

These are the minutes of the regular meeting of the Texas Transportation Commission held on October 31, 2019, in Austin, Texas. The meeting was called to order at 9:01 a.m. by Chairman Bugg with the following commissioners present:

Texas Transportation Commission:

J. Bruce Bugg, Jr.	Chairman
Laura Ryan	Commissioner
Alvin New	Commissioner
Robert C. Vaughn	Commissioner

Administrative Staff:

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

A public notice of this meeting containing all items on the proposed agenda was filed in the Office of the Secretary of State at 4:53 p.m. on October 23, 2019, as required by Government Code, Chapter 551, referred to as "The Open Meetings Act."

ITEM 1. Safety Briefing

This item was presented by Occupational Safety Specialist Randy Clawson.

ITEM 2. Consider the approval of the Minutes of the September 26, 2019, regular meeting of the Texas Transportation Commission

Commissioner Vaughn made a motion, which was seconded by Commissioner New, and the commission approved the minutes of the September 26, 2019, regular meeting by a vote of 4 - 0.

ITEM 3. Discussion Item

Request from the City of Austin for coordination with the Texas Department of Transportation on the removal of personal property from state right-of-way to ensure public safety

This discussion was led by Executive Director James Bass. The commissioners had no questions or comments on this topic.

ITEM 4. Contracts

Consider the award or rejection of contracts for highway construction and maintenance, and construction and rehabilitation of buildings (Presentation)

a. Highway Improvement and Other Transportation Facilities (MO)

This item was presented by Construction Division Director Gina Gallegos. Commissioner New made a motion, which was seconded by Commissioner Ryan, and the commission approved the following minute order by a vote of 4 - 0.

Transportation (department) solicited and received sealed competitive bid proposals for improvement of the State Highway System, which were publicly opened and read on October 2 and 3, 2019, as shown on Exhibit A.

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

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

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

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

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

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

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

b. Routine Maintenance (MO)

This item was presented by Construction Division Director Gina Gallegos. Commissioner Ryan made a motion, which was seconded by Commissioner Vaughn, and the commission approved the following minute order by a vote of 4 - 0.

115599
MNT

Pursuant to Transportation Code, Chapter 223, Subchapter A, and Title 43, Texas Administrative Code, Chapter 9, Subchapter B, the Texas Department of Transportation (department) solicited and received sealed competitive bid proposals for maintenance of the State Highway System, which were publicly opened and read on October 2 and 3, 2019, as shown on Exhibit A.

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

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

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

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

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

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

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

ITEM 5. Aviation

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

This item was presented by Interim Aviation Division Director Dan Harmon. City of Granbury Airport Manager Pat Stewart spoke to the commission in favor of the agenda item. Commissioner New made a motion, which was seconded by Commissioner Vaughn, and the commission approved the following minute order by a vote of 4 - 0.

115600
AVN

The Texas Department of Transportation (department) is authorized under Title 49, United States Code, Chapter 471, and Texas Transportation Code, Chapter 21, to award federal and state funding for capital improvement projects and to assist in the development and establishment of airports in the state of Texas.

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

On September 27, 2019, 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, subject to applicable federal and state requirements, is authorized to enter into any necessary agreements to fund, through the Aviation Facilities Grant Program, the projects described in Exhibit A.

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

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

a. Rules Proposals

(1) Chapter 2 - Environmental Review of Transportation Projects

Amendments to §2.3, Applicability; Exceptions (General Provisions) (MO)

This item was presented by Environmental Affairs Division Director Carlos Swonke. Commissioner Ryan made a motion, which was seconded by Commissioner Vaughn, and the commission approved the following minute order by a vote of 4 - 0.

115601
ENV

The Texas Transportation Commission (commission) finds it necessary to propose amendments to §2.3 relating to General Provisions 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 §2.3 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 commission chief clerk.

(2) Chapter 7 - Rail Facilities

Amendments to §7.81 and §7.82, the repeal of §§7.83 - 7.95, and new §§7.83 - 7.96 (Rail Fixed Guideway System State Safety Oversight Program) (MO)

This item was presented by Public Transportation Division Director Eric Gleason. Commissioner Vaughn made a motion, which was seconded by Commissioner New, and the commission approved the following minute order by a vote of 4 - 0.

115602
PTN

The Texas Transportation Commission (commission) finds it necessary to propose amendments to §7.81, Definitions, and §7.82, System Safety Program Plan, the repeal of §§7.83 – 7.95, and new §§7.83 – 7.96, all concerning the rail fixed guideway system state safety oversight program 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 §7.81 and §7.82, the repeal of §§7.83 – 7.95, and new §§7.83 – 7.96 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 commission chief clerk.

Chairman Bugg recognized Representative Brooks Landgraf, who did not provide remarks to the commission.

(4) Chapter 31 - Public Transportation
Amendments to §31.3, Definitions (General), and §31.38, Public Transit Safety Program
(Program Administration) (MO)

This item was presented by Public Transportation Division Director Eric Gleason. Commissioner Ryan made a motion, which was seconded by Commissioner Vaughn, and the commission approved the following minute order by a vote of 4 - 0.

115603
PTN

The Texas Transportation Commission (commission) finds it necessary to propose amendments to §31.3, relating to Definitions, and §31.38, relating to Public Transit Safety Program, 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 §§31.3 and 31.38 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 commission chief clerk.

(5) Chapter 9 - Contract and Grant Management
Amendments to §9.17, Award of Contract (Highway Improvement Contracts) and §9.227,
Information from Bidders (Disadvantaged Business Enterprise (DBE) Program) (MO)

This item was presented by Civil Rights Division Director Michael Bryant. Commissioner New made a motion, which was seconded by Commissioner Vaughn, and the commission approved the following minute order by a vote of 4 - 0.

115604
CIV

The Texas Transportation Commission (commission) finds it necessary to propose amendments to §9.17, relating to Award of Contract, and §9.227, relating to Information from Bidders, 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 §§9.17 and 9.227 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 commission chief clerk.

(6) Chapter 11 - Design**Amendments to §11.52, Access Connection Facilities Process (Access Connections to State Highways) (MO)**

This item was presented by Design Division Director Camille Thomason. Commissioner Ryan made a motion, which was seconded by Commissioner Vaughn, and the commission approved the following minute order by a vote of 4 - 0.

115605
DES

The Texas Transportation Commission (commission) finds it necessary to propose amendments to §11.52 relating to Access Connections to State Highways 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 §11.52 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 commission chief clerk.

b. Rules Adoption**Chapter 9 - Contract and Grant Management****Amendments to §9.87, Selection (Contracts for Scientific, Real Estate Appraisal, Right of Way Acquisition, and Landscape Architectural Services) (MO)**

This item was presented by Right of Way Division Director Kyle Madsen. Commissioner New made a motion, which was seconded by Commissioner Ryan, and the commission approved the following minute order by a vote of 4 - 0.

115606
ROW

The Texas Transportation Commission (commission) finds it necessary to adopt amendments to §9.87 relating to Selection to be codified under Title 43, Texas Administrative Code, Part 1.

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

IT IS THEREFORE ORDERED by the commission that the amendments to §9.87 are adopted and are authorized for filing with the Office of Secretary of State.

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

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

ITEM 7. Design-Build Contract

Tarrant County - Consider authorizing the department to issue a request for qualifications to design, construct, and maintain the Southeast Connector Project, consisting of non-tolled improvements along I-20 from Forest Hill Drive to Park Springs Boulevard, I-820 from I-20 to Brentwood Stair Road, and US 287 from Bishop Street to Sublett Road, in Tarrant County (MO) (Presentation)

This item was presented by Project Finance, Debt & Strategic Contracts Division Director Ben Asher. Commissioner Vaughn made a motion, which was seconded by Commissioner New, and the commission approved the following minute order by a vote of 4 - 0.

115607
PFD

Subchapter F, Chapter 223, Transportation Code prescribes the process by which the Texas Department of Transportation (department) may enter into a design-build contract with a private entity that provides for the design, construction, expansion, extension, related capital maintenance, rehabilitation, alteration, or repair of a highway project.

Transportation Code §§ 223.245-223.250 prescribe requirements for a design-build contract procurement. Pursuant to those provisions, the department must issue a request for qualifications that includes, among other things, the criteria that will be used to evaluate any qualification submittals, the relative weight given to the criteria, and a deadline by which qualification submittals must be received. The department is also required to publish a notice advertising the issuance of the request for qualifications in the *Texas Register* and on the department's website.

The Southeast Connector Project consists of non-tolled improvements to I-20 from Forest Hill Drive to Park Springs Boulevard, to I-820 from I-20 to Brentwood Stair Road, and to US 287 from Bishop Street to Sublett Road. The improvements to all three project sections include the construction of additional general purpose lanes and frontage roads, with collector-distributors also constructed on the I-20 section. The improvements also include the reconstruction and realignment of existing general purpose lanes, frontage roads, on and off ramps, and the interchanges of US 287 and I-20, I-20 and I-820, SP 303 and I-820, US 180 and I-820, and US 287 and I-820.

