

These are the minutes of the regular meeting of the Texas Transportation Commission held on May 29, 2014, in Austin, Texas. The meeting was called to order at 9:01 a.m. by Chairman Houghton with the following commissioners present:

Texas Transportation Commission:

Ted Houghton	Chairman
Fred Underwood	Commissioner
Jeff Austin, III	Commissioner
Jeff Moseley	Commissioner

Commissioner Victor Vandergriff was not in attendance.

Administrative Staff:

LtGen. Joe Weber, Executive Director
 Jeff Graham, General Counsel
 Robin Carter, Assistant Chief Clerk

Registration sheets listing others in attendance are on file with the Texas Department of Transportation, Assistant Chief Clerk.

A public notice of this meeting containing all items on the proposed agenda was filed in the Office of the Secretary of State at 4:46 p.m. on May 21, 2014, as required by Government Code, Chapter 551, referred to as "The Open Meetings Act."

ITEM 1. Safety Briefing

This item was presented by Field Safety Specialist Sidney Malloy.

ITEM 2. Approval of Minutes of the April 4, 2014, special meeting, the April 23, 2014, workshop meeting, and the April 24, 2014, regular meeting of the Texas Transportation Commission

Commissioner Underwood made a motion, which was seconded, and the commission approved the minutes of the April 4, 2014, special meeting, the April 23, 2014, workshop meeting, and the April 24, 2014, regular meeting by a vote of 4 - 0.

ITEM 3. Discussion Items

a. Update and discussion regarding the draft 2015-2019 TxDOT Strategic Plan (Presentation)

This item was presented by Director of State Legislative Affairs Jerry Haddican.

b. Update and discussion regarding the development of TxDOT's Fiscal Year 2016-2017 Legislative Appropriations Request (Presentation)

This item was presented by Director of Finance Brian Ragland.

c. Overview of TxDOT-supported research at Texas A&M University-Kingsville related to the South Texas Natives Program

This item was presented by Director of the Maintenance Field Support Section Dennis Markwardt. The commission also heard comments from Alan Rasmussen, Dean of the Dick and Mary Lewis Kleberg College of Agriculture and Natural Resource Sciences at Texas A&M University Kingsville; Forrest Smith, Director of the South Texas Natives program at Texas A&M University Kingsville; Louis Gonzalez from Texas A&M System; and Tio Kleberg of the King Ranch.

ITEM 4. Aviation

Various Counties - Award federal and state grant funding for airport improvement projects at various locations (MO)

Commissioner Underwood made a motion, which was seconded, and the commission approved the following minute order by a vote of 4 - 0. This item was presented by Director of Aviation Dave Fulton. The commission also heard comments from Terrell Mayor Hal Richards.

113926
AVN

The Texas Department of Transportation (department) is authorized under the federal Airport and Airway Improvement Act and the state Aviation Facilities Development and Financial Assistance Act to award federal and state funding for capital improvement projects and to assist in the development and establishment of airports in the state of Texas.

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

On Thursday, April 17, 2014 a public hearing was held. No comments were received.

IT IS THEREFORE ORDERED by the Texas Transportation Commission that the executive director, or the director's designee, is authorized to enter into any necessary agreements to fund, through the Aviation Facilities Grant Program, the projects described in Exhibit A at an estimated cost of \$13,382,867.

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

ITEM 5. Public Transportation

The eight public transportation items were presented by Director of Public Transportation Eric Gleason. The commission also heard comments from Jeff Heckler, who represents Brazos Transit, TAPS, and STAR Transit among others; LRGVDC

Valley Metro Director Tom Logan; and Texas Transit Association President Scott Neeley.

a. Various Counties - Award federal §5304 and state match, §5311, §5311(f), Rural Transit Assistance Program funds for the FY 2014 coordinated call for projects, and award transportation development credits (MO)

Commissioner Moseley made a motion, which was seconded, and the commission approved the following minute order by a vote of 4 - 0.

113927
PTN

The Texas Transportation Commission (commission) takes special note of its designation by the governor in a letter dated October 4, 2005, as the administering agency for the Federal Transit Administration (FTA) grant programs and further acknowledges that federal program regulations require the Texas Department of Transportation (department) to ensure that these grant funds are distributed fairly and equitably within the state.

Title 43, Texas Administrative Code (TAC), §31.22, §31.36 and §31.37 establish the processes by which program proposals shall be evaluated and funds distributed. On November 8, 2013, the department published a Notice of Request for Proposal for projects in the Texas Register. Project criteria included project planning and coordination; demonstration of need and benefits of the project; and project management.

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

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

The commission finds that the projects in Exhibit A are eligible for funding and awards a total of \$11,510,319 in federal and state program funds and 1,108,600 in TDC.

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

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

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

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

b. Various Counties - Award federal §5311 funds, Formula Grants for Rural Areas

Program, and transportation development credits to rural transit districts for FY 2014 (MO)

Commissioner Moseley made a motion, which was seconded, and the commission approved the following minute order by a vote of 4 - 0.

113928
PTN

The Texas Transportation Commission (commission) takes special note of its designation by the governor as the administering agency for the Federal Transit Administration (FTA) grant program, Formula Grant Program for Rural Areas (49 U.S.C. §5311), in a letter dated October 4, 2005; and further acknowledges that federal program regulations require the Texas Department of Transportation (department) to ensure that these grant funds are distributed fairly and equitably within the state.

Title 43, Texas Administrative Code (TAC), §31.36(g)(4), establishes a formula for calculating awards to rural transit systems based on vehicle revenue miles. The distribution of the FY 2014 awards is shown in Exhibit A.

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

In making this award, the commission has considered the potential to expand the availability of funding for public transportation projects and finds that an award up to 2.17 million TDC for capital projects as identified in Exhibit A meet the established program goals set forth in 43 TAC §5.102 to support public transit.

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

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

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

IT IS FURTHER ORDERED by the commission that up to 2.17 million TDC be available for the projects identified in Exhibit A to be distributed based on department priorities for capital projects excluding capital cost of contracting.

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

c. Various Counties - Award federal §5311 funds, Formula Grants for Rural Areas Program, to rural transit districts for FY 2014 (MO)

Commissioner Moseley made a motion, which was seconded, and the commission approved the following minute order by a vote of 4 - 0.

113929
PTN

The Texas Transportation Commission (commission) takes special note of its designation by the governor as the administering agency for the Federal Transit

Administration (FTA) grant program, Formula Grant Program for Rural Areas (49 U.S.C. §5311), in a letter dated October 4, 2005; and further acknowledges that federal program regulations require the Texas Department of Transportation (department) to ensure that these grant funds are distributed fairly and equitably within the state.

The Commission awarded federal formula funds in Minute Order 113876 on March 27, 2014. The commission now desires to award additional federal funds to help mitigate negative formula impacts as a result of using 2010 census data in the formula.

Title 43, Texas Administrative Code (TAC), §31.36(g)(3), establishes criteria for awarding funds to rural transit districts at the discretion of the commission. The distribution of the awards is shown in Exhibit A.

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

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

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

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

d. Various Counties - Award federal §5310 funds, Formula Grants for the Enhanced Mobility of Seniors and Individuals with Disabilities Program, and award transportation development credits for FY 2014 (MO)

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

113930
PTN

The Texas Transportation Commission (commission) takes special note of its designation by the governor as the administering agency for the Federal Transit Administration (FTA) grant program, "Formula Grants for the Enhanced Mobility of Seniors and Individuals with Disabilities" (49 U.S.C. §5310), in a letter dated October 4, 2005; and further acknowledges that federal program regulations require the Texas Department of Transportation (department) to ensure that grant funds are distributed fairly and equitably within the state.

Awards to transit operators are calculated in accordance with the formula in Title 43, Texas Administrative Code (TAC), §31.31. Projects are recommended at the district level following a consultation process with local parties, including any existing Metropolitan Planning Organizations, and a local planning and development process. The department selects the final projects and award amounts for funding.

Projects also meet the requirements of inclusion in a coordinated transportation plan as required in 49 U.S.C. §5310, and administered through the provisions of Transportation Code, Chapter 461. Project recipients recommended for award are described in Exhibit A which includes funding for transit vehicles, information technology, preventive maintenance, purchase of service, and transit operations.

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

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

The commission finds that the projects in Exhibit A are eligible for funding and awards a total of \$7,244,098 in federal funds and 1,420,000 in TDC.

The commission also finds that the projects in Exhibit B are eligible for funding and awards a total of \$115,716 in federal funds.

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

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

e. Various Counties - Award state funds to public transportation providers for FY 2015 as appropriated by the 83rd Texas Legislature (MO)

Commissioner Moseley made a motion, which was seconded, and the commission approved the following minute order by a vote of 4 - 0.

113931
PTN

Of the amounts appropriated for public transportation to the Texas Department of Transportation (department) by The General Appropriations Act of the 83rd Texas Legislature, Regular Session, \$28.7 million is to be used in FY 2015 for public transportation grants for small urban and rural areas of the state. An additional \$3.2 million was appropriated by that Act for the FY 2014-2015 biennium to mitigate the impact of the 2010 census changes on formula allocation; this minute order includes a part of that additional amount.

