

TEXAS TRANSPORTATION COMMISSION

HARRIS County

MINUTE ORDER

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HOUSTON District

Transportation Code, Section 201.1055, authorized the Texas Department of Transportation (department) to enter into an agreement that includes design and construction of a district office headquarters facility in a county with a population of 3.3 million or more; lease department-owned real property in such a district to a private entity; authorize a private entity to construct and retain ownership of a building on the leased property and enter into a lease with an option to purchase such a building.

The commission by Minute Order No. 110121, authorized the department to execute various transaction documents including a lease with an option to purchase (LWOP) in connection with renovating and constructing buildings for the Houston District Headquarters.

Article XVI of the LWOP requires the department to provide within six months after the end of the fiscal year certain updated financial information and operating data.

IT IS THEREFORE ORDERED by the commission that the annual report of financial information and operating data, attached as Exhibit A, is accepted.

Submitted and reviewed by:

Recommended by:

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Executive Director

\_\_\_\_\_  
Minute Number      Date Passed

EXHIBIT A

Annual Financial Information and Operating Data  
with Respect to  
\$34,355,000  
Certificates of Participation<sup>1</sup>  
Evidencing Proportionate Interests of the Owner Thereof in a  
Lease with Option to Purchase With the  
Texas Department of Transportation as Lessee

(1) Audited Financial Statements of the Department – the unaudited financial statements of the department for fiscal year ending August 31, 2006 are attached hereto.

(2) Status of Project – all of the Phase 1 construction documents are complete and the Phase 2 construction documents are 90% complete.

GP DOT Houston Development, LP broke ground on Phase 1 of project on April 1, 2006. The Phase 1 construction is now scheduled to be completed on June 12, 2007 and Phase 2 is scheduled to be completed on May 26, 2008. As of February 2007, the Project is approximately 3 weeks behind schedule.

Payments have been approved by the department for GP DOT Houston Development, LP's pre-development, the design work and partial construction through January 2007 in the amount of \$8,531,326 with \$426,568 withheld as retainage in accordance with the contract. The project was 23% complete as of January 2007. The January pay request is being processed without any objections from the department.

<sup>1</sup> CUSIP 88276T