The project is the convergence zone and approaches for three separate highway facilities: I-20, I-820 and US 287. Originally completed in the mid-1960s, the roadway sections have obsolete design characteristics that contribute to significant congestion and inefficient accessibility. Additional complications result at the southern sections of the I-820 loop where multiple highways merge and diverge in short succession creating bottlenecked conditions. The project is a crucial element to providing operational efficiency and long term congestion management, as well as improving safety and mobility in the corridor.

IT IS THEREFORE ORDERED by the commission that the department is authorized to issue a request for qualifications to design, construct, and maintain the Southeast Connector Project in Tarrant County, and to publish in the *Texas Register* and on the department's website a notice advertising the issuance of the request for qualifications.

ITEM 8. State Infrastructure Bank

a. **Nueces County** - City of Robstown - Consider final approval of a request from the City of Robstown for a State Infrastructure Bank loan in the amount of up to \$300,000 for a contribution to the department to pay the costs of right of way acquisition and utility relocation necessary for a non-tolled state highway improvement project on US 77 in Nueces County (MO)

This item was presented by Project Finance, Debt & Strategic Contracts Division Director Ben Asher. Commissioner New made a motion, which was seconded by Commissioner Vaughn, and the commission approved the following minute order by a vote of 4 - 0.

115608
PFD

The City of Robstown (City) has submitted an application for financial assistance in the form of a loan of up to \$300,0000 from the State Infrastructure Bank (SIB) under Transportation Code, Chapter 222, Subchapter D, and Title 43 Texas Administrative Code (TAC), Chapter 6 (SIB Rules). The application satisfies all requirements of the rules, including passage by the City of a resolution authorizing submission of the application to the Texas Department of Transportation (department).

The intended use of the financial assistance conforms to the purposes of the SIB. The City intends to use the financial assistance to pay the City's contribution to the department for funding participation in the costs of acquiring right of way and utility relocation necessary for a non-tolled state highway improvement project to construct main lanes, frontage roads and overpasses on US 77 in Nueces County, Texas (project).

The present and projected financial condition of the SIB is sufficient to cover the requested financial assistance for the project.

The City has proposed a pledge of ad-valorem taxes as security for repayment of the loan.

In accordance with the SIB Rules, the executive director has negotiated all the terms of an agreement as necessary to protect the public's safety and to prudently provide for the protection of public funds while furthering the purposes of the SIB, contained in the Term Sheet attached hereto as Exhibit A.

The SIB Rules 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 SIB Rules if the financial assistance is to be used for a project for which the department has primary responsibility.

The executive director or his designee implemented actions authorized and required by the SIB Rules for final approval. 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 City's application for financial assistance from the SIB.

In accordance with the SIB Rules, the commission finds that:

1. the project is consistent with the Statewide Long-Range Transportation Plan and the metropolitan transportation plan developed by the applicable metropolitan planning organization;
2. the project is not in a Clean Air Act non-attainment area;
3. the project will improve the efficiency of the state's transportation systems;
4. the project will expand the availability of funding for transportation projects or reduce direct state costs;
5. the application shows that the City is likely to have sufficient revenues to assure repayment of the financial assistance;
6. providing financial assistance will protect the public's safety and prudently provide for the protection of public funds, while furthering the purposes of the SIB; and
7. the project will provide for all reasonable and feasible measures to avoid, minimize, or mitigate for adverse environmental impacts.

IT IS THEREFORE DETERMINED AND ORDERED by the commission that the application submitted by the City for financial assistance in the form of a loan from the SIB meets the applicable requirements of the SIB Rules and, in accordance with those provisions, the commission grants final approval of the City's application for a SIB loan under the terms in the Term Sheet attached hereto as Exhibit A in an amount not to exceed \$300,000 to pay the City's contribution to the department for funding participation in the costs of acquiring right of way and utility relocation necessary for the non-tolled project.

IT IS FURTHER ORDERED by the commission that the executive director or his designee is directed and authorized to enter into a financial assistance agreement with the City which complies with the SIB Rules and which contains the terms in the Term Sheet attached hereto as Exhibit A.

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

b. Palo Pinto County - Palo Pinto County Water Control and Improvement District (WCID) No. 1 - Consider final approval of a request from Palo Pinto County WCID No. 1 for a State Infrastructure Bank loan in the amount of up to \$250,000 to pay the costs of utility relocation necessary for a non-tolled state highway improvement project to widen FM 2951 in Palo Pinto County (MO)

This item was presented by Project Finance, Debt & Strategic Contracts Division Director Ben Asher. Commissioner New made a motion, which was seconded by Commissioner Ryan, and the commission approved the following minute order by a vote of 4 - 0.

115609
PFD

The Palo Pinto County Water Control and Improvement District No. 1 (WCID) has submitted an application for financial assistance in the form of a loan of up to \$250,000 from the State Infrastructure Bank (SIB) under Transportation Code, Chapter 222, Subchapter D, and Title 43 Texas Administrative Code (TAC), Chapter 6 (SIB Rules). The application satisfies all requirements of the rules, including passage by the WCID of a resolution authorizing submission of the application to the Texas Department of Transportation (department).

The intended use of the financial assistance conforms to the purposes of the SIB. The WCID intends to use the financial assistance to pay the costs of utility relocation necessary for a non-tolled state highway improvement project on FM 2951 in Palo Pinto County, Texas (project).

The present and projected financial condition of the SIB is sufficient to cover the requested financial assistance for the project.

The WCID has proposed a pledge of ad valorem tax, as well as revenues of the water and wastewater system as security for repayment of the loan.

In accordance with the SIB Rules, the executive director has negotiated all the terms of an agreement as necessary to protect the public's safety and to prudently provide for the protection of public funds while furthering the purposes of the SIB, contained in the Term Sheet attached hereto as Exhibit A.

The SIB Rules 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 SIB Rules if the financial assistance is to be used for a project for which the department has primary responsibility.

The executive director or his designee implemented actions authorized and required by the SIB Rules for final approval. 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 WCID's application for financial assistance from the SIB.

In accordance with the SIB Rules, the commission finds that:

1. the project is consistent with the Statewide Long-Range Transportation Plan and the metropolitan transportation plan developed by the applicable metropolitan planning organization;
2. the project is not in a Clean Air Act non-attainment area;
3. the project will improve the efficiency of the state's transportation systems;
4. the project will expand the availability of funding for transportation projects or reduce direct state costs;
5. the application shows that the WCID is likely to have sufficient revenues to assure repayment of the financial assistance;
6. providing financial assistance will protect the public's safety and prudently provide for the protection of public funds, while furthering the purposes of the SIB; and
7. the project will provide for all reasonable and feasible measures to avoid, minimize, or mitigate for adverse environmental impacts.

IT IS THEREFORE DETERMINED AND ORDERED by the commission that the application submitted by the WCID for financial assistance in the form of a loan from the SIB meets the applicable requirements of the SIB Rules and, in accordance with those provisions, the commission grants final approval of the WCID's application for a SIB loan under the terms in the Term Sheet attached hereto as Exhibit A in an amount not to exceed \$250,000 to pay the costs associated with the utility relocation necessary for the non-tolled project.

IT IS FURTHER ORDERED by the commission that the executive director or his designee is directed and authorized to enter into a financial assistance agreement with the WCID which complies with the SIB Rules and which contains the terms in the Term Sheet attached hereto as Exhibit A.

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

ITEM 9. Project Finance

Tarrant and Denton Counties - Consider authorizing the Private Activity Bond Surface Transportation Corporation (corporation) to take all actions necessary for the issuance of one or more series of bonds for a portion of the North Tarrant Express Managed Lanes Project (Segments 1 & 2W) and to loan the proceeds to the North Tarrant Express Mobility Partners (developer) to: 1) refund the outstanding corporation bonds issued to finance a portion of the project; 2) refinance the outstanding Transportation Infrastructure Financing and Innovation Act loan of the developer with the United States Department of Transportation, which loan also financed a portion of the project; and 3) finance additional costs of Segments 1 & 2W. The department will share in the gains from the refinancings in accordance with the terms of the comprehensive development agreement between the department and the developer (MO)

This item was presented by Project Finance, Debt & Strategic Contracts Division Director Ben Asher. Public citizen and engineer Don Dixon provided remarks to the commission. Commissioner Ryan made a motion, which was seconded by Commissioner New, and the commission approved the following minute order by a vote of 4 - 0.

115610
PFD

On October 30, 2008, by Minute Order 111551, the Texas Transportation Commission (commission), pursuant to Chapter 431, Transportation Code, adopted a resolution authorizing the creation of the Private Activity Bond Surface Transportation Corporation (corporation) to assist and act on behalf of the commission to promote and develop new and expanded public

transportation facilities and systems, including the issuance of bonds for comprehensive development agreement projects as approved by the commission.