The Texas Transportation Commission (commission) desires to award \$29,655,567 for FY 2015.

Title 43, Texas Administrative Code, §31.11 establishes a formula by which public transportation funds shall be distributed to the small urban and rural areas of the state. The FY 2015 awards are shown in Exhibit A and have been calculated in accordance with the provisions of §31.11.

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

Transportation Code, Chapter 456 authorizes the commission to administer public transportation programs.

IT IS THEREFORE ORDERED by the commission that the executive director, or the director's designee, is hereby authorized to proceed with the awards as shown in Exhibit A and to enter into the necessary contracts for the FY 2015 program of projects upon completion of all application requirements by the local public transportation operators.

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

f. Various Counties - Award transportation development credits to various transit agencies for public transportation projects (MO)

Commissioner Moseley made a motion, which was seconded, and the commission approved the following minute order by a vote of 4 - 0.

113932
PTN

The Texas Transportation Commission (commission) desires to award 1,279,915 Transportation Development Credits (TDC) to transit agencies listed in Exhibit A to be used as the local match for federally funded capital projects.

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

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

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

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

IT IS THEREFORE ORDERED by the commission that the executive director or the directors designee is directed to proceed with the awards as described in Exhibit A, and enter into the necessary contracts in accordance with the priorities established in this minute order.

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

g. Tarrant County - Award federal §5310 funds, Formula Grants for the Enhanced Mobility of Seniors and Individuals with Disabilities Program, to Mental Health and Mental Retardation of Tarrant County to continue a demonstration project for mobility management (MO)

Commissioner Moseley made a motion, which was seconded, and the commission approved the following minute order by a vote of 4 - 0.

113933
PTN

The Texas Transportation Commission (commission) takes special note of its designation by the governor as the administering agency for the Federal Transit Administration (FTA) grant program, “Formula Grants for the Enhanced Mobility of Seniors and Individuals with Disabilities” (49 U.S.C. §5310), in a letter dated October 4, 2005; and further acknowledges that federal program regulations require the Texas Department of Transportation (department) to ensure that grant funds are distributed fairly and equitably within the state.

Awards to transit operators are calculated in accordance with the formula in Title 43, Texas Administrative Code, §31.31. Upon completion of the project selection

process, residual funds remaining can be distributed by the commission to satisfy unmet needs in other areas of the state.

Projects also meet the requirements of inclusion in a coordinated transportation plan as required in 49 U.S.C. §5310, and administered through the provisions of Transportation Code, Chapter 461. The Mental Health Mental Retardation (MHMR) of Tarrant County project identified in this minute order qualifies to be funded under the §5310 program and awards funds based upon a proposal submitted to the department, with subsequent review and negotiations.

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

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

IT IS THEREFORE ORDERED that \$150,000 in federal funds is awarded to MHMR of Tarrant County, to support the continuation of a demonstration project, titled “Tarrant Rides”, during its transition to locally provided funds for sustainability.

IT IS FURTHER ORDERED by the commission that the executive director or the director's designee is authorized to distribute funds as described herein, submit the necessary state application to the FTA, and enter into the necessary contracts in accordance with the priorities established in this minute order.

h. Various Counties - Award state funds to Panhandle Community Services (MO)

Commissioner Moseley made a motion, which was seconded, and the commission approved the following minute order by a vote of 4 - 0.

113934
PTN

The Texas Transportation Commission (commission) desires to award \$15,000 to Panhandle Community Services to assist with the additional transportation needs of recently displaced families due to the recent wildfires in the Texas Panhandle.

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

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

IT IS THEREFORE ORDERED by the commission that the executive director or the director’s designee proceed with the award as described above and enter into the necessary contracts in accordance with the priorities established in this minute order.

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

a. Final Adoption

(1) Chapter 21 - Right of Way (MO)

Amendments to §21.142, §21.149, §21.152, §21.159, §§21.163-21.165, §21.167, §§21.172-21.176, §21.179, §21.180, §21.182, §§21.190-21.192, §21.251, §21.253, and §21.255 (Regulation of Signs Along Interstate and Primary Highways); and §21.402, §21.409, §§21.412-21.414, §21.416, §21.417, §§21.421-21.425, §21.428, §§21.433-21.435, §21.449, and §21.457 (Control of Signs Along Rural Roads)

Commissioner Austin made a motion, which was seconded, and the commission approved the following minute order by a vote of 4 - 0. This item was presented by Director of Right of Way John Campbell. The commission also heard comments from Scenic Texas Board Member Ann Culver.

113935
ROW

The Texas Transportation Commission (commission) finds it necessary to adopt amendments to §21.142, §21.149, §21.152, §21.159, §§21.163-21.165, §21.167, §§21.172-21.176, §21.179, §21.180, §21.182, §§21.190-21.192, §21.251, §21.253, §21.255, §21.402, §21.409, §§21.412-21.414, §21.416, §21.417, §§21.421-21.425, §21.428, §§21.433-21.435, §21.449, and §21.457, all relating to the regulation of signs along highways and roads, and to be codified under Title 43, Texas Administrative Code, Part 1.

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

IT IS THEREFORE ORDERED by the commission that the amendments to §21.142, §21.149, §21.152, §21.159, §§21.163-21.165, §21.167, §§21.172-21.176, §21.179, §21.180, §21.182, §§21.190-21.192, §21.251, §21.253, §21.255, §21.402, §21.409, §§21.412-21.414, §21.416, §21.417, §§21.421-21.425, §21.428, §§21.433-21.435, §21.449, and §21.457 are adopted and are authorized for filing with the Office of Secretary of State.

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

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

b. Proposed Adoption**(1) Chapter 15 - Financing and Construction of Transportation Projects (MO)**
Amendments to §15.52, Agreements (Federal, State, and Local Participation).

Commissioner Austin made a motion, which was seconded, and the commission approved the following minute order by a vote of 4 - 0. This item was presented by Interim Director Contract Services Office Kenneth Stewart.

113936
CSO

The Texas Transportation Commission (commission) finds it necessary to propose amendments to §15.52, relating to agreements with local governments for highway improvement projects, to be codified under Title 43, Texas Administrative Code, Part 1.

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

IT IS THEREFORE ORDERED by the commission that the amendments to §15.52 are proposed for adoption and are authorized for publication in the Texas Register for the purpose of receiving public comments.

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

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

(2) Chapter 21 - Right of Way (MO)**Amendments to §21.146, Exempt Signs, §21.187, Spacing of Signs, and §21.189, Sign Height Restrictions, (Regulation of Signs Along Interstate and Primary Highways); and §21.405, Exemptions, 21.429, Spacing of Signs (Control of Signs Along Rural Roads)**

Commissioner Underwood made a motion, which was seconded, and the commission approved the following minute order by a vote of 4 - 0. This item was presented by Director of Right of Way John Campbell.

113937
ROW

The Texas Transportation Commission (commission) finds it necessary to propose amendments to §21.146, §21.187, §21.189, and §21.405, all relating to the regulation of signs along highways and roads, and to be codified under Title 43, Texas Administrative Code, Part 1.

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

IT IS THEREFORE ORDERED by the commission that the amendments to §21.146, §21.187, §21.189, and §21.405 are proposed for adoption and are authorized for publication in the Texas Register for the purpose of receiving public comments.

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

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

(3) Chapter 25 - Traffic Operations (MO)

Amendments to §25.1, Uniform Traffic Control Devices (General)

Commissioner Moseley made a motion, which was seconded, and the commission approved the following minute order by a vote of 4 - 0. This item was presented by Director of Traffic Operations Carol Rawson.

113938
TRF

The Texas Transportation Commission (commission) finds it necessary to propose amendments to §25.1, relating to Uniform Traffic Control Devices, to be codified under Title 43, Texas Administrative Code, Part 1.

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

IT IS THEREFORE ORDERED by the commission that the amendments to §25.1 are proposed for adoption and are authorized for publication in the Texas Register for the purpose of receiving public comments.

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

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

ITEM 7. Office of Compliance, Ethics, and Investigations

Office of Compliance, Ethics, and Investigations Report

This item was presented by the Chief Audit Executive Benito Ybarra.

ITEM 8. Policies for Financial Reports and Internal Control; Code of Ethics

Revise directives related to incorporating the spirit of Sarbanes-Oxley into key financial reports and internal controls and the creation of a code of ethics for senior finance personnel (MO)

Commissioner Austin made a motion, which was seconded, and the commission approved the following minute order by a vote of 4 - 0. This item was presented by Director of Finance Brian Ragland.

113939
FIN

The Texas Department of Transportation (department) has a long-standing reputation for integrity and ethical behavior. It is of utmost importance to the Texas Transportation Commission (commission) to continue to be good stewards of the resources entrusted to the department.

The federal Sarbanes-Oxley Act (SOX) was signed into law in July of 2002, in large part as a response to the corporate and accounting scandals occurring in 2001 and 2002. SOX requires publicly traded companies to adhere to significant governance standards that broadened the roles of board members of those companies in overseeing financial transactions and auditing procedures. While SOX does not apply to private or non-profit companies or to government entities, the commission previously determined that the application of some of its general principles relating to internal controls over financial reporting and professional responsibility would enhance the level of accountability for department actions and reliability of department financial information.

