

These are the minutes of the special meeting of the Texas Transportation Commission, which was held on March 5, 2009, in Austin, Texas. The meeting opened at 10:02 a.m. with the following members present:

Commission Members:

Deirdre Delisi	Chair
Ted Houghton, Jr.	Commissioner
Ned Holmes	Commissioner
Fred Underwood	Commissioner
Bill Meadows	Commissioner

Administrative Staff:

Amadeo Saenz, Jr., Executive Director
 Bob Jackson, General Counsel
 Roger Polson, Executive Assistant to the Deputy Executive Director

A public notice of this special meeting containing all items on the proposed agenda was filed in the office of the Secretary of State at 3:57 p.m. on February 25, 2009, as required by Chapter 551, of the Government Code, referred to as “The Open Meetings Act.”

The special meeting was called to order by Chair Delisi.

ITEM 1. Various Counties – Approve transportation projects to be funded from Texas' portion of the American Recovery and Reinvestment Act (MO)

Commissioner Holmes made a motion, seconded by Commissioner Underwood and the commission approved the following minute order presented by Assistant Executive Director for Engineering Operations John Barton.

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AEO

On February 17, 2009, President Obama signed into law the American Recovery and Reinvestment Act (ARRA). The ARRA created an economic stimulus package that provides \$64.1 billion nationwide for infrastructure projects, including \$27.5 billion for highway and bridge construction, and \$1.5 billion for surface transportation grants to be administered by the Secretary of Transportation.

Texas’ share of the funding for highway and bridge construction is expected to be approximately \$2.25 billion, based on the existing apportionment formula. Of that amount, 67 percent will be obligated to projects selected at the discretion of the Texas Transportation Commission (commission) and 30 percent will be sub-allocated through the Surface Transportation Program to metropolitan planning organizations (MPOs) and rural areas. The remaining 3 percent of the funds are set aside for enhancement projects.

FHWA recently issued a guidance document on funding, project selection, eligible activities, and other specific requirements to assist states in implementing the ARRA. The guidance document states that the following project priority criteria shall be considered during project selection: (1) priority shall be given to projects/activities that are projected for completion by February 17, 2012; (2) priority shall be given to projects that are located in economically distressed areas as defined by section 301 of the Public Works and Economic Development Act of 1965, as amended (42 USC 3161); (3) preference shall be given to projects/activities that can be started and completed expeditiously including a goal of obligating at least 50% of the funds not later than June 17, 2009; and (4) recipients shall also use funds in a manner that maximizes job creation and economic benefit.

In anticipation of the enactment of the ARRA, the Texas Department of Transportation (department) collaborated with the Texas Division of the Federal Highway Administration (FHWA), MPOs, tolling authorities and transit providers to develop a unified approach to identifying and prioritizing projects that potentially qualify for funding. Department staff and local officials agreed upon the following criteria for evaluating mobility projects: (1) projects that improve the safety of the transportation system; (2) projects on corridors of statewide significance or regional priority; (3) projects that leverage or pool resources; (4) projects that create long-term economic benefit to the communities and region that they serve; (5) projects in areas that are economically distressed; and (6) fair and equitable distribution of projects around the state. The priority and preference selection criteria described in the ARRA and the FHWA guidelines were subsequently used in the evaluation process to develop the lists of projects recommended for funding under the ARRA.

Time is of the essence with regard to the selection of projects. The ARRA requires that 50 percent of the discretionary funds allocated to the state for highway and bridge projects must be obligated within 120 days of receiving the apportionment from FHWA or the funds will be redistributed to other states. In addition, states must have 100 percent of the funds obligated within one year or the remaining funds will be redistributed. States must submit data on projects to be funded completely or partially with ARRA funds to FHWA by March 17, 2009.

The approximately \$1.2 billion in mobility projects set forth in Exhibit A, which were identified by department staff, meet the consensus criteria described above as well as the project selection requirements established by the ARRA and the corresponding FHWA guidelines. These projects will be ready to proceed to contract within the time requirements stipulated in the ARRA, meaning that all environmental requirements, design work, and right of way acquisition are sufficiently complete or underway to allow projects to proceed to construction or a development agreement to be executed. In addition, these projects further the department's stated goals to reduce congestion, enhance safety, expand economic opportunity, improve air quality, and preserve the value of transportation assets.

In Minute Order 111716, dated February 26, 2009, the commission approved the funding, under the provisions of the ARRA, of approximately \$500 million in preventative maintenance and rehabilitation projects. The department has continued to refine the selection criteria and the application of those criteria to the eligible projects to ensure that the approved projects comply with the criteria identified in that minute order, the ARRA, and the project selection requirements established by FHWA. As a result of those efforts, a revised list of preventative maintenance and rehabilitation projects has been developed and is set forth in Exhibit B.

All projects are subject to federal and state laws, including the provisions of the ARRA. No matching funds are required.

IT IS THEREFORE ORDERED by the commission that the transportation projects set forth in Exhibit A are hereby approved for funding under the provisions of the ARRA.

IT IS FURTHER ORDERED that the executive director or the director's designee is authorized to proceed with project development and contract awards for the projects described in Exhibit A, and to enter into any necessary agreements associated with these projects and activities.

IT IS FURTHER ORDERED that Exhibit A in Minute Order 111716 is rescinded and replaced with Exhibit B.

IT IS FURTHER ORDERED that the department shall track the progress of the transportation projects set forth in Exhibits A and B separately from other ongoing projects and place information regarding the status of these projects on the department's website.

Note: Exhibits A and B on file with minute order clerk.

Note: The commission received comments from Associated General Contractors Executive Director Tom Johnson; Cameron County Regional Mobility Authority Executive Director Pete Sepulveda; Representative Richard Raymond; Representative Raul Salinas; Webb County Judge Danny Valdez; Representative Ryan Guillen; Representative Doc Anderson; Representative Ralph Sheffield; District Director for Senator Troy Frasier, Dr. J. Brown; City of Belton Mayor Jim Covington; Salado Mayor Merle Stalcup; K-TUTS Executive Director Jim Reed; City of Waco Mayor Virginia DuPuy; City of Bellmead Mayor Russell Devorsky; City of Houston Director of Public Works & Engineering Michael Marcotte; City of Amarillo Mayor Debra McCartt; Cameron County Regional Mobility Authority Chair David Alex; North East Texas Regional Mobility Authority Chair Jeff Austin; Central Texas Regional Mobility Authority Executive Director Mike Heiligenstein; Texas Turf Board Member Hank Gilbert; Sierra Club Transportation Chair Dick Kallerman; Texas Public Policy Foundation Vice President Justin Keener; Texans United for Reform & Freedom Director Mary Anderson; Lone Star Chapter Sierra Club Communications Coordinator Donna Hoffman; Corridor Watch Co-Founder Linda Stall; Roger Baker; Morris Priest; Texans for Safe Reliable Transportation Coalitions Manager Lauren Kennedy; and Texas Good Roads Association Executive Director Lawrence Olsen.

The meeting adjourned at 1:28 p.m.

APPROVED:

Deirdre Delisi, Chair
Texas Transportation Commission

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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 special meeting on March 5, 2009 in Austin, Texas.

Dee Hernandez, Chief Minute Clerk
Texas Department of Transportation