On January 29, 2009, by Minute Order 111661, the commission conditionally awarded comprehensive development agreements to NTE Mobility Partners (NTEMP), a private developer, for the North Tarrant Express (NTE Project) managed lanes project, which included the development of I-820 and SH 121/SH 183 from I-35W to SH 161, along I-820 east from SH 121/SH 183 to Randol Mill Road, and along I-35W from I-30 to SH 170 in Tarrant and Dallas counties (NTE Project).

On December 16, 2009, NTEMP and the United States Department of Transportation entered into a loan agreement (2009 TIFIA loan) to finance Segments 1 and 2W of the NTE Project which consists of I-820 and SH 121/SH 183 from I-35W to Industrial Boulevard (Segments 1 & 2W).

On December 17, 2009, the corporation issued \$400,000,000 of private activity bonds (2009 PABs) on behalf of NTEMP to finance Segments 1 & 2W of the NTE Project in accordance with Minute Order 111939 approved by the commission on August 29, 2009.

NTEMP has now requested that the corporation issue one or more series of bonds to refund the 2009 PABs, refinance the 2009 TIFIA loan, and/or finance additional costs of Segments 1 & 2W.

Pursuant to Chapter 431, Texas Transportation Code (act) and rules adopted by the commission, the corporation may perform the functions specified in the act and, at the request of the commission, any other functions not specified by the act necessary to promote and develop the transportation facilities and systems being developed under concession agreements with private developers.

IT IS THEREFORE ORDERED by the commission that, with respect to the issuance of bonds described above by the corporation, the corporation is authorized to perform any function authorized by Subchapters A - C of Chapter 431 of the Texas Transportation Code (Chapter 431) and to perform any function not specified by Chapter 431 but necessary to promote, finance, refinance, and develop the NTE Project as requested by NTEMP, including the issuance of bonds and the lending of bond proceeds to the NTEMP as part of the plan of finance to refund the 2009 PABs, refinance the 2009 TIFIA loan, and/or finance additional costs of Segments 1 & 2W, all in accordance with and subject to the terms of the comprehensive development agreements for the NTE Project, any related agreement regarding the issuance of such bonds, and the corporation's authorizing resolutions and bond financing documents.

IT IS FURTHER ORDERED that the executive director, the chief financial officer, the director of the Project Finance, Debt and Strategic Contracts Division and the general counsel of the department, and the board of directors and officers of the corporation, are authorized to execute and deliver all financing and other documents necessary for the issuance of such bonds by the corporation and the lending of bond proceeds to the NTEMP as part of the plan of finance to refund the 2009 PABs, refinance the 2009 TIFIA loan, and/or finance additional costs of Segments 1 & 2W, and to take all actions necessary or appropriate to effect the delivery of such bonds in accordance with the terms and conditions of the comprehensive development agreements for the NTE Project, any related agreement regarding the issuance of such bonds, and the bond financing documents.

ITEM 10. Truck Lane Restriction

Various Counties - Consider the approval of proposed lane use restrictions for trucks on certain highways in various counties (MO)

This item was presented by Traffic Safety Division Director Michael Chacon. Commissioner Vaughn made a motion, which was seconded by Commissioner New, and the commission approved the following minute order by a vote of 4 - 0.

115611
TRF

In accordance with Transportation Code §545.0651 and 43 Texas Administrative Code (TAC) §§25.601-25.604, the Texas Department of Transportation (department) is proposing a lane restriction applicable to trucks with three or more axles, and to truck tractors, regardless of whether the truck tractor is drawing another vehicle or trailer as defined in Transportation Code, §541.201. The proposed lane restriction prohibits those vehicles from using the leftmost general purpose lane, excluding any express lanes, on each side of Interstate Highway 35E (I-35E) from US 77N in Red Oak to the Ellis/Hill County Line, I-35E from State Spur 366 in Dallas County to Corinth Pkwy in Denton County, US 75 from SH 121S near the southern city limits of McKinney to the Collin/Grayson County Line, I-635 from US 75 in Dallas County to the Dallas/Tarrant County Line, SH 183 from I-35E in Dallas County to the Dallas/Tarrant County Line, and I-45 from the Navarro/Ellis County Line to the Navarro/Freestone County Line.

Transportation Code, §545.0651, authorizes the department to restrict through traffic, by class of vehicle, to two or more designated lanes of traffic on certain portions of the designated state highway system, and requires the Texas Transportation Commission (commission) to adopt rules. The commission adopted these rules, 43 TAC §§25.601-25.604 that became effective on January 8, 2004.

In accordance with TAC §25.604(e)(3), the department conducted a traffic study to evaluate the impact of the lane restrictions. In accordance with §25.604(d), the department published a notice in the *Texas Register* for a 30 day comment period on July 12, 2019 and held a public hearing on the proposed restrictions on July 23, 2019. The proposed lane restrictions would be in effect 24 hours a day, 7 days a week, and would allow the operation of those vehicles in a prohibited traffic lane for the purposes of passing another vehicle or entering or exiting the highway.

In accordance with 43 TAC §25.604(h)(2), the executive director may temporarily suspend the lane restrictions in an emergency.

The commission, having evaluated the truck lane restriction proposal based on the safety of the traveling public and the factors listed in 43 TAC §25.604(f), finds that the proposed lane restrictions should be approved.

IT IS THEREFORE ORDERED by the commission that the proposed lane restrictions in Collin, Dallas, Ellis, Denton, and Navarro Counties are approved and shall become effective upon placement of all necessary traffic control devices.

ITEM 11. Central Texas Turnpike System

Travis and Williamson Counties - Consider the approval of a change to the toll rate schedule for the Central Texas Turnpike System to increase the Pay By Mail surcharge (MO)

This item was presented by Toll Operations Division Director Rick Nelson. Commissioner Ryan made a motion, which was seconded by Commissioner Vaughn, and the commission approved the following minute order by a vote of 3 - 1. Commissioner New voted opposed to this minute order.

115612
TOD

Title 43, Texas Administrative Code §27.82(d) provides that the Texas Transportation Commission (commission) will establish toll rates for the use of a toll project on the state

highway system. In setting toll rates, the commission is required to consider: (1) the results of traffic and revenue studies and any schedule of toll rates established in traffic and revenue reports; (2) the requirements of project bond covenants, if applicable; and (3) vehicle classifications, type and location of the facility, and similar criteria that apply to a specific project.

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

The Texas Department of Transportation (department) desires to increase the surcharge over the Electronic Toll Collection (ETC) rate that is applied for the Pay By Mail (PBM) rate to 50 percent for each CTTS element, in an effort to ensure that the CTTS remains in a sound financial condition. The PBM surcharge will be applied to the base toll rates for each CTTS element and paypoint.

Pursuant to Section 501(a) of the CTTS Indenture of Trust (indenture), prior to adopting any change in the toll rate schedule, the commission shall obtain and file with the trustee a certificate by the traffic and revenue consultant that, in the consultant's opinion, the adoption of such proposed toll rate schedule will not adversely affect the ability of the commission to comply with its rate covenant in the indenture. The commission has received such certification from the traffic and revenue consultant and filed it with the trustee.

IT IS THEREFORE ORDERED that the department is authorized to increase the surcharge over the ETC rate that is applied for the PBM rate to 50 percent on each CTTS element beginning on January 1, 2020.

ITEM 12. Eminent Domain Proceedings

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

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

115613
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-SS. 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 1-154 in accordance with Transportation Code, Sections 203.002 and 203.003.

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

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

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

CONTROLLED ACCESS

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Chambers	SH 99	PP	3510-10-017	1307
Chambers	SH 99	FF	3510-10-017	1314,1314E
Dallas	IH 30	QQ	0009-11-246	8
Dallas	IH 30	JJ	0009-11-246	9
Dallas	IH 30	MM	0009-11-246	10
Dallas	IH 30	LL	0009-11-246	11
Dallas	IH 30	NN	0009-11-246	12
Dallas	IH 35E	CC	0196-03-247	11
Dallas	IH 35E	KK	0196-03-247	29
Dallas	IH 35E	RR	0196-03-248	18
Dallas	IH 35E	N	0196-03-248	20
Dallas	IH 35E	Q	0196-03-248	41
Dallas	IH 35E	P	0196-03-248	42
Dallas	IH 35E	S	0196-03-248	46
Dallas	IH 35E	U	0196-03-248	92
Dallas	IH 35E	V	0196-03-248	93

CONTROLLED ACCESS (continued)