In Minute Order 111785, dated April 30, 2009, the commission expressed its desire to incorporate the spirit of SOX into the department's operations by directing the Chief Financial Officer (CFO) to implement policies and procedures to establish and maintain an adequate internal control structure, test the operating effectiveness of key controls over financial reporting, provide annual certifications, and develop a code of ethics for senior finance personnel.

The commission anticipated that these processes would build on the department's commitment to transparency and reliability of financial information and to ethical behavior and integrity, and enhance the level of accountability for department action. Further, establishing a code of ethics for senior financial officers would define the standards to which they are held in order to ensure full, fair, accurate, timely and understandable financial reports and documents that the department submits to the commission, the Governor and the Texas Legislature or disseminates to the public.

The department has developed an approach to further implement the spirit of SOX which will strengthen the existing program and provide clarity in complying with the commission's directives. This minute order contains provisions similar to those set forth in Minute Order 111785, with the following exceptions: removing the specific SOX requirements for publicly traded companies pertaining to "302 certifications," removing references to certifications as they apply to reports other than the annual financial report, clarifying assessment requirements related to the effectiveness of the internal control structure, and adding a provision to report results to the commission's Audit Subcommittee.

IT IS THEREFORE ORDERED by the commission that the CFO or his designee is directed to:

- (1) Develop and implement policies and procedures to expand the practice of providing certifications by the executive director and CFO for the annual financial report.
- (2) Develop and implement policies and procedures: (a) for establishing and maintaining an adequate internal control structure and procedures for financial reporting; (b) for assessing, as of the end of each fiscal year, the effectiveness of

the internal control structure; and (c) for reporting results of effectiveness testing to the commission's Audit Subcommittee.

(3) Develop a code of ethics for senior finance personnel that includes such standards that are reasonably necessary to promote: honest and ethical conduct; full, fair, accurate, timely, and understandable disclosure in reports and other documents; and compliance with applicable rules and regulations.

IT IS FURTHER ORDERED by the commission that Minute Order 111785 is superseded by this order.

ITEM 9. Toll Roads

Travis County - Designate the SH 71 Toll Lanes Project from Presidential Boulevard to just east of SH 130 as a toll project on the state highway system (MO)

Commissioner Austin made a motion, which was seconded, and the commission approved the following minute order by a vote of 4 - 0. This item was presented by Strategic Projects Division Director Ed Pensock.

113940
SPD

In Travis County, State Highway 71 (SH 71), a controlled access facility on the state highway system, is currently planned for reconstruction from Presidential Boulevard to just east of SH 130 in Travis County, a distance of approximately four miles (the SH 71 Toll Lanes Project). The SH 71 Toll Lanes Project will include the design and construction of two new express toll lanes, one in each direction, from Presidential Boulevard to just east of SH 130.

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

The Federal Highway Administration issued a finding of no significant impact on May 9, 2014.

IT IS THEREFORE ORDERED by the commission that the SH 71 Toll Lanes Project, from Presidential Boulevard to just east of SH 130 in Travis County, is designated as a toll project on the state highway system.

ITEM 10. Comprehensive Development Agreements

a. Dallas and Tarrant Counties - Approve the selection of the proposer that submitted the best value proposal to develop, finance, construct, operate, and maintain the SH 183 Managed Lanes Project in Dallas and Tarrant Counties, comprised of SH 183 from SH 121 to I-35E, including the proposed interchanges with Loop 12, SH 114, and Spur 482, and potentially SH 114 from International Parkway to Loop 12, and Loop 12 from SH 183 to I-35E, and authorize the executive director of the department to execute a comprehensive development agreement with the select proposer (MO) (Presentation)

Commissioner Austin made a motion, which was seconded, and the commission approved the following minute order by a vote of 4 - 0. This item was presented by

Strategic Projects Division Director Ed Pensock. The commission also heard from City of Irving Interim Manager Steve McCullough.

113941
SPD

Transportation Code, Chapter 223, Subchapter E prescribes the process by which the Texas Department of Transportation (department) may enter into a comprehensive development agreement (CDA) with a private entity that provides for the design, development, financing, construction, maintenance, repair, operation, extension, or expansion of an eligible highway project.

On January 31, 2013, by Minute Order 113427, the Texas Transportation Commission (commission) authorized the department to issue a request for qualifications (RFQ) to develop, design, construct, finance, maintain, and operate all or part of the State Highway 183 Managed Lanes Project, comprised of improvements to SH 183 from SH 121 to I-35E and any additional connecting facilities that are necessary for connectivity and financing purposes.

The department issued the RFQ on February 20, 2013 and subsequently determined that all four of the teams submitting qualifications statements in response to the RFQ were qualified to be on the short list of teams that would be requested to submit detailed proposals to develop, finance, construct, operate, and maintain the project.

Transportation Code § 223.203 and 43 TAC § 27.4 provide that, if authorized by the commission, the department will issue a request for proposals (RFP) from all private entities qualified for the short-list. On August 29, 2013, by Minute Order 113680, the commission authorized the department to issue an RFP requesting detailed proposals from the short-listed teams, and authorized a payment for the work product of each unsuccessful responsive proposer of up to \$1,000,000. On November 7, 2013, the department issued the RFP.

On April 14, 2014, proposals were received from Airport Expressway Partners, SH 183 Mobility Partners, and SouthGate Mobility Partners for the development, financing, construction, operation, and maintenance of the SH 183 Managed Lanes Project, comprised of SH 183 from SH 121 to I-35E, including the proposed interchanges with Loop 12, SH 114, and Spur 482, and potentially SH 114 from International Parkway to Loop 12, and Loop 12 from SH 183 to I-35E (SH 183 Managed Lanes Project). From April 15, 2014 until May 16 2014, the department evaluated the proposals.

The proposals were evaluated in the following categories: (1) Pass/Fail and Responsiveness; (2) Technical Score; and (3) Price Score. The proposals were evaluated on the basis of certain pass/fail and responsiveness criteria set forth in the RFP. The project development plans in the technical proposals were evaluated in the categories of general project management, operations and maintenance management technical solutions, design-build management and technical solutions and quality program, using the qualitative ratings of meets minimum, fair, good, very good, and excellent. The technical proposals were assigned qualitative ratings and numerical scores for each evaluation subfactor. Points were assigned to the technical proposals based on those ratings and the weights of the individual evaluation factors, with the sum

of those points resulting in a total evaluation score, which was multiplied by a defined percentage to arrive at the Technical Score.

Each proposal consists of a proposer's base scope, which includes the project's minimum base scope and as many of the four Additional Scope Components as the proposer can deliver within the Available Public Funds Amount of \$850 million. The proposals were sorted into five possible tiers based on the proposer's base scope with tier 1 being the highest (minimum base scope plus Additional Scope Components 1-4) and tier 5 being the lowest (only the minimum base scope). The Price Score and Total Proposal Score for each proposal were calculated within the tier in which the proposal is included and, if more than one proposal is included in the same tier, by comparing among proposals within the same tier. To arrive at the Price Score, first the Adjusted Proposal Amount for each proposal was calculated for evaluation purposes only, which amounts were calculated using the base scope price (plus any ATC cost adjustments), the adjusted operations and maintenance (O&M) price for the base scope, the adjusted option price for any Additional Scope Components not included in proposer's base scope (plus any ATC cost adjustments), the adjusted option O&M price for any applicable Additional Scope Component not included in the proposer's base scope, and a schedule adjustment for early completion. Then, points were assigned to price proposals using a formula comparing each proposal's Adjusted Proposal Amount to the lowest Adjusted Proposal Amount within the same tier. The price scores were determined without knowing which prices were submitted by which proposer.

The Technical Score points assigned to the technical proposal were then added to the Price Score points to determine the total number of points received by each proposal. The responsive proposal in the highest tier with the highest total proposal score from among other proposals (if any) in the same tier was determined to provide the apparent best value.

The evaluation and scoring of each proposal under the Technical Score and Price Score categories resulted in the proposals being ranked as follows: Southgate Mobility Partners, Airport Expressway Partners, and SH 183 Mobility Partners. The proposal submitted by Southgate Mobility Partners was accordingly determined to provide the apparent best value.

IT IS THEREFORE ORDERED by the commission that the determination that the proposal submitted by Southgate Mobility Partners provides the apparent best value to the department is approved, and the department is authorized and directed to commence and complete negotiations with Southgate Mobility Partners necessary to finalize the comprehensive development agreement to develop, finance, construct, operate, and maintain the SH 183 Managed Lanes Project.

IT IS FURTHER ORDERED that the comprehensive development agreement is awarded to Southgate Mobility Partners subject to, and effective upon the occurrence of, all of the following: (1) the successful conclusion of negotiations; (2) the issuance of a Notice of Intent to Award by the department; (3) applicable Federal Highway Administration approvals as identified by the department; (4) a determination by the Office of the Attorney General that the proposed comprehensive development agreement is legally sufficient, in accordance with Transportation Code, § 371.051; (5) notification and information having been provided to the Legislative Budget Board, in

accordance with Transportation Code § 371.052(b) and Riders 22 and 23, Pages VII-28 and VII-29, Chapter 1411, Acts of the 83rd Legislature, Regular Session, 2013 (the General Appropriations Act); and (6) the mutual execution and delivery of the comprehensive development agreement by the executive director of the department and the developer.

