is for consideration of the award or  
22 rejection of Highway Maintenance and Department Building  
23 Construction contracts let on October 9 and 10 of 2012.  
24 We present 21 projects today. The average number of bids  
25 per project was 4.62; the low bid value was

1 \$21,737,301.77; we had an overall underrun of 7.54  
2 percent.

3 Staff recommends award of all maintenance  
4 projects with the exception of the following project: an  
5 El Paso County project, No. RMC-624863001. The project  
6 received one bid which was 107.24 percent, or \$342,665  
7 over the engineer's estimate. This project is for on-call  
8 barricade signs and traffic control. The district feels  
9 the bid received is excessive and would like to reject the  
10 project in order to relet it at a later date. We agree  
11 with this course of action, and therefore recommend  
12 rejection.

13 MR. HOUGHTON: Motion?

14 MR. AUSTIN: So moved.

15 MR. MOSELEY: Second.

16 MR. HOUGHTON: All in favor?

17 (A chorus of ayes.)

18 MR. HOUGHTON: Thanks.

19 MR. WILSON: John, please proceed with item  
20 12b, construction contracts.

21 MR. OBR: Item 12b is for consideration of the  
22 award or rejection of Highway and Transportation  
23 Enhancement Building Construction contracts let on October  
24 9 and 10 of 2012. We present 57 projects today. The  
25 average number of bids per project was 4.18; the low bid

1 value was \$436,297,681.33; the awards are split as six  
2 projects in Mobility totaling \$198,117,601.23, and 51  
3 projects in Preservation totaling \$238,180,080.10; we had  
4 an overall underrun of 1.65 percent.

5 Staff recommends award of all construction  
6 projects with the exception of the following project: a  
7 Nueces County project, No. FBD 2012(170). The project  
8 received two bids. The low bidder's bid was 243.2  
9 percent, or \$1.122375 million over the engineer's  
10 estimate. This project is for installing pilings at ferry  
11 boat landings. The district identified an error in their  
12 pricing for the fiberglass reinforced composite plastic  
13 piling for the 19 of 23 pile clusters. They would like  
14 the opportunity to correct the error and recommend the  
15 project be rejected and relet at a later date. We are in  
16 agreement with this proposed corrective action, therefore,  
17 we are recommending rejection.

18 MR. HOUGHTON: Questions? Motion?

19 MR. UNDERWOOD: So moved.

20 MR. AUSTIN: Second.

21 MR. HOUGHTON: All in favor?

22 (A chorus of ayes.)

23 MR. HOUGHTON: Thanks, John.

24 MR. WILSON: That brings us to item 13, Eminent  
25 Domain Proceedings. John Campbell, director of the Right

1 of Way Division, will present this minute order.

2 MR. CAMPBELL: Good morning. For the record,  
3 my name is John Campbell, director of the Right of Way  
4 Division.

5 I'd like to present for your consideration item  
6 13 which authorizes the filing of condemnation proceedings  
7 necessary to progress the acquisition of 18 non-controlled  
8 and 16 controlled access parcels by the exercise of  
9 eminent domain, for a total of 34 this month.

10 Staff recommends your approval.

11 MR. MOSELEY: Chairman, I move that we receive  
12 staff recommendation authorizing the Texas Department of  
13 Transportation to use the power of eminent domain to  
14 acquire the properties described in the minute order set  
15 forth in the agenda for the current month for  
16 construction, reconstruction, maintenance, widening,  
17 straightening, or extending the highway facilities listed  
18 in the minute order as part of the state highway system,  
19 and that the first record vote applies to all units of  
20 property to be condemned.

21 MR. HOUGHTON: Is there a second?

22 MR. AUSTIN: I will second that eloquently read  
23 motion.

24 MR. HOUGHTON: All in favor?

25 (A chorus of ayes.)

1 MR. HOUGHTON: Thank you, Mr. Campbell.

2 MR. WILSON: Item 14 contains the Routine  
3 Minute Orders, including donations to the department,  
4 right of way dispositions and donations, release of access  
5 rights, finance, transportation planning and speed zones.  
6 Department staff recommends the adoption of all of these  
7 items and will be happy to explain any of these individual  
8 items as needed.

9 MR. HOUGHTON: Motion?

10 MR. UNDERWOOD: So moved.

11 MR. AUSTIN: Second.

12 MR. HOUGHTON: All in favor?

13 (A chorus of ayes.)

14 MR. WILSON: This concludes the action items on  
15 today's agenda, so Mr. Chairman, I'll hand the meeting  
16 back to you.

17 MR. HOUGHTON: This completes all the action  
18 items.

19 Is there anyone signed up for open comment,  
20 Rose? No one.

21 If there is no business to come before the  
22 commission, there being none, I'll entertain a motion to  
23 adjourn.

24 MR. UNDERWOOD: So moved.

25 MR. AUSTIN: Second.

1 MR. HOUGHTON: All in favor?

2 (A chorus of ayes.)

3 MR. HOUGHTON: We are adjourned at 11:49

4 Central Daylight Time.

5 (Whereupon, at 11:49 a.m., the meeting was  
6 concluded.)

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MEETING OF: Texas Transportation Commission

LOCATION: Austin, Texas

DATE: October 25, 2012

I do hereby certify that the foregoing pages, numbers 1 through 119, inclusive, are the true, accurate, and complete transcript prepared from the verbal recording made by electronic recording by Nancy H. King before the Texas Transportation Commission.

\_\_\_\_\_  
(Transcriber) 11/2/2012 (Date)

On the Record Reporting  
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