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Dallas	IH 35E	W	0196-03-248	101
Dallas	IH 35E	X	0196-03-248	102
Dallas	IH 35E	Y	0196-03-248	105
Dallas	IH 35E	Z	0196-03-248	107
Dallas	IH 35E	AA	0196-03-248	108
Dallas	IH 35E	BB	0196-03-248	109
Denton	IH 35	L	0195-03-074	4
Denton	IH 35	EE	0195-03-074	9
Denton	IH 35	I	0195-03-074	10
Denton	IH 35	M	0195-03-074	13
Denton	IH 35	DD	0195-03-074	14
Denton	IH 35	E	0195-03-074	18A
Denton	IH 35	K	0195-03-074	25
Denton	IH 35E	OO	0196-02-109	73
Denton	IH 35E	J	0196-02-109	74
Denton	IH 35E	T	0196-02-109	91
Denton	IH 35E	GG	0196-02-109	109
Denton	IH 35E	R	0196-02-109	111
Denton	IH 35E	H	0196-02-115	1
Denton	IH 35E	A	0196-02-115	188
Denton	IH 35E	HH	0196-02-115	189
Denton	IH 35E	C	0196-02-115	191
Denton	IH 35E	D	0196-02-115	193
Denton	IH 35E	F	0196-02-115	196
Denton	IH 35E	G	0196-02-115	197
Denton	IH 35E	B	0196-02-115	198
Liberty	SH 99	SS	3510-09-003	1118
Polk	US 59	II	0176-04-074	15
Polk	US 59	O	0176-04-074	24,24AC

NON-CONTROLLED ACCESS

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Angelina	US 59	149	0176-02-121	8AAQ
Angelina	US 59	45	0176-02-121	20AAQ
Angelina	US 59	117	0176-02-121	24AAQ
Angelina	US 59	140	0176-02-121	40AAQ
Angelina	US 59	72	2553-01-118	7A
Angelina	US 59	74	2553-01-118	7B
Angelina	US 59	82	2553-01-118	11A
Angelina	US 59	83	2553-01-118	11B
Bastrop	SH 71	104	0265-03-044	19
Bastrop	SH 71	106	0265-03-045	1
Bastrop	SH 71	108	0265-03-045	2
Bastrop	SH 71	109	0265-03-045	3
Bastrop	SH 71	110	0265-03-045	4
Bastrop	SH 71	89	0265-03-045	7

NON-CONTROLLED ACCESS (continued)

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Bastrop	SH 71	113	0265-03-045	8
Bastrop	SH 71	94	0265-03-045	9
Bastrop	SH 71	100	0265-03-045	10
Bastrop	SH 71	115	0265-03-045	11
Bexar	FM 471	86	0849-01-058	1
Bexar	FM 471	87	0849-01-058	2
Bexar	FM 471	88	0849-01-058	16
Bexar	SL 1604	91	2452-02-121	1
Bexar	SL 1604	92	2452-02-121	2
Bexar	SL 1604	93	2452-02-121	3
Bexar	SL 1604	95	2452-02-121	4
Bexar	SL 1604	96	2452-02-121	6
Bexar	SL 1604	97	2452-02-121	10
Bexar	SL 1604	99	2452-02-121	11
Bexar	SL 1604	101	2452-02-121	12
Bexar	SL 1604	102	2452-02-121	13
Brazoria	SH 36	6	0188-03-020	364
Collin	FM 2514	44	2679-03-017	23
Collin	FM 2514	142	2679-03-017	25,25E
Collin	FM 2514	147	2679-03-017	27
Collin	FM 2514	148	2679-03-017	28
Collin	FM 2514	144	2679-03-017	29
Collin	FM 2514	150	2679-03-017	30,30E
Collin	FM 2514	145	2679-03-017	31,31E
Collin	FM 2514	47	2679-03-017	32
Collin	FM 2514	49	2679-03-017	33
Comal	SH 46	135	0215-01-045	55
Comal	SH 46	71	0215-01-045	56
Comal	SH 46	105	0215-01-045	59
Comal	SH 46	107	0215-01-045	60
Comal	SH 46	111	0215-01-045	62
Comal	SH 46	112	0215-01-045	63
Comal	SH 46	114	0215-01-045	68
Comal	SH 46	116	0215-01-045	69
Comal	SH 46	118	0215-01-045	70
Comal	SH 46	119	0215-01-045	115
Comal	SH 46	120	0215-01-052	76
Comal	SH 46	121	0215-01-052	84
Comal	SH 46	122	0215-01-052	85
Comal	SH 46	137	0215-01-052	89
Comal	SH 46	123	0215-01-052	95
Comal	SH 46	124	0215-01-052	96
Comal	SH 46	125	0215-01-052	97
Comal	SH 46	136	0215-01-052	99
Comal	SH 46	126	0215-01-052	114
Comal	SH 46	131	0215-07-028	28

NON-CONTROLLED ACCESS (continued)

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Comal	SH 46	15	0215-07-028	30
Comal	SH 46	127	0215-07-028	33
Comal	SH 46	128	0215-07-028	34
Comal	SH 46	132	0215-07-028	36
Comal	SH 46	133	0215-07-028	42
Comal	SH 46	16	0215-07-028	50
Comal	SH 46	134	0215-07-028	51
Comal	SH 46	129	0215-07-028	53
Comal	SH 46	130	0215-07-028	110
Dallas	SH 78	39	0009-02-071	8
Denton	US 377	11	0081-03-062	47
Denton	US 377	48	0081-03-062	55
Denton	US 377	8	0081-03-062	57
Denton	US 377	9	0081-03-062	58
Denton	US 377	7	0081-03-062	59
Denton	US 377	10	0081-03-062	60
Denton	US 377	50	0081-03-062	64
Denton	US 377	154	0081-03-062	99
Denton	US 380	14	0135-10-059	102
Denton	US 377	40	0135-10-060	19
Denton	US 377	38	0135-10-060	26
DeWitt	US 87	143	0143-08-094	2
DeWitt	US 87	141	0148-08-094	1
DeWitt	SH 72	34	0270-02-045	2
DeWitt	SH 72	35	0270-02-045	3
DeWitt	SH 72	37	0270-02-045	6
DeWitt	SH 72	22	0270-02-045	7
DeWitt	SH 72	23	0270-02-045	15
DeWitt	SH 72	36	0270-02-045	17
DeWitt	SH 72	24	0270-02-045	24
DeWitt	SH 72	31	0270-02-045	25
DeWitt	SH 72	26	0270-02-045	38
DeWitt	SH 72	25	0270-02-045	40
DeWitt	SH 72	27	0270-02-045	41
DeWitt	SH 72	28	0270-02-045	45
DeWitt	SH 72	29	0270-02-045	46
Ector	SL 338	32	2224-01-104	1
Ector	SL 338	33	2224-01-104	2
Fort Bend	FM 1463	17	0188-10-038	232
Fort Bend	FM 1463	5	0188-10-038	241
Fort Bend	FM 1463	152	0188-10-038	247
Fort Bend	FM 1463	153	0188-10-038	256
Fort Bend	FM 1463	139	0188-10-038	271
Harris	FM 1960	138	1685-03-097	120
Harris	FM 1960	43	1685-03-101	229
Harris	FM 1960	146	1685-03-101	234

NON-CONTROLLED ACCESS (continued)

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Harris	SH 99	42	3187-01-013	1405
Kaufman	US 175	75	0751-05-002	4,4E
Kaufman	FM 148	78	0751-05-002	5,5E
Kaufman	FM 148	1	0751-05-002	9
Kaufman	FM 148	80	0751-05-002	10
Liberty	US 59	151	0177-03-106	32,32OAS
Liberty	SH 99	51	3510-09-004	1200
Lubbock	FM 1585	2	1502-01-036	208D
Lubbock	FM 1585	3	1502-01-036	208F
Lubbock	FM 1585	19	1502-01-036	212A
Lubbock	FM 1585	4	1502-01-037	262
Lubbock	FM 1585	12	1502-01-037	272
Lubbock	FM 1585	20	1502-01-038	170
Lubbock	FM 1585	13	1502-01-038	174
Lubbock	FM 1585	18	1502-01-038	180
Parker	FM 51	30	0313-02-061	1E
Polk	US 59	41	0176-05-150	8
Rockwall	FM 549	52	1015-01-078	2
Rockwall	FM 549	53	1015-01-078	3
Rockwall	FM 549	54	1015-01-078	4
Rockwall	FM 549	55	1015-01-078	5
Rockwall	FM 549	56	1015-01-078	6
Rockwall	FM 549	57	1015-01-078	7
Rockwall	FM 549	58	1015-01-078	8
Rockwall	FM 549	59	1015-01-078	9
Rockwall	FM 549	60	1015-01-078	10
Rockwall	FM 549	61	1015-01-078	11
Rockwall	FM 549	62	1015-01-078	12
Rockwall	FM 549	63	1015-01-078	13
Rockwall	FM 549	64	1015-01-078	14
Rockwall	FM 549	65	1015-01-078	15
Rockwall	FM 549	66	1015-01-078	16
Rockwall	FM 549	67	1015-01-078	17
Rockwall	FM 549	68	1015-01-078	18
Rockwall	FM 549	69	1015-01-078	19
Rockwall	FM 549	70	1015-01-078	20
Rockwall	FM 549	73	1015-01-078	21
Rockwall	FM 549	76	1015-01-078	22
Rockwall	FM 549	77	1015-01-078	23
Rockwall	FM 549	79	1015-01-078	24
Rockwall	FM 549	81	1015-01-078	25
Rockwall	FM 549	84	1015-01-078	26
Rockwall	FM 549	85	1015-01-078	27
Rockwall	FM 549	90	1015-01-078	28
Rockwall	FM 549	98	1015-01-078	29
Rockwall	FM 549	103	1015-01-078	39

NON-CONTROLLED ACCESS (continued)

<u>COUNTY</u>	<u>HIGHWAY</u>	<u>EXHIBIT</u>	<u>ROW CSJ NO.</u>	<u>PARCEL</u>
Travis	US 290	21	0113-08-089	3
Travis	US 290	46	0113-08-089	116

Note: Exhibits A - SS and 1 - 154 are on file with the commission chief clerk.