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

b. El Paso County - Approve the substantially final form of the comprehensive development agreement and the associated comprehensive maintenance agreement between the department and the selected best value proposer to develop, design, construct, and maintain the Loop 375 Border Highway West Extension Project, from Racetrack Drive near Doniphan Road and New Mexico 273 (west of downtown) to US 54 (east of downtown) in the City of El Paso, and authorize the executive director of the department to execute a comprehensive development agreement, including the comprehensive maintenance agreement, with the selected proposer (MO)

Commissioner Austin made a motion, which was seconded, and the commission approved the following minute order by a vote of 3 - 0. Commissioner Moseley recused himself from this vote. This item was presented by Strategic Projects Division Director Ed Pensock.

113942
SPD

Transportation Code, Chapter 223, Subchapter E prescribes the process by which the Texas Department of Transportation (department) may enter into a comprehensive development agreement (CDA) with a private entity that provides for the design, development, financing, construction, maintenance, repair, operation, extension, or expansion of an eligible highway project.

On April 24, 2014, by Minute Order 113911, the Texas Transportation Commission (commission) approved the determination that the proposal submitted by Abrams-Kiewit Joint Venture provides the apparent best value to the department, and authorized and directed the department to commence and complete negotiations with Abrams-Kiewit Joint Venture necessary to finalize the design-build comprehensive development agreement and associated comprehensive maintenance agreement (COMA), to develop, design and construct, and maintain the Loop 375 Border Highway West Extension Project from Racetrack Drive near Doniphan Road and New Mexico 273 to US 54 in El Paso County (Project). The department and Abrams-Kiewit Joint Venture have negotiated and finalized the design-build comprehensive development agreement and associated COMA for the Project.

Pursuant to the design-build comprehensive development agreement and COMA between the department and Abrams-Kiewit Joint Venture, the Abrams-Kiewit

Joint Venture will design and construct a 9-mile four-lane controlled access facility, of which the majority is on elevated structure, generally comprised of 5.6 miles of tolled lanes, ramps, interchanges and intersection improvements. Abrams-Kiewit Joint Venture will also demolish existing Union Pacific and Burlington Northern Santa Fe railroad mainline and cross-over track and will be responsible for the design and construction on new alignment of approximately 10,000 feet of Union Pacific Railroad mainline track, approximately 2,000 feet of setout track and approximately one mile of Burlington Northern Santa Fe cross-over track. Abrams-Kiewit Joint Venture will perform comprehensive maintenance services, including routine maintenance, capital maintenance and incident management, for an initial term of five years after completion of construction and, at the department's option, perform the same comprehensive maintenance services for up to two additional five-year terms after the initial five-year term.

Government Code § 669.003 provides that a state agency may not enter into a contract with the executive head of the state agency, with a person who at any time during the four years before the date of the contract was the executive head of the state agency, or with a person who employs a current or former executive head of a state agency affected by this section, unless notification is provided to the Legislative Budget Board, not later than the fifth day before the date of the vote, of the terms of the proposed contract. In compliance with this requirement, on May 23, 2014, the department submitted to the Legislative Budget Board the terms of the proposed design-build comprehensive development agreement and COMA, along with complete copies of the proposed agreements.

IT IS THEREFORE ORDERED by the commission that the substantially final form of the design-build comprehensive development agreement and associated COMA are approved and the executive director of the department is authorized and directed to execute the design-build comprehensive development agreement and COMA with Abrams-Kiewit Joint Venture, for the development, design, and construction, and maintenance of the Loop 375 Border Highway West Extension Project.

ITEM 11. Traffic Operations

Highway Safety Plan - Approve funding for the 2015 Highway Safety Plan (MO) (Presentation)

Commissioner Austin made a motion, which was seconded, and the commission approved the following minute order by a vote of 4 - 0. This item was presented by Traffic Operations Director Carol Rawson.

113943
TRF

The Texas Traffic Safety Act of 1967 (H.B. 353, 60th Legislature) and the United States Code, Title 23, Section 402, require a highway safety program designed to reduce traffic crashes and deaths, injuries and property damage.

The Moving Ahead for Progress in the 21st Century Act (MAP-21) also appropriated various traffic safety incentive programs to the states.

The Texas Department of Transportation has, in compliance with these requirements, developed the FY 2015 Highway Safety Plan (HSP).

IT IS THEREFORE ORDERED by the Texas Transportation Commission that the HSP is approved and the executive director is directed to enter into any necessary agreements and proceed in the most feasible and economical manner with program development at an estimated total cost of \$109,435,268.32 as shown in Exhibit A. The estimated cost for this program is contingent upon the appropriation of funds by the U.S. Congress and could increase or decrease from the requested amount.

IT IS FURTHER ORDERED that, should additional federal funds become available, the director of the Traffic Operations Division is authorized to approve an increase in the HSP up to 10 percent of the total approved budget and the executive director or the director's designee is authorized to approve an increase in the HSP up to 50 percent of the total approved budget, or to the extent of the additional federal funds.

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

ITEM 12. Toll Equity

Smith County - North East Texas Regional Mobility Authority - Consider preliminary approval of a request from North East Texas Regional Mobility Authority (NET RMA) for financial assistance in the amount of \$3,545,000 for the costs of acquisition and construction of toll equipment for Loop 49, locally known as Toll 49 (LP49) (MO)

Commissioner Underwood made a motion, which was seconded, and the commission approved the following minute order by a vote of 4 - 0. This item was presented by Innovative Financing/Debt Management Officer Benjamin Asher.

113944
DMO

The Texas Department of Transportation (Department) and the North East Texas Regional Mobility Authority (NETRMA) have been developing the Loop 49 facility in Smith County, part of a proposed outer loop around the City of Tyler, Texas.

The Toll 49 project is currently comprised of five segments (1, 2, 3A, 3B, and 5) that extend from SH 110 to I-20 (Toll 49 Project). The Toll 49 Project is an approximately 26 mile tolled highway system that traverses the south and west sides of Tyler, and includes two lanes of an ultimate four lane toll road.

On February 28, 2013, by Minute Order 113483, the Texas Transportation Commission (commission) approved the removal from the designated state highway system and transfer to the NETRMA of Segments 1, 2, 3A, and 5 of Loop 49, comprising the roadway facilities and underlying right of way, and the right of way underlying Segment 3B of Toll 49, from SH 110 to I-20, effective on the date of substantial completion of the work required to be performed by the NETRMA on Segment 3B. On March 17, 2014, the Governor of Texas approved the transfer in accordance with Transportation Code §228.151.

The NETRMA has determined that certain Toll 49 tolling equipment which was initially installed on Segments 1, 2, 3A, and 5 of Toll 49 on behalf of the Department prior to assumption of toll operations by NETRMA is technically incompatible with the NETRMA toll collection system, and has submitted a request for a grant from the State Highway Fund (SHF) to finance the replacement of the tolling equipment, in accordance with 43 Texas Administrative Code (TAC) §27.53 (the toll equity rules).

As required by 43 TAC §27.53, on December 1, 2009, the NETRMA Board of Directors passed a resolution adopting an ethics and internal compliance program that addresses standards of conduct for the NETRMA officers and employees. These policies meet the requirements set forth in 43 TAC §1.8.

43 TAC §27.53(d) authorizes the executive director of the department to waive submission of individual items of information or data required by 43 TAC §27.53(c) if: (1) the information or data required by this section is not relevant to the project or the financial assistance requested; (2) the department already possesses information or data in a format that may be substituted for the required information or data; or (3) the past performance of the requestor on previous projects developed in collaboration with the department indicates that the requestor will adequately and prudently address the issues and impacts described in the requested information or data.

Information and data required by 43 TAC §27.53(b) is either contained in the request for financing or is already in the department's possession. Supplemental information and data required by 43 TAC §27.53(c) is contained in the request for financial assistance and is already in the department's possession, or is waived under 43 TAC §27.53(d).

In accordance with 43 TAC §27.54(a)(2), the commission finds that: (1) the Toll 49 Project is consistent with the Statewide Transportation Plan and the Metropolitan Transportation Plan of the Tyler Metropolitan Planning Organization; (2) the project is not in a Clean Air Act non-attainment area; (3) the project will improve the efficiency of the state's transportation systems; and (4) the project will expand the availability of funding for transportation projects or reduce direct state costs.

The request for financial assistance submitted by the North East Texas Regional Mobility Authority meets the applicable requirements of 43 TAC §27.53 and §27.54(a) for preliminary approval.

IT IS THEREFORE ORDERED that the application for SHF financial assistance submitted by the NETRMA for a grant in the amount of up to \$3,545,000 from the State Highway fund, to be used for the purposes described herein, is granted preliminary approval. The executive director or his designee is directed and authorized to implement the actions authorized and required by the applicable toll equity rule provisions.

ITEM 13. State Infrastructure Bank

Kaufman County - City of Kaufman - Consider granting final approval of an application from the City of Kaufman to borrow up to \$5,000,000 from the State Infrastructure Bank (SIB) to pay for two projects: 1) 4-lane bypass around the City of Kaufman from the proposed interchange at US 175 to SH 243; and 2) 4 lane bypass around the City of Kaufman from 1.375 miles southwest of FM 1388 to south of the proposed interchange at US 175 (MO)

Commissioner Underwood made a motion, which was seconded, and the commission approved the following minute order by a vote of 4 - 0. This item was presented by Innovative Financing/Debt Management Officer Benjamin Asher. The

commission also heard comments from Raba Kistner representative Scott Young representing the City of Kaufman.

113945
DMO

The Texas Department of Transportation (department) and the City of Kaufman (City) have been developing two projects in Kaufman County, Texas, as follows:

1. CSJ 0173-03-015, consisting of a 4-lane bypass around the City from the proposed interchange at US 175 to SH 243 (SH 34 North); and
2. CSJ 0173-03-038, consisting of construction of a 4-lane bypass around the City from 1.375 miles southwest of FM 1388 to south of the proposed interchange at US 175 (SH 34 South).

The City applied for a \$5,000,000 State Infrastructure Bank (SIB) loan to perform the following work (together, the Project):

1. CSJ 0173-03-015: Fund the City's Commitment under a Local Project Advance Funding Agreement with multiple funding partners associated with the construction of SH 34 North, Utility Relocations of City water and sewer lines, and Roadway Illumination; and
2. CSJ 0173-03-038: Construction Management Cost for SH 34 South, which is being financed pursuant to Pass-Through Toll Agreement between the City and the Department. The Construction Management Cost is not being reimbursed by the Department under the Pass-Through Toll Agreement.

The Texas Transportation Commission's (commission's) rules regarding the SIB at 43 Texas Administrative Code §6.32 allow for final approval by the Commission of any SIB loan in the principal amount of \$10 million or less, without first going through the preliminary approval process described in the rules.

The executive director or his designee implemented actions authorized and required by the rules for final approval, and also hereby determines that the requirement to submit any information or data that was not submitted by the City is waived as permitted by the rules either because the information or data is not relevant or the department already possesses the information or data. The executive director affirms that the necessary social, economic, and environmental impact studies have been completed and approved by the department. The executive director recommends that the commission grant final approval of the SIB application for financial assistance.

In accordance with 43 Texas Administrative Code (TAC) §6.32(c)(2), the commission finds that: (1) the project is consistent with the Statewide Long-Range Transportation Plan; (2) the project is in a Clean Air Act non-attainment area and will be consistent with the Statewide Transportation Improvement Program, with the conforming plan and Transportation Improvement Program for the applicable metropolitan planning organization, and with the State Implementation Plan; (3) the project will improve the efficiency of the state's transportation systems; (4) the project will expand the availability of funding for transportation projects or reduce direct state

costs; and (5) the application shows that the project and the applicant are likely to have sufficient revenues to assure repayment of the financial assistance.

In accordance with 43 TAC §6.32(e), the commission has determined that: (1) providing financial assistance for the Project will protect the public safety and prudently provide for the protection of public funds, while furthering the purposes of the SIB; and (2) that the project will provide for all reasonable and feasible measures to avoid, minimize, or mitigate for adverse environmental impacts.

IT IS THEREFORE ORDERED that the application for SIB financial assistance submitted by the City to borrow \$5,000,000 from the State Infrastructure Bank is granted final approval. The executive director or his designee is directed and authorized to enter into the financial assistance agreement as negotiated with the City. The loan will be repaid over a period of no more than 20 years at 3.00 percent interest per annum.

ITEM 14. Toll Rates for DFW Connector

Tarrant County - Implement a pilot program, during the first six months of operation, to establish scheduled increases in the surcharge over the ETC rate that is applied for the video rate for the DFW Connector Project, extending along SH 114 from SH 26 to 0.5 miles east of International Parkway in Tarrant County (MO)

Commissioner Austin made a motion, which was seconded, and the commission approved the following minute order by a vote of 4 - 0. This item was presented by Toll Operations Division Director Doug Woodall.

113946
TOD

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

In Minute Order 111815, dated May 28, 2009, the commission designated facilities along SH 114 from SH 114L Business to east of International Parkway and SH 121 from FM 2499 to SH 360, including tolled, managed lanes along SH 114 (DFW Connector Project) as a toll project on the state highway system. The DFW Connector Project includes two tolled managed lanes in each direction extending 4.1 miles along SH 114 from SH 26 to 0.5 miles east of International Parkway. The DFW Connector Project is an all-electronic, open road tolling facility. It will have a closed ramp system of toll collection. The tolling configuration consists of one mainlane toll gantry in each direction.

Pursuant to Minute Order 113738, dated October 31, 2013, the commission established ETC toll rates for the DFW Connector Project. Pursuant to Minute Order 113908, dated April 24, 2014, the commission established the same ETC rates approved in Minute Order 113738, along with new pay-by-mail (video) rates at each tolling point for vehicles without a valid tag. Pursuant to those minute orders, the Texas Department

of Transportation (department) is authorized to charge tolls on the DFW Connector Project beginning on June 1, 2014 or at such time thereafter when an interim agreement with the North Texas Tollway Authority (NTTA) authorizing the department to provide tolling services for the DFW Connector Project or the Tolling Services Agreement with the NTTA is in place and all toll systems have been tested and functioning.

In consultation with the Regional Transportation Council (RTC), the policy body of the metropolitan planning organization for the Dallas-Fort Worth region, the department desires to implement a pilot program to establish scheduled video surcharge increases during the first six months of operation for the DFW Connector Project.

IT IS THEREFORE ORDERED that the Executive Director of the department is authorized to increase the surcharge over the ETC rate that is applied for the video rate to 75 percent 90 days after the department begins charging tolls, and to increase the surcharge to 90 percent 180 days after the department begins charging tolls.

ITEM 15. Professional Services Contracts

Approval to exceed the contract term restrictions in 43 TAC §9.32(b)(1) for the procurement under indefinite deliverable contracts of procurement engineering services; general engineering consultant services; right-of-way acquisition and engineering services and right-of-way lease procurement services for projects developed under comprehensive development agreements, design-build agreements, or other innovatively funded or developed methods (MO)

Commissioner Austin made a motion, which was seconded, and the commission approved the following minute order by a vote of 4 - 0. This item was presented by Chief Procurement and Deputy Administrative Officer Lauren Garduno.

113947
CSO

Title 43, Texas Administrative Code, §9.32(b)(1)(B) provides that for an indefinite deliverable architectural, engineering or surveying services contract, the contract period in which initial work authorizations may be issued may not be longer than two years after the date of contract execution, unless approved by the Texas Transportation Commission (commission) prior to the solicitation posting date.

The Texas Department of Transportation (department) is currently in various stages of planning, procurement and negotiation with respect to multiple projects that would be developed under Public-Private Partnership (PPP) agreements, including comprehensive development agreements (CDAs), design-build agreements, competitive right of way (ROW) leases and other innovative delivery methods. In connection with these efforts, the department intends to enter into indefinite deliverable contracts for the services of roadway and other professional engineers, land surveyors and other professionals to perform various roles in the project development process, such as drafting technical provisions, assisting with ROW acquisition and utility relocation, and overseeing compliance with the terms and conditions of PPP agreements during implementation.

The department intends to issue requests for qualifications to solicit engineering and land surveying services under indefinite deliverable contracts, and to issue work authorizations to provide various services related to PPP agreements. More

specifically, the department intends to enter into one indefinite deliverable contract for the provision of general engineering consultant services; one indefinite deliverable contract for statewide PPP procurement engineering consultant services; and one indefinite deliverable contract for the provision of program management consultant services for statewide ROW acquisition oversight and ROW lease procurement services that include roadway engineering and land surveying. Longer potential terms for these contracts are essential to allow these professionals to oversee the various PPP projects efficiently.

IT IS THEREFORE ORDERED by the commission that the department is authorized to issue requests for qualifications for no more than three indefinite deliverable contracts for the provision of engineering and land surveying services by program management and general engineering consultant services and procurement engineering consultant services for PPP projects, with contract periods in which initial work authorizations may be issued of no longer than six years after a contract is executed, and each of the above-described contracts shall be for no more than \$25 million.

ITEM 16. Unified Transportation Program (UTP)
Approve updates to the 2014 UTP (MO) (Presentation)

Commissioner Underwood made a motion, which was seconded, and the commission approved the following minute order by a vote of 4 - 0. This item was presented by Director of Planning Marc Williams.

113948
 TPP

Transportation Code, §201.991 provides that the Texas Department of Transportation (department) shall develop a Unified Transportation Program (UTP) covering a period of 10 years to guide the development of and authorize construction of transportation projects.

The Texas Transportation Commission (commission) has adopted rules in Title 43, Texas Administrative Code, Chapter 16, governing the planning and development of transportation projects. The rules include guidance regarding the development of the UTP and any updates to the program, as well as public involvement requirements.

The 2014 UTP was approved by the commission on August 29, 2013, in Minute Order 113675 and revisions to the 2014 UTP were approved by the commission on December 19, 2013, in Minute Order 113791, and March 27, 2014, in Minute Order 113885.

On April 15, 2014, the department conducted public meetings across the state via WebEx, and a public hearing was held on May 8, 2014 to receive comments and testimony concerning the proposed updates to the 2014 UTP.