ITEM 13. Routine Minute Orders and Reports

This item was presented by Executive Director James Bass. Commissioner Ryan made a motion, which was seconded by Commissioner New, and the commission approved the following minute orders by a vote of 4 - 0.

a. Donations to the Department

Various Districts - Consider the acknowledgment of donations with a value of \$500 or more, including donations of money, materials, services, or real property, that are made to the department for the purpose of assisting the department in carrying out its functions and duties or for improving access to or from a highway on the state highway system (see attached itemized list) (MO)

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CSD

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

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.

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. Exhibit A lists donations resulting from a contract executed by the department under Transportation Code, §223.049 and other donations accepted under Transportation Code, §201.206.

The department also acquires by donation land used for highway improvement projects. Exhibit B lists property donated to the department for that purpose. The department has

determined that acceptance of these donations is in the best interest and welfare of the traveling public and will provide a significant public benefit.

The commission established the Sponsorship Acknowledgement Program under 43 TAC Chapter 12, Subchapter K. The program, which is authorized by the Federal Highway Administration in FHWA Order 5610.1A, allows the department to place signs acknowledging donations made to the department to fund transportation related services. Exhibit C lists donations made to the department under the Sponsorship Acknowledgement Program.

The executive director has determined that the donations identified in the attached Exhibits comply with the applicable provisions of 43 TAC §§1.500-1.506, 43 TAC §12.353, Government Code, Chapter 575 and Transportation Code, §201.206, §223.049 and §224.001, and has approved acceptance of those donations. All required donation agreements have been executed under 43 TAC §1.504 and §1.506, as applicable.

IT IS THEREFORE ORDERED by the commission that it acknowledges the acceptance of the donations identified in the attached Exhibits A, B, and C.

Donations to the Department

<u>Donor</u>	<u>District</u>	<u>County</u>	<u>Donation Description</u>
1093CR, LLC	HOU	Fort Bend	Design and construction of a right turn deceleration lane from westbound FM 1093 into the donor's development in Katy.
Carthage Auto Holdings, LP	ATL	Panola	Funds to install 40 delineators along US 59 in Carthage where the US 79 northbound entrance ramp merges onto US 59.
Chevron U.S.A. Inc.	ODA	Midland	Funds to design, construct, and let highway improvements to improve access along SH 349 in Midland County.
Continental Homes of Texas, L.P.	SAT	Bexar	Design and construction for widening a section of LP 1604 approximately 0.8 miles southwest of US 181 to accommodate a right and left turn deceleration lane into the Hickory Ridge development in San Antonio.
Costco Wholesale Corporation	ODA	Midland	Design, construction and construction engineering inspections of highway and median improvements along SH 158 and SH 191 in Midland.
DHIC - Lakeview, LLC	HOU	Fort Bend	Design and construction of a right turn lane from eastbound FM 1093 into the donor's development in Richmond.
Dollar Tree Distribution, Inc.	HOU	Fort Bend	Design and construction of median cuts and left turn lanes from westbound Spur 10 into the donor's development in Rosenberg.

Donations to the Department (continued)

<u>Donor</u>	<u>District</u>	<u>County</u>	<u>Donation Description</u>
Florida International University	BRG	N/A	Airfare, conference, and workshop registration, and ground transportation for Jamie Farris, Deputy Director Bridge Division, to attend and present at the 2019 International Accelerated Bridge Construction (ABC) Conference in Miami, Florida on December 11-13, 2019.
Fred Weber, Inc.	AUS	Hays	Design and an amount sufficient to cover the state's cost to construct a deceleration lane for a driveway on SH 21 approximately 1 mile south of the intersection of SH 21 and FM 150 in Kyle.
H-E-B, LP	AUS	Travis	Design and construction of a northbound left turn lane at the intersection of FM 1826 and Seton Driveway South as well as a southbound left turn lane at FM 1826 and Seton Driveway North, and a northbound right turn deceleration lane at FM 1826 and future HEB Driveway in Austin.
Highbridge at Egret Bay, Ltd.	HOU	Galveston	Design and construction of a deceleration lane and shoulder from southbound FM 270 into the donor's development in League City.
Hwy 6 & 90, Ltd.	HOU	Harris	Design and construction of a deceleration lane from eastbound US 90 into the donor's development in Sugar Land.
John Robert Vicha, Jr.	TRF	McLennan	Funds to design, fabricate, and install two memorial highway designation signs on the portion of US 84 between FM 1330 and North Vicha Road, designated as the Waco Police Sgt. Bobby Vicha Memorial Highway within McLennan County.
Karen Rove	TRF	Moore and Potter	Funds to design, fabricate, and install two memorial highway designation signs on the portion of US 287 between the northern boundary of Moore County and Reclamation Plant Road, designated as the Honorable Teel Bivins Memorial Highway within Moore and Potter counties.
Manha Property LLC	HOU	Brazoria	Design and construction of a left turn bay lane from northbound Business SH 288 into the donor's development in Richwood.
M/I Homes of Houston, LLC and Beazer Homes Texas, L.P.	HOU	Harris	Design and construction of a traffic signal and right turn lane from eastbound FM 529 into the donor's development in Katy.

Donations to the Department (continued)

<u>Donor</u>	<u>District</u>	<u>County</u>	<u>Donation Description</u>
Petropark Realty Inc	HOU	Fort Bend	Design and construction of a hooded left turn lane from westbound FM 1640 into the donor's development in Richmond.
Rankin 45 Industrial, LLC	HOU	Harris	Design and construction of a through lane and left turn lane extension from westbound Rankin Road at the intersection of the North Freeway northbound and southbound frontage road in Houston.
San Antonio LD, LLC	SAT	Guadalupe	Design and construction for the addition of a right turn lane from the IH 10 North frontage road to a new public street being constructed with Unit 1 of the development in Seguin.
Smart Living on Cullen, Ltd.	HOU	Harris	Design and construction of a left turn lane from southbound FM 865 into the donor's development in Houston.
Spicewood Crushed Stone, LLC	AUS	Burnet	Design and an amount sufficient to cover the state's cost to construct the widening of SH 71 to provide a westbound right turn lane at the proposed driveway, and a continuous two-way left turn lane, shoulders, and transitions in Spicewood.
Texas DPS Troopers Foundation, Inc.	TRF	Lubbock	Funds to design, fabricate, and install two memorial highway designation signs on the portion of US 84 between the northern municipal limit of Slaton to County Road 3600 designated as the Trooper Jerry Don Davis Memorial Highway.
Texas Travel Industry Association	TRV	N/A	Food, beverages, lodging, transportation, and admissions to area attractions for the familiarization study tour of the East Texas Piney Woods region during October 27 - November 1, 2019.
Travel Plaza FM 1001, LLC	ATL	Titus	Design and construction of a 2" Superpave D overlay and pavement markings to a portion of FM 1001 approximately 1,525' south of IH 30 in front of the donor's proposed development in Mount Pleasant.
Tuscan Lakes Investors I, L.P.	HOU	Galveston	Design and construction of a right turn lane from the westbound on SH 96 into the donor's development in League City.

Donations to the Department (continued)

<u>Donor</u>	<u>District</u>	<u>County</u>	<u>Donation Description</u>
Vantage at Conroe, LLC	HOU	Montgomery	Design and construction of a northbound left turn lane and shoulder expansions for both southbound and northbound of FM 1314 (Conroe Porter Rd) into the donor's development in Conroe.
WBW Development Group, LLC - Series 040, A Texas Series Limited Liability Company	AUS	Williamson	Design and construction of a right turn lane from 0.18 mi. north of Mallard Lane to 0.30 mi. north of Mallard Lane on FM 397 (Carlos Parker Blvd) in Taylor.
David G Booth as Trustee for the David Booth Revocable	AUS	Travis	Donation of 0.102 acres of land from 1.1 miles east of SL 360 to 1.5 miles east of SL 360. The property being donated will be utilized to construct a left turn lane, deceleration lane, and a merge land on RM 2222.
The Holdworth Center, A Texas Non-Profit Corporation	AUS	Travis	Donation of 0.102 acres of land from 1.1 miles east of SL 360 to 1.5 miles east of SL 360. The property being donated will be utilized to construct a left turn lane, deceleration lane, and a merge lane on RM 2222.
City of Leander	AUS	Williamson	Donation of 0.746 acres of land from 0.2 miles north of US 183/183A to 0.2 miles south of US 183/183A. The property being donated will be utilized in constructing an intersection improvement project on US 183/183A.
City of Leander	AUS	Williamson	Donation of 0.219 acres of land from 0.2 miles north of US 183/183A to 0.2 miles south of US 183/183A. The property being donated will be utilized in constructing an intersection improvement project on US 183/183A.
City of Leander	AUS	Williamson	Donation of 0.185 acres of land from 0.2 miles north of US 183/183A to 0.2 miles south of US 183/183A. The property being donated will be utilized in constructing an intersection improvement project on US 183/183A.
City of Leander	AUS	Williamson	Donation of 0.503 acres of land from 0.2 miles north of US 183/183A to 0.2 miles south of US 183/183A. The property being donated will be utilized in constructing an intersection improvement project on US 183/183A.
AM Petroleum Inc. - DBA JD's Market	AUS	Travis	Revenue generation through the Sponsor a Highway Program. This is a renewal on an existing sign location.