The updates to the 2014 UTP, as shown in Exhibit A, include revised allocations based on funds transfer requests in multiple categories and funding authorizations for project priorities in accordance with the funding availability established in the December 2013 Cash flow forecast. In addition, this minute order revises project specific program lists, incorporates information regarding transportation development

credit awards and remaining balances, and includes minor revisions and technical corrections.

IT IS THEREFORE ORDERED by the commission that the updates to the 2014 UTP, as shown in Exhibit A, are hereby approved.

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

ITEM 17. Contracts

Award or reject contracts for maintenance, highway and building construction
(a) Highway Maintenance and Department Building Construction (MO)

Commissioner Moseley made a motion, which was seconded, and the commission approved the following minute order by a vote of 4 - 0. This item was presented by Construction Division Deputy Director Darren Hazlett. The commission also heard from Construction Ltd. Vice President and Estimator Ron Weiser and Construction Ltd. Owner Tim Dixon.

113949
MNT

Pursuant to Transportation Code, Chapter 223, Subchapter A, and Title 43, Texas Administrative Code, Chapter 9, Subchapter B, the Texas Department of Transportation (department) solicited and received sealed competitive bid proposals for maintenance of the State Highway System, which were publicly opened and read on May 6 and 7, 2014, as shown on Exhibit A.

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

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

The department recommends that the Texas Transportation Commission (commission) respectively award to the lowest bidder or reject, as indicated, those highway maintenance and department building construction contracts, with an engineer's estimated cost of \$300,000 or more, identified on attached Exhibit A to this order.

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

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

If a condition of award is not satisfied, including, but not limited to, reason of nonconcurrence of the Federal Highway Administration, the failure of a third party to

fund or concur, or failure to meet other conditions in the contract or an Exhibit to this order, the respective award is voided and the department will return the bid guaranty.

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

(b) Highway and Transportation Enhancement Building Construction (MO)

Commissioner Austin made a motion, which was seconded, and the commission approved the following minute order by a vote of 4 - 0. This item was presented by Construction Division Deputy Director Darren Hazlett.

113950
CST

Pursuant to Transportation Code, Chapter 223, Subchapter A, and Title 43, Texas Administrative Code, Chapter 9, Subchapter B, the Texas Department of Transportation (department) solicited and received sealed competitive bid proposals for improvement of the State Highway System, which were publicly opened and read on May 6 and 7, 2014, as shown on Exhibit A.

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

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

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

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

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

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

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

ITEM 18. Eminent Domain Proceedings

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

Commissioner Moseley made a motion that the Texas Transportation Commission authorize the Texas Department of Transportation to use the power of eminent domain to acquire the properties described in the minute order set forth in the agenda for the current month for construction, reconstruction, maintenance, widening, straightening, or extending the highway facilities listed in the minute order as a part of the state highway system, and that the first record vote applies to all units of property to be condemned. The motion was seconded and the following minute order was approved by Chairman Houghton, Commissioner Austin, Commissioner Underwood, and Commissioner Moseley (a vote of 4 - 0). This item was presented by Right of Way Director John Campbell.

113951
ROW

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

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

The commission finds and determines that the highway facilities to be constructed or improved on the parcels identified and listed below under "CONTROLLED ACCESS" are designated as a Controlled-Access Highway in accordance with Transportation Code, Section 203.031; and where there is adjoining real property remaining after acquisition of a parcel, the roads are to be constructed or improved as a part of the highway facility with the right of ingress and egress to or from the remaining real property adjoining the highway facility to be permitted or denied, as designated and set forth on each of the attached Exhibits A - AAA. Where there is adjoining real property remaining after acquisition of a parcel with respect to the highway facilities to be constructed or improved on the parcels identified as listed below under "NON-CONTROLLED ACCESS," roads are to be constructed or improved as a part of the highway facility with the right of ingress and egress to or from the remaining real property adjoining the highway facility to be permitted or denied, as designated and set forth on each of the attached Exhibits 1 - 18, in accordance with Transportation Code, Sections 203.002 and 203.003.

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

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

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

NON-CONTROLLED ACCESS

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Cherokee	US 69	17	0199-03-039	23
Dallas	SH 183	8	0094-07-037	2
Dallas	SH 183	10	0094-07-037	1
Dallas	SH 183	12	0094-07-042	40
Dallas	SH 183	7	0094-07-042	32
Harris	SH 99	18	3510-06-006	409
Harris	US 290	5	0050-06-077	1006
Harris	US 290	2	0050-08-096	717
Harris	US 290	13	0050-09-086	2066
Harris	US 290	15	0050-09-090	434
McLennan	FM 1637	9	0833-03-040	66
McLennan	FM 1637	16	0833-03-041	79
Montgomery	FM 1488	30	0523-10-037	30
Montgomery	FM 1488	4	0523-10-037	23
Motley	FM 94	6	0704-05-023	3
Nacogdoches	FM 1878	14	1810-01-030	17
Nacogdoches	US 59	1	0176-01-099	13
Travis	FM 973	11	1200-03-049	19

CONTROLLED ACCESS

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Archer	US 277	MM	0156-05-044	32B
Dallas	IH 30	N	1068-04-164	1
Dallas	IH 35E	HH	0196-03-247	16
Dallas	SH 183	G	0094-03-099	40
Dallas	SH 183	H	0094-03-099	46
Dallas	SH 183	C	0094-07-042	22,22AC
Dallas	SH 183	L	0094-07-042	36

CONTROLLED ACCESS (continued)

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Denton	IH 35E	S	0195-03-072	120
Denton	IH 35E	JJ	0195-03-072	122
Denton	IH 35E	LL	0195-03-072	95
Denton	IH 35E	SS	0195-03-072	123
Denton	IH 35E	GG	0195-03-072	117
Denton	IH 35E	II	0195-03-072	109
Denton	IH 35E	OO	0196-02-109	24
Denton	IH 35E	YY	0196-02-109	30
Denton	IH 35E	RR	0196-02-109	21
Denton	IH 35E	AAA	0196-02-109	34
Denton	IH 35E	QQ	0196-02-109	33
Denton	IH 35E	ZZ	0196-02-109	32
Denton	IH 35E	KK	0196-02-110	4
Denton	IH 35E	U	0196-02-110	6
Denton	IH 35E	O	0196-02-115	272E
Harris	SH 6	CC	1685-05-103	1303
Harris	SH 99	Y	3510-06-005	166
Harris	SH 99	XX	3510-06-006	343
Harris	SH 99	V	3510-06-006	250A
Harris	SH 99	W	3510-06-006	393E,393TE
Harris	SH 99	X	3510-06-006	287,287TE
Harris	US 290	EE	0050-08-096	723
Harris	US 290	A	0050-08-096	707
Harris	US 290	AA	0050-08-096	724
Harris	US 290	FF	0050-09-086	2036
Harris	US 290	B	0050-09-086	2037
Harris	US 290	Z	0050-09-087	524
Harris	US 290	DD	0050-09-090	416
McLennan	IH 35	NN	0015-02-058	64
Montgomery	SH 99	WW	3510-07-007	643
Rockwall	IH 30	I	0009-12-208	1E
Rockwall	IH 30	BB	0009-12-208	5,5E
Tarrant	IH 35W	M	0014-16-266	878
Tarrant	IH 35W	J	0014-16-266	850
Tarrant	IH 35W	PP	0014-16-266	885
Tarrant	IH 35W	VV	0014-16-266	821
Tarrant	IH 35W	UU	0014-16-266	807
Tarrant	IH 35W	TT	0014-16-266	881
Tarrant	IH 35W	R	0014-16-266	808,808E
Tarrant	IH 35W	E	0014-16-266	842
Tarrant	IH 35W	K	0014-16-266	828
Tarrant	IH 35W	T	0014-16-266	847

CONTROLLED ACCESS (continued)

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Tarrant	IH 35W	P	0014-16-266	889
Tarrant	IH 35W	F	0014-16-266	858
Tarrant	IH 35W	D	0014-16-266	874
Tarrant	IH 35W	Q	0014-16-266	893

Note: Exhibits A - AAA and 1 - 18 are on file with the assistant chief clerk.

ITEM 15. Routine Minute Orders

Commissioner Austin made a motion, which was seconded, and the commission approved the following minute orders by a vote of 4 - 0. This item was presented by Executive Director General Joe Weber.

a. Donations to the Department

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

113952
CSO

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

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

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

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

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

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

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

b. Right of Way Dispositions and Donations

(1) Baylor County - US 277, former railroad right of way south of Seymour - Consider the sale of right of way to the abutting landowners (MO)

113953
ROW

In BAYLOR COUNTY, on US 277, the state of Texas acquired certain land for state highway purposes by instrument recorded in Volume 281, Page 517, Official Public Records of Wichita County, Texas.

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

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

Patrick C. Simek and Dinah L. Simek, husband and wife, are the abutting landowners and have requested that Tract 1 be sold to them for \$1,700.

The commission finds \$1,700 to be a fair and reasonable value for the state's right, title, and interest in Tract 1.

IT IS THEREFORE ORDERED by the commission that Tract 4 is no longer needed for a state highway purpose and that the value is less than \$10,000. The commission authorizes the executive director to execute a proper instrument conveying all of the state's right, title, and interest in Tract 1 to Patrick C. Simek and Dinah L. Simek, husband and wife, for \$1,700; SAVE AND EXCEPT, however, there is excepted and reserved herefrom all of the state's rights, titles, and interests, if any, in and to all of the oil, gas, sulphur, and other minerals, of every kind and character, in, on, under, and that may be produced from Tract 1.

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

(2) Gregg County - FM 1252, south side, near old SH 135 - Consider waiving a charge for the lease of right of way (MO)

113954
ROW

In GREGG COUNTY, on FARM TO MARKET ROAD 1252, the state of Texas acquired certain land for highway purposes.

Sabine Independent School District (ISD) has requested to lease a portion of the land, described in Exhibit A, for the purpose of a telecommunication line between school district facilities.

V.T.C.A., Transportation Code, Chapter 202, Subchapter C, authorizes the leasing of highway right of way.

In accordance with Texas Administrative Code, §21.603, if the Texas Transportation Commission (commission) finds it to be in the public interest, the commission may waive the fair market value requirement for a lease for social purposes.

IT IS THEREFORE ORDERED by the commission that the fair market value requirement is waived for a lease to Sabine ISD for social purposes.

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

(3) Harrison County - SH 154, old alignment at Little Cypress Creek north of Nesbitt - Consider the removal from the system of two segments on the old alignment and transfer of control, jurisdiction, and maintenance to the county, designation on a new location, and quitclaim of right of way to the county (MO)

113955
ROW

In HARRISON COUNTY, on STATE HIGHWAY 154, the state of Texas used certain land for highway purposes that was acquired in the county's name.

Pursuant to Texas Transportation Code, §§201.103 and 221.001, the executive director has recommended, as shown in Exhibit A, the removal from the state highway system of two segments on the old alignment of SH 154, the transfer of control, jurisdiction, and maintenance to Harrison County, and designation of the highway on the new location.

Portions of the land (Tracts 1 and 2), described in Exhibit B, are no longer needed for state highway purposes.

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

Harrison County will assume control, jurisdiction, and maintenance of Tracts 1 and 2 and has requested the quitclaim to the county.

IT IS THEREFORE ORDERED by the commission that: 1) Segments on the old alignment of SH 154 from Sta. 1555.00 to Sta. 1595.00 and from Sta. 1599.00 to Sta. 1664.00 are removed from the state highway system; 2) control, jurisdiction and maintenance is transferred to Harrison County; and 3) SH 154 is designated on a new location from Sta. 1555.00 to Sta. 1664.00.

FURTHER, the commission finds that Tracts 1 and 2 are no longer needed for a state highway purpose and recommends, subject to approval by the attorney general, that the governor of Texas execute a proper instrument quitclaiming Tracts 1 and 2 to Harrison County, Texas.

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

(4) Howard County - US 87 at FM 700 in Big Spring - Consider the sale of right of way to the city of Big Spring (MO)

113956
ROW

In HOWARD COUNTY, on US 87, the state of Texas acquired certain land for highway purposes by instrument recorded in Volume 105, Page 62, Deed Records of Howard County, Texas.

The land (Tract 1), described in Exhibit A, is no longer needed for a state highway purpose.

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

The city of Big Spring has requested to purchase Tract 1 for \$2,268.

The commission finds \$2,268 to be a fair and reasonable value of the state's right, title, and interest in Tract 1.

IT IS THEREFORE ORDERED by the commission that Tract 1 is no longer needed for a state highway purpose and that the value is less than \$10,000. The commission authorizes the executive director to execute a proper instrument conveying all of the state's right, title, and interest in Tract 1 to the city of Big Spring, Texas, for \$2,268; SAVE AND EXCEPT, however, there is excepted and reserved herefrom all of the state's rights, titles, and interests, if any, in and to all of the oil, gas, sulphur, and other minerals, of every kind and character, in, on, under, and that may be produced from Tract 1.

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

(5) McLennan County - FM 2837 at I-35 in Lorena - Consider the exchange of land and acceptance of a donation (MO)

113957
ROW

In the city of Lorena, MCLENNAN COUNTY, on FARM TO MARKET ROAD 2837, the state of Texas acquired certain land for highway purposes by instruments recorded in Volume 827, Page 11, and Volume 886, Page 501, Deed Records of McLennan County, Texas.

Portions of the land (Tracts), described in Exhibit A, will no longer be needed for highway purposes upon completion of construction and acceptance of the highway on a new location.

In accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (commission) may recommend the exchange of an interest in real property acquired but not needed for a highway purpose as whole or partial consideration for another interest in real property needed for a state highway purpose.

RKS Properties Lorena, LLC (RKS), has conveyed to the state certain land (Parcels), described in Exhibit B, needed for a state highway purpose.

V.T.C.A., Transportation Code, Chapter 201, Subchapter D, authorizes the Texas Department of Transportation (department) to accept donations of real property for the purpose of carrying out its functions and duties.

V.T.C.A., Government Code, Chapter 575, requires the commission to acknowledge the acceptance of a gift or donation valued at over \$500 by majority vote at an open meeting not later than the 90th day after the date the donation is accepted.

An Agreement Concerning the Donation of Property to the Texas Department of Transportation (donation agreement) has been executed by RKS and tendered to the department for acceptance under the provisions of Title 43, Texas Administrative Code, Chapter 1, Subchapter M, since the value of Parcels, which is \$2,719,647, exceeds the value of the Tracts, which is \$118,118, resulting in a difference in value of \$2,601,529.

RKS has executed and delivered conveyance documents under the terms of the donation agreement to convey Parcels to the state and has requested that the state's right, title, and interest in Tracts be conveyed to RKS.

It is the opinion of the commission that, upon completion of construction of the highway on the new location, it is proper and correct that the state convey its right, title, and interest in Tracts to RKS in exchange and as consideration for the partial donation and the conveyance of Parcels to the state.

IT IS THEREFORE ORDERED by the commission that it acknowledges the acceptance of the donation of \$2,601,529 in accordance with Title 43, Texas Administrative Code, Chapter 1, Subchapter M.

FURTHER, in consideration of the foregoing premises and in accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the commission finds that, upon completion of construction and acceptance of the highway on the new location, Tracts will be no longer needed for a state highway purpose and recommends, subject to approval by the attorney general, that the governor of Texas execute a proper instrument conveying the state's right, title, and interest in Tracts to RKS Properties Lorena, LLC, in exchange and as consideration for the conveyance of Parcels and partial donation to the state; SAVE AND EXCEPT, however, there is excepted and reserved herefrom all of the state's rights, titles, and interests, if any, in and to all of the oil, gas, sulphur, and other minerals, of every kind and character, in, on, under, and that may be produced from Tracts.

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

(6) Tarrant County - Rosedale Street at 7th Avenue in Fort Worth - Consider the sale of right of way to the abutting landowner (MO)

113958
ROW

In the city of Fort Worth, TARRANT COUNTY, on ROSEDALE STREET, the state of Texas acquired certain land for highway purposes by instruments recorded under Document Numbers D199111440 and D202077719, Official Public Records, Tarrant County, Texas.

The land (Tract 13-4), described in Exhibit A, is no longer needed for a state highway purpose.

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

Oleander Investments, LLC, is the abutting landowner and has requested to purchase the Tract 13-4 for \$261,326.

The commission finds \$261,326 to be a fair and reasonable value of the state's right, title, and interest in Tract 13-4.

IT IS THEREFORE ORDERED by the commission that Tract 13-4 is no longer needed for a state highway purpose. The commission recommends, subject to approval by the attorney general, that the governor of Texas execute a proper instrument conveying all of the state's right, title, and interest in Tract 13-4 to Oleander Investments, LLC, for \$261,326; SAVE AND EXCEPT, however, there is excepted and reserved herefrom all of the state's right, title, and interest, if any, in and to all of the oil, gas, sulphur, and other minerals, of every kind and character, in, on, under, and that may be produced from the land.

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

(7) Walker County - SH 19 in Huntsville - Consider the exchange of right of way with the city of Huntsville (MO)

113959
ROW

In the city of Huntsville, WALKER COUNTY, on STATE HIGHWAY 19, the state of Texas acquired certain land for highway purposes by instruments recorded in Volume 223, Page 416, and Volume 228, Page 722, Deed Records of Walker County, Texas.

A portion of the land (Tract 2), described in Exhibit A, is no longer needed for a state highway purpose.

In accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (commission) may recommend the exchange of real property acquired but not needed for a highway purpose as whole or partial consideration for another interest in real property needed for a state highway purpose.

The city of Huntsville is the owner of land needed by the state for a highway purpose (Parcel 1), described in Exhibit B. The city has conveyed Parcel 1 to the state and has requested that Tract 2 be conveyed to the city. The state will pay the city the \$65 cash difference in value.