Donations to the Department (continued)

<u>Donor</u>	<u>District</u>	<u>County</u>	<u>Donation Description</u>
Elephant Insurance Services, LLC	DAL	Dallas	Litter pick-up throughout a corridor on the State’s right of way through the Sponsor a Highway Program.
Elephant Insurance Services, LLC	DAL	Collin	Litter pick-up throughout a corridor on the State’s right of way through the Sponsor a Highway Program.
Elephant Insurance Services, LLC	DAL	Denton	Litter pick-up throughout a corridor on the State’s right of way through the Sponsor a Highway Program.
Nationwide Specialty Finance, Inc (dba) Drive Away	HOU	Harris	Litter pick-up throughout a corridor on the State’s right of way through the Sponsor a Highway Program.

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

b. Real Estate Dispositions

(1) Brazoria County - Coastal Bottomlands Mitigation Bank - Consider the transfer of the interest of the department in certain tracts and the reservation of the right to use any remaining and available credits to mitigate identified adverse environmental impacts until such credits have been exhausted (MO)

115615
ROW

In Brazoria County, the State of Texas, acting by and through the Texas Department of Transportation (the state), acquired certain land for mitigating adverse environmental impacts on highway projects by an instrument recorded at File No. 00 007492 of the Records of the County Clerk of Brazoria County, Texas.

The instrument conveying the land, described in Exhibit A (the tracts), to the state contained clauses to the effect that: (1) on September 2019 the tracts shall revert to the grantor, the Texas Parks and Wildlife Department, and (2) when the property does revert, the Texas Department of Transportation still has the right to use any remaining and available credits to mitigate identified adverse environmental impacts until such credits have been exhausted.

In accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (the commission) may recommend the transfer of the state’s interest to comply with a reversionary clause contained in the instrument that originally conveyed the interest to the state.

The Texas Parks and Wildlife Department has requested that the tracts be transferred to honor the reversionary clause.

The commission finds that it is proper and correct that the state transfers its right, title, and interest in the tracts to comply with the reversionary clause contained in the instrument of conveyance to the state with a reservation that the Texas Department of Transportation still has the right to use any remaining and available credits to mitigate identified adverse environmental impacts until such credits have been exhausted.

IT IS THEREFORE ORDERED by the commission that the commission recommends, subject to approval by the attorney general, that the governor of Texas execute a proper instrument transferring the state’s right, title, and interest in the tracts to the Texas Parks and Wildlife Department with a reservation that the Texas Department of Transportation still has

the right to use any remaining and available credits to mitigate identified adverse environmental impacts until such credits have been exhausted.

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

(2) Dallas County - I-35E - Consider an exchange of right of way and replacement land acquired to mitigate adverse environmental impacts with the City of Dallas (MO)

115616
ROW

In Dallas, Dallas County, on I-35E, the state of Texas acquired certain land for highway and mitigation purposes by instruments recorded at Instrument Number 200900008556 and at Instrument Number 2009000088631 of the Official Public Records of Dallas County, Texas.

In accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, the Texas Transportation Commission (the 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.

The State of Texas, acting by and through the Texas Department of Transportation, and the City of Dallas (the city) have entered into an exchange agreement.

In accordance with the executed exchange agreement, certain land needed for a state highway purpose, described in Exhibit A (the parcels), will be conveyed to the state by the city; and certain tracts not needed for a state highway purpose, described in Exhibit B (the tracts), will be conveyed to the city by the state.

It is the opinion of the commission that it is proper and correct that the state conveys the tracts to the city in exchange for the parcels.

IT IS THEREFORE ORDERED by the commission that the tracts are not 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 the tracts to the city in exchange and as consideration for the parcels; 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 tracts.

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

(3) Harris County - Beltway 8 - Consider the sale of right of way to an abutting landowner (MO)

115617
ROW

In Houston, Harris County, on Beltway 8, the State of Texas acquired certain land for highway purposes by instrument filed under Harris County Clerk File No. M181562 and recorded in the Official Public Records of Real Property of Harris County, Texas.

All of the land, described in Exhibit A (the tract), 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 (the commission) may recommend the sale of any interest in right of way no longer needed for a state highway purpose to abutting and adjoining landowners.

Darbar Real Estate Holdings, Inc. is an abutting landowner and has requested to purchase the tract for \$30,654.00.

The commission finds \$30,654.00 to be a fair and reasonable value of the state's right, title, and interest in the tract.

IT IS THEREFORE ORDERED by the commission that the tract 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 the tract to Darbar Real Estate Holdings, Inc. for \$30,654.00; SAVE AND EXCEPT, however, there is to be excepted and reserved therefrom all of the state's right, title, and interest, if any, in and to all of the oil, gas, sulphur, and other minerals, of every kind and character, in, on, under, and that may be produced from the land.

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

c. Reports

(1) Compliance Division report

Note: Confidential report to commission.

(2) Letting Allocation Status Report

Quarterly status report on the FY 2019 letting allocation, the actual allocation utilized through the current month, and proposed remaining highway maintenance and construction contract letting for the fiscal year (Report)

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

(3) Quarterly Cash Report

Quarterly report on FY 2019 State Highway Fund 6 cash status (Report)

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

d. Finance

(1) Quarterly Investment Report

Consider the acceptance of the Quarterly Investment Report for all of the funds invested at the direction of the commission (MO)

115618
PFD

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

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

In Minute Order 108970, dated July 25, 2002, the commission approved and adopted a written investment policy and investment strategy applicable to funds of the commission relating to the Central Texas Turnpike System held by Bank One, N.A., (in such capacity with its successors, currently Bank of New York Mellon), as Trustee under the Indenture of Trust dated July 15, 2002, between the commission and the trustee.

In Minute Order 114360, dated August 27, 2015, the commission approved and adopted a written investment policy that included an investment strategy applicable to funds in the prepaid TxTag custodial account under the Master Lockbox and Custodial Account Agreement dated as of September 2, 2012, as amended, by and between the Bank of New York Mellon Trust Company, N.A., as custodian, and the department.

In Minute Order 114706, dated August 25, 2016, the commission approved and adopted a written investment policy that included an investment strategy applicable to funds related to obligations issued for the IH 35E Project under a Trust Agreement by and between the commission and Amegy Bank, a Division of ZB, National Association, as trustee.

In Minute Order 115393, dated December 13, 2018, the commission approved and adopted a written investment strategy, included as part of the commission's investment policy, applicable to funds related to obligations issued for the SH 249 System under a Master Trust Agreement by and between the commission and U.S. Bank National Association, as trustee.

Pursuant to Government Code §2256.005(e) and Section 20 of the investment policy, the investment policy and investment strategies of the commission have been reviewed and revised annually by minute order since 2003.

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

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

Section 9.0 of the investment policy requires the investment officer to prepare and submit to each member of the commission and the executive director of the department an investment report on no less than a quarterly basis. The report must be prepared in accordance with the requirements of that section, including containing sufficient information to provide for a comprehensive review of investment activity and current investment instruments and performance for the reporting period. A quarterly investment report for the department for the period ending August 30, 2019, attached as Exhibit A, has been prepared in accordance with Government Code §2256.023 and Section 9.0 of the investment policy.

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

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

(2) El Paso County - Consider the acceptance of the annual escalated toll rates for the Border West Expressway Project (formerly known as the Loop 375 Border Highway West Extension Project), as calculated on each toll escalation determination date (MO)

115619
TOD

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

In Minute Order 113741, dated October 31, 2013, the commission designated the portion of the Loop 375 Border Highway West Extension Project from Racetrack Drive to the terminus of the existing Loop 375, in the vicinity of Santa Fe Street in the City of El Paso as a

toll project on the state highway system. The project is an all-electronic, open road tolling facility. It will have a closed ramp system of toll collection.