IT IS THEREFORE ORDERED by the commission that Tract 2 is no longer needed for a state highway purpose and that Parcel 1 is needed for a state highway purpose. The commission recommends, subject to approval by the attorney general, that the governor of Texas execute a proper instrument conveying all of the state's right, title, and interest in Tract 2 to the city of Huntsville, Texas, in exchange and as partial consideration for the conveyance of Parcel 1 to the state and the state's cash payment of \$65 to the city; SAVE AND EXCEPT, however, there is excepted and reserved herefrom all of the state's rights, titles, and interests, if any, in and to all of the oil, gas, sulphur, and other minerals, of every kind and character, in, on, under, and that may be produced from Tract 2.

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

c. Environmental Covenant

Authorize the executive director to execute an environmental restrictive covenant, in favor of the Texas Commission on Environmental Quality (TCEQ) and the State of Texas, imposing certain restrictions on subsurface activities on a section of I-30 right-of-way between N. Cockrell Hill Road and N. Westmoreland Road, west of downtown Dallas (MO)

113960
ENV

TXI Operations, LP (TXI) is seeking a Certificate of Completion from the Texas Commission on Environmental Quality (TCEQ) for a contaminated parcel owned by TXI on the south side of I-30 west of downtown Dallas. The subsurface contamination associated with the site extends underneath a portion of the Texas Department of Transportation's (department) I-30 right-of-way. In connection with its response action, TXI has requested that the department execute a restrictive covenant imposing certain restrictions on subsurface activities on a portion of the department's I-30 right-of-way between N. Cockrell Hill Road and N. Westmoreland Road in Dallas. The property to be subject to the restrictive covenant is more specifically identified in the attached survey. TCEQ representatives have also requested that the department execute this restrictive covenant.

The Texas Transportation Commission (commission) has determined that the restrictive covenant should be executed if the terms of the restrictive covenant are acceptable to the department's executive director.

IT IS THEREFORE ORDERED by the commission that the department's executive director is authorized to execute the above-described restrictive covenant pursuant to Transportation Code, §202.061.

d. Transportation Planning

Various Counties - Approve the redesignation of the Alamo Area Metropolitan Planning Organization (MPO) (MO)

113961
TPP

In accordance with 23 U.S.C. §134, as implemented by 23 C.F.R. §450.310, an existing metropolitan planning organization (MPO) may be redesignated only by agreement between the governor and units of general purpose local government that together represent at least 75 percent of the existing metropolitan planning area population (including the largest incorporated city). Redesignation is required whenever the existing MPO makes a substantial change in the proportion of voting members on the existing MPO representing the largest incorporated city, other units of general purpose local government served by the MPO, and the state.

On October 4, 2005, Governor Rick Perry delegated authority to the Texas Transportation Commission (commission) to approve the redesignation of an existing MPO.

On September 30, 2013, the San Antonio-Bexar County MPO Policy Board approved a resolution recommending the expansion of the metropolitan planning area boundary to include Comal and Guadalupe Counties and a portion of Kendall County. The boundary expansion included the cities of Boerne, Fair Oaks Ranch, New Braunfels, and Seguin. On October 31, 2013, the commission approved this expansion.

The boundary expansion also resulted in a reconfiguration of the MPO's Policy Board, which has increased in size from 19 to 21 members. The Policy Board subsequently approved a name change for the organization, which is now known as the Alamo Area MPO.

The commission has reviewed and accepted the documentation and rationale supporting the proposed redesignation.

IT IS THEREFORE ORDERED by the commission that the proposed Alamo Area MPO redesignation is hereby approved.

IT IS FURTHER ORDERED that the executive director is authorized to enter into any necessary agreements associated with the redesignation process.

e. Highway Designations

(1) Harris County - In the city of Houston, redesignate FM 525 as Farm to Market Spur 525 and extend the designation of Aldine Bender/FM 525 (MO)

113962
TPP

In Harris County, officials from the City of Houston have requested to redesignate the existing Farm To Market 525 (FM 525) as Farm To Market Spur 525 (FM Spur 525) on the state highway system from the intersection of FM 525 and Lee Road southward to I-69, a distance of approximately 0.4 mile; and to extend the designation of FM 525 from the intersection of FM 525 and Lee Road eastward to Marine Road, a distance of approximately 0.3 mile.

Pursuant to Texas Transportation Code, §§201.103 and 221.001, the executive director of the Texas Department of Transportation has recommended the redesignation of FM 525 as FM Spur 525 and extension of FM 525.

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

IT IS THEREFORE ORDERED by the commission that FM 525 is redesignated as FM Spur 525 and that the designation of FM 525 be extended on the state highway system, as shown in Exhibit A.

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

(2) Harris County - In the city of Houston, designate existing roadway within Sheldon Lake State Park as Park Road 138 (MO)

113963
TPP

In Harris County, the Houston District has requested the designation of the existing roadway within Sheldon Lake State Park as Park Road 138 (PR 138) from the intersection of Garrett Road southward to Business U.S. Highway 90-U, a distance of approximately 2.25 miles.

Pursuant to Texas Transportation Code, §§201.103 and 221.001, the executive director of the Texas Department of Transportation has recommended that PR 138 be designated on the state highway system.

The Texas Transportation Commission (commission) finds that the designation of PR 138 will facilitate the flow of traffic, promote public safety, and maintain

continuity of the state highway system and is necessary for the proper development and operation of the system. The designation will also improve public access to facilities within the park.

IT IS THEREFORE ORDERED by the commission that PR 138 be designated on the state highway system, a distance of approximately 2.25 miles, as shown in Exhibit A.

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

f. Reports

Accept the annual Inspection Report for the Central Texas Turnpike System (MO)

113964
TOD

In TRAVIS and WILLIAMSON COUNTIES, STATE HIGHWAY 130 has been designated a toll project and a controlled-access state highway from I-35 north of Georgetown to a southern terminus at US 183.

In TRAVIS and WILLIAMSON COUNTIES, STATE HIGHWAY 45N has been designated a toll project and a controlled-access state highway from west of US 183 to SH 130.

In TRAVIS and WILLIAMSON COUNTIES, STATE HIGHWAY LOOP 1 has been designated a toll project and a controlled-access state highway from Farm to Market 734 (Parmer Lane) in Austin to the intersection of Loop 1 and SH 45N.

In TRAVIS COUNTY, STATE HIGHWAY 45 SOUTHEAST has been designated as a turnpike project and a controlled access state highway from I-35 at FM 1327 south of Austin to the SH 130 / US 183 interchange.

The Texas Transportation Commission (commission) has issued toll revenue bonds and other obligations to finance a portion of the costs of the 2002 Project of the Central Texas Turnpike System (system), a toll project originally composed of the SH 130, SH 45N, and Loop 1 project elements, and has entered into an Indenture of Trust, with Bank of New York Mellon Trust Company, National Association, as Trustee to secure the revenue bonds and other obligations issued for the 2002 Project.

On August 30, 2012, the commission ordered the addition of SH 45 Southeast to the system in accordance with the terms of the sixth supplemental indenture (sixth supplement) and the minute order approving the sixth supplement.

In Section 707 of the Indenture of Trust, the commission covenants that it shall cause the general engineering consultant to make an inspection of the system at least once in the fiscal year following the substantial completion of the 2002 Project and in each fiscal year thereafter.

Following each inspection and on or before the 90th day prior to the end of each fiscal year, the general engineering consultant shall submit to the commission a report concerning the inspection, setting forth: (a) their findings as to whether the system has been maintained in good repair, working order, and condition; (b) their advice and recommendations as to the proper maintenance, repair, and operation of the system during the ensuing fiscal year; and (c) an estimate of the amount of money necessary for such purposes, including their recommendations, as to the total amounts and classifications of items and amounts that should be provided for in the annual operating

budget, the annual maintenance budget, and annual capital budget for the next ensuing fiscal year.

Section 707 of the Indenture of Trust requires copies of the report to be filed with the U.S. Department of Transportation and the Trustee.

The commission has previously engaged PBS&J to serve as general engineering consultant in accordance with the Indenture of Trust. The FY 2014 Central Texas Turnpike System Annual Inspection Report, attached as Exhibit A, has been prepared by Atkins North America, Inc. (formerly PBS&J) in accordance with Section 707 of the Indenture of Trust.

IT IS THEREFORE ORDERED by the commission that the general engineering consultant's FY 2014 Central Texas Turnpike System Annual Inspection Report attached as Exhibit A is accepted.

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

g. Speed Zones

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

113965
TRF

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

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

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

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

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

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

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

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

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

ITEM 20. Executive Session Pursuant to Government Code, Chapter 551

a. Section 551.071 - Consultation with and advice from legal counsel regarding any item on this agenda

b. Section 551.071 - Consultation with and advice from legal counsel regarding pending or contemplated litigation

c. Section 551.072 - Discussion of the purchase, exchange, lease, or value of real property

The commission recessed to executive session at 12:25 p.m. and returned from executive session at 12:55 p.m.

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

The commission received no further comments.

The regular meeting of the Texas Transportation Commission was adjourned at 12:56 p.m.

APPROVED:



Ted Houghton, Chairman
Texas Transportation Commission

May 29, 2014

173

I hereby certify that the above and foregoing pages constitute the full, true, and correct record of all proceedings and official records of the Texas Transportation Commission at its regular meeting on May 29, 2014, in Austin, Texas.



Robin Carter, Assistant Chief Clerk
Texas Department of Transportation