Minute Order 113909, dated April 24, 2014, authorized the executive director to annually escalate toll rates on the Loop 375 Border Highway West Extension Project in accordance with established indices and the toll escalation policy set forth in Exhibit A to the minute order. The toll escalation policy provides that the toll rates in effect during the first calendar year the Loop 375 Border Highway West Extension Project is open to traffic will be rates that are escalated by applying the formula prescribed in the policy to each year's rates between 2014 and the year the project is opened to traffic. The toll escalation policy establishes a toll rate escalation percentage of not less than 2.0% (toll rate escalation percentage) to be applied by the Texas Department of Transportation (department) to the current base toll rates for each Loop 375 Border Highway West Extension Project paypoint, with the current base toll rates determined after escalating each year's rates between 2014 and 2019, generating the schedule of increased toll rates for calendar year 2020 shown on Exhibit A. A toll rate escalation percentage of 2.0% and the escalated toll rate table shown in Exhibit A for the Loop 375 Border Highway West Project have been prepared in accordance with the toll escalation policy established in Minute Order 113909. As provided in Minute Order 113909, the percentage increase in the toll rates will be effective automatically on January 1 of the next calendar year and implemented by the executive director of the department, unless the commission affirmatively votes prior to January 1 to modify the toll rate escalation percentage.

Pursuant to Minute Order 113833, dated January 30, 2014, the department and the Camino Real Regional Mobility Authority (CRRMA) entered into a memorandum of understanding (MOU) dated February 26, 2014 setting forth the agreed allocation of project responsibilities and risks between the parties, including development of contracts for the delivery of the project, for payment of capital costs, and for operation and maintenance of the project as a toll facility. The MOU provides that the commission will set the toll rates for the project, taking into account the CRRMA's recommended toll charges that optimize revenues so as to maximize the ability to pay the total costs of operations and maintenance of the project. However, in the event toll revenues do not cover the total operations and maintenance expenses of the project, the commission has reserved the right to adjust such rates. The department and the CRRMA have concurred in the toll rates and toll escalation policy set forth in Minute Order 113909.

In 2014, the name of the Loop 375 Border Highway West Extension Project was changed to the Border West Expressway Project.

IT IS THEREFORE ORDERED by the commission that the schedule of escalated toll rates for the Border West Expressway Project (formerly known as the Loop 375 Border Highway West Extension Project), attached as Exhibit A, is accepted, replacing the current rate tables with the escalated toll rates on January 1, 2020.

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

(3) Grimes and Montgomery Counties - Consider the acceptance of the annual escalated toll rates as calculated on the toll escalation determination date for the SH 249 System, comprised of Segment 1 of the SH 249 Extension Project extending SH 249 from FM 1774 in Pinehurst to FM 1774 in Todd Mission (MO)

115620
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 114959, dated June 29, 2017, the commission designated Segment 1 of the SH 249 System, from FM 1774 in Pinehurst in Montgomery County to FM 1774 in Todd Mission in Grimes County, as a toll project on the state highway system. Segment 1 of the SH 249 System is an all-electronic, open road toll facility with a closed ramp system of toll collection.

Minute Order 115393, dated December 13, 2018, authorized the executive director to annually escalate toll rates on the SH 249 System (Segment 1) in accordance with established indices and the toll escalation policy set forth in the minute order. The Texas Department of Transportation (department) has established a toll rate escalation percentage of 2.0% (toll rate escalation percentage) to be applied to the current base toll rates for each paypoint of the SH 249 System (Segment 1), generating the schedule of increased toll rates for calendar year 2020 shown on Exhibit A. The toll rate escalation percentage and the escalated toll rate table shown in Exhibit A for each paypoint of the SH 249 System (Segment 1) have been prepared in accordance with the toll escalation policy established in Minute Order 115393. As provided in Minute Order 115393, the percentage increase in the toll rates will be effective automatically on January 1 of the next calendar year and implemented by the executive director, unless the commission affirmatively votes prior to January 1 to modify the toll rate escalation percentage.

Minute Order 115393 authorized the commission to charge tolls on Segment 1 based on a fixed pricing schedule, beginning in Summer 2021 or at such time thereafter when all toll systems have been tested and are functioning. Because the department expects to open part of Segment 1 to vehicular traffic and commence tolling in 2020, this minute order authorizes the department to charge tolls on Segment 1 based on a fixed pricing schedule, beginning at such time when the toll systems on any part of Segment 1 have been tested and are functioning.

IT IS THEREFORE ORDERED by the commission that the schedule of escalated toll rates for the SH 249 System (Segment 1), attached as Exhibit A, is accepted replacing the current rate tables with the escalated toll rates on January 1, 2020.

IT IS FURTHER ORDERED that the department is authorized to charge tolls on Segment 1 based on a fixed pricing schedule, in the amounts stated in Exhibit A, at such time when the toll systems have been tested and are functioning.

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

(4) Various Counties - Consider the acceptance of the annual escalated toll rates for portions of SH 99 (Grand Parkway) consisting of the tolled portion of Segment D in Harris County, Segments E, F-1, F-2, G, H, I-1, and I-2B, and for the existing tolling points on the portion of Segment I-2 from I-10 to Fisher Road (Segment I-2A), as calculated on the toll escalation determination date. Consider establishing initial toll rates for new toll gantries on the existing ramps at the intersection of Riverwalk Drive and SH 99 within Segment G (MO)

115621
TOD

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

development of a market valuation of the Grand Parkway, and agreed to certain other provisions applicable to the development, construction, and operation of the Grand Parkway, including terms for establishing baseline toll rates and toll escalation policies applicable to the Grand Parkway.

In Minute Order 113399, dated December 13, 2012, the Texas Transportation Commission (commission) established a toll rate escalation policy, consistent with the terms and conditions of the Market Valuation Waiver Agreement, for the tolled portion of Segment D in Harris County and Segments E, F-1, F-2, and G, which comprise the initial elements of the Grand Parkway System (system) which are operated on behalf of the commission by the Grand Parkway Transportation Corporation (GPTC) pursuant to a project agreement between the department and GPTC and in accordance with a trust agreement between GPTC and the trustee for the holders of GPTC's toll revenue bonds issued to pay the costs of constructing the system. Minute Order 113399 also authorized GPTC to charge tolls for the tolled portion of Segment D of the Grand Parkway in Harris County and for Segments E, F-1, F-2, and G of the Grand Parkway in Harris and Montgomery counties. Minute Order 114881, dated March 28, 2017 authorized GPTC, upon substantial completion of the construction of Segments H, I-1 and I-2B, to charge tolls for the tolled portions of Segments H, I-1, and I-2B of the Grand Parkway in Montgomery, Harris, Liberty and Chambers Counties, and for the portion of Segment I-2A from Fisher Road to FM 1405 in Chambers County. Minute Order 113399 further authorized the chairman of the commission to execute a toll rate agreement with the GPTC regarding covenants to maintain toll rates on the tolled portion of Segment D of the Grand Parkway in Harris County and on the Grand Parkway Segments E, F-1, F-2, and G in Harris and Montgomery counties in accordance with the toll rate agreement.

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

The toll rate escalation policy adopted by the commission in Minute Order 113399 and Minute Order 114881 provides for the department to calculate the annual toll rate escalation percentage (toll rate escalation percentage) in accordance with the toll rate escalation policy and report the toll rate escalation percentage to the GPTC and the commission each year at or before the commission's October meeting. The department has established a toll rate escalation percentage of 2.00% to be applied to the current base toll rates for each segment of the Grand Parkway identified above and each tolling point, generating the schedule of increased toll rates for calendar year 2020 shown on the attached Exhibit A.

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

executive director and by the GPTC, as applicable, unless the commission affirmatively votes prior to January 1 to modify the toll rate escalation percentage.

Exhibit A includes escalated toll rates for two expected toll gantries to be added within Segment G of the Grand Parkway on the existing ramps at Riverwalk Drive due to the proposed connection of Riverwalk Drive to the Grand Parkway. Pursuant to Section 1.1 of the Toll Rate Agreement between the commission and the GPTC, prior to adopting any change in the toll rate schedule, the commission shall have obtained and filed with the GPTC and the trustee a certificate by the traffic consultant that, in the consultant's opinion, that (a) if such proposed toll rate schedule had been in effect during the preceding fiscal year, it would not have caused a decrease in the Senior Net Revenues for such preceding fiscal year, or (b) the adoption of such proposed toll rate schedule will not materially adversely affect the ability of the commission to comply with its covenants in Section 1.1(b) of the Toll Rate Agreement. The commission has received such certification from the traffic consultant and filed it with the GPTC and the trustee.

IT IS THEREFORE ORDERED by the commission that the schedule of escalated toll rates for Segment D of the Grand Parkway in Harris County, Segments E, F-1, F-2, G, H, I-1, and I-2B of the Grand Parkway, and the existing tolling points on Segment I-2A of the Grand Parkway, attached as Exhibit A, is accepted, replacing the current rate tables with the escalated toll rates on January 1, 2020.

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

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

115622
TOD

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

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

Minute Order 113244, dated August 30, 2012, authorized the executive director to annually escalate toll rates on the CTTS in accordance with established indices and the toll escalation policy set forth in the minute order. The Texas Department of Transportation (department) has established a toll rate escalation percentage of 1.70% (toll rate escalation percentage) to be applied to the current base toll rates for each CTTS element and paypoint, generating the schedule of increased toll rates for calendar year 2020 shown on Exhibit A. The toll rate escalation percentage and the escalated toll rate table shown in Exhibit A for each CTTS element have been prepared in accordance with the toll escalation policy established in Minute Order 113244. As provided in Minute Order 113244, the percentage increase in the toll rates will be effective automatically on January 1 of the next calendar year and implemented by the executive director, unless the commission affirmatively votes prior to January 1 to modify the toll rate escalation percentage.

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

IT IS THEREFORE ORDERED by the commission that the schedule of escalated toll rates for each CTTS element, attached as Exhibit A, is accepted replacing the current rate tables with the escalated toll rates on January 1, 2020.

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

(6) Travis and Williamson Counties - Consider the acceptance of the Voluntary Quarterly Report of Actual Traffic and Toll Revenue for the Central Texas Turnpike System (MO)

115623
PFD

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

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

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

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

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

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

IT IS THEREFORE ORDERED by the commission that the Voluntary Quarterly Report of Actual Traffic and Toll Revenue attached as Exhibit A is accepted.

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

e. Transportation Planning

(1) Williamson County - In Cedar Park, consider designating Old US Highway 183 as BU 183-Q and, upon the completion of construction of new US 183 along Old US Highway 183, re-designating BU 183-Q as US 183 and removing US 183 along Bell Boulevard from the state highway system (MO)

115624
TPP

The Austin District, Williamson County, and the City of Cedar Park have requested the following actions: 1) designate Old US Highway 183 as BU 183-Q on the state highway system from Cedar Park Drive southward to 0.2 miles south of Buttercup Creek Boulevard; 2) upon completion of the construction of the new US 183 along Old US Highway 183, redesignate BU 183-Q as US 183 on the state highway system; and 3) upon completion of the construction of the new US 183 along Old US Highway 183, remove the designation of US 183 along Bell Boulevard from the state highway system and transfer control, maintenance and jurisdiction to the City of Cedar Park.

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

The Texas Transportation Commission (commission) finds that the proposed designation and redesignation will facilitate the flow of traffic, promote public safety, and maintain continuity of the state highway system and are necessary for the proper development and operation of the system. The commission also finds that, upon completion of the construction of the new US 183, the segment of US 183 along Bell Boulevard will no longer be needed for the proper development and operation of the system.

IT IS THEREFORE ORDERED by the commission that: 1) Old US Highway 183 is designated as BU 183-Q on the state highway system from Cedar Park Drive southward to 0.2 miles south of Buttercup Creek Boulevard, a distance of approximately 0.8 miles; 2) upon completion of the construction of the new US 183 along Old US Highway 183, BU 183-Q is redesignated as US 183 on the state highway system; and 3) upon completion of the construction of the new US 183 along Old US Highway 183, the designation of US 183 along Bell Boulevard is removed from the state highway system and control, maintenance, and jurisdiction is transferred to the City of Cedar Park, as shown on Exhibit A.

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

(2) Various Counties - Consider concurrence with the Regional Transportation Council of the North Central Texas Council of Governments' funding of construction and other project development costs of projects to be advanced through the use of payments received from the North Texas Tollway Authority in accordance with the SH 161 Toll Project Agreement (MO)

115625
TPP

Transportation Code, §228.012 requires the Texas Department of Transportation (department) to create a separate account in the state highway fund to hold payments received by the department under a comprehensive development agreement (CDA) and the surplus revenue of a toll project or system.

The department is required to create subaccounts in the account for each project, system, or region, and to hold money in a subaccount in trust for the benefit of the region in which the project or system is located. Interest earned on money in a subaccount shall be deposited to the credit of that subaccount. The department may assign the responsibility for allocating money in a subaccount to the metropolitan planning organization (MPO) in which the region is located.

The department has created subaccounts in the state highway fund to hold the payments received from the North Texas Tollway Authority (NTTA) for the right to develop, finance,

design, construct, operate, and maintain the SH 161 toll project from I-20 to SH 183 in Dallas County (SH 161 payments).

Pursuant to Transportation Code, §228.012, the SH 161 payments may be used to pay the costs of a transportation project, highway project, or air-quality project within a region in which any part of the SH 161 toll project is located. Money must be allocated to projects authorized by Transportation Code, §228.0055 or §228.006, as applicable. An air-quality project is a project or program of the department or another governmental entity that the Texas Transportation Commission (commission) determines will mitigate or prevent air pollution caused by the construction, maintenance, or use of public roads.

In Minute Order 110727, dated October 26, 2006, the commission approved, and authorized the department's executive director to enter into, a memorandum of understanding (MOU) with the Regional Transportation Council (RTC), the transportation policy council of the North Central Texas Council of Governments (NCTCOG), a federally designated MPO, concerning the administration, sharing, and use of surplus toll revenue and CDA concession payments in the region served by the NCTCOG. The SH 161 toll project is located in the region served by the NCTCOG.

Responsibility for allocating the SH 161 payments has been assigned to the RTC under the MOU. The MOU provides that the selection of projects to be financed using those funds shall be made by the RTC, subject to commission concurrence. The projects are to be selected through a process which considers the desires of the cities and counties in which the project is located. The RTC has developed a plan for regional sharing of surplus toll revenue and CDA concession payments, based on the location of the toll project from which these revenues are derived and the residential location of toll users in the region served by the NCTCOG.

In Minute Order 112015, dated October 29, 2009, the commission clarified that commission concurrence in projects selected by the RTC to be financed with surplus toll revenue and CDA concession payments is limited to ensuring the funds are allocated to projects authorized by Transportation Code, §228.0055 or §228.006. The minute order requires the department to disburse such funds in accordance with directions from the RTC to pay the costs of qualified projects.

The department has established a work program to account for and track projects and project costs in the NCTCOG Metropolitan Planning Area (MPA) boundary funded with the SH 161 payments. In previous minute orders, the commission concurred with certain projects identified by the RTC to be funded with those payments, and approved the placement of those projects in the work program. The RTC, through an extensive public involvement process, has identified additional project costs in the NCTCOG MPA boundary to be funded with the SH 161 payments, as shown in Exhibit A. The list of previously-approved projects is shown in Exhibit B and a summary of funds associated with the SH 161 work program is set forth in Exhibit C. Both Exhibit B and Exhibit C are included for informational purposes only.

IT IS THEREFORE ORDERED by the commission that, pursuant to the MOU and Minute Order 112015, it concurs with the project shown in Exhibit A that has been selected by the RTC to be funded with the SH 161 payments, and approves the placement of the project in the work program with CONSTRUCT authority, to be developed consistent with applicable state and federal laws, regulations, and procedures. Pursuant to the finding of the RTC, the commission determines that the project shown in Exhibit A is a transportation or highway project, or air-quality project that will mitigate or prevent air pollution caused by the construction, maintenance, or use of public roads, and is therefore eligible to be funded with the SH 161 payments.

IT IS FURTHER ORDERED that, unless otherwise approved by the commission, all direct costs associated with the project for which federal and state funds have not been allocated

shall be charged to this work program, including the costs of right-of-way acquisition, preliminary engineering, and construction engineering. The costs of department staff incurred in the development, procurement, and construction of on-system projects to be funded from the SH 161 payments subaccounts will not themselves be funded from the SH 161 payments subaccounts. Funds from the SH 161 payments subaccounts that were used to reimburse the costs of department staff will be returned to the subaccounts without interest at least quarterly.

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

f. Speed Zones

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

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

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

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

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

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

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

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

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

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

ITEM 14. Executive Session Pursuant to Government Code, Chapter 551

Section 551.071 - Consultation with and advice from legal counsel regarding any item on this agenda, pending or contemplated litigation, or other legal matters.

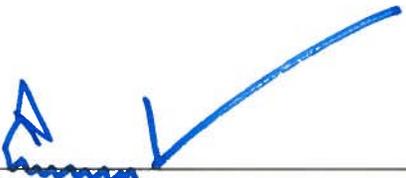
The commission did not meet in executive session.

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

The commission received comments from City of Pflugerville Council Member Mike Heath, who thanked the commission for the work on SH 130, and from private citizen and engineer Don Dixon, who provided remarks on the Texas Transportation Institute and the federal hearing on September 11, 2019.

Commissioner Vaughn motioned adjournment and Commissioner New seconded the motion. The commission voted 4 - 0 to adjourn. The regular meeting of the Texas Transportation Commission was adjourned at 10:42 a.m.

APPROVED by the Texas Transportation Commission on November 14, 2019:



J. Bruce Bugg, Jr., Chairman
Texas Transportation Commission

I hereby certify that the above and foregoing pages constitute the full, true, and correct record of all proceedings and official records of the Texas Transportation Commission at its regular meeting on October 31, 2019, in Austin, Texas.



Robin Carter, Commission Chief Clerk
Texas Department of Transportation