

TEXAS TRANSPORTATION COMMISSION

VARIOUS Counties

MINUTE ORDER

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TYLER and ATLANTA Districts

On October 28, 2010, by Minute Order 112475, the Texas Transportation Commission (commission) granted final approval of financial assistance for the North East Texas Regional Mobility Authority (NETRMA) to borrow up to \$39.2 million from the State Infrastructure Bank (SIB) to pay for certain costs of design and construction of Segment 3B of Toll 49, from SH 31 north to I-20 (project).

On February 24, 2011, the commission adopted Minute Order 112607 to modify the terms of the SIB loan approved pursuant to Minute Order 112475, to extend the maturity and provide for an adjustment in the SIB loan interest rate, and to approve the connection of the project with a segment of the state highway system.

Pursuant to Minute Order 112475, as modified by Minute Order 112607, the Texas Department of Transportation (department) and NETRMA entered into the SIB Loan Agreement dated as of March 1, 2011 to finance certain costs of the project that will not be financed by a toll equity loan for the project.

The NETRMA has determined that the project to be financed in part by the SIB loan agreement should now also include preliminary studies required to determine the feasibility of the Toll 49 East Texas Hourglass project (Hourglass project) which traverses Gregg, Harrison, Smith, and Upshur counties. The Hourglass project is expected to provide a regional connecting transportation facility for the cities of Tyler and Longview. The Hourglass project may provide a possible connection to future I-69, crossing I-20 close to the Smith/Gregg county line. The Hourglass project is expected to then parallel I-20 to the north and connect to US 59 north of the city of Marshall.

The NETRMA has also determined that the requirement in the SIB loan agreement to provide financial information audited by a nationally recognized firm of independent public accountants should be revised to eliminate the requirement that the audit firm be one that is nationally recognized.

The project as redefined is consistent with the Metropolitan Transportation Plan of both the Tyler and Longview Metropolitan Planning Organizations, and is consistent with the FY 2011-2014 Statewide Transportation Improvement Program. Further, the project as redefined will improve the efficiency of the state's transportation systems, and will expand the availability of funding for transportation projects or reduce direct state costs.

The commission has determined that providing financial assistance for the project as redefined will protect the public safety and prudently provide for the protection of public funds, while furthering the purposes of the SIB, and that the project as redefined will provide for all reasonable and feasible measures to avoid, minimize, or mitigate for adverse environmental impacts.

The commission has determined that the requirement in the SIB loan agreement to provide financial information audited by a firm of independent public accountants meets the requirements of 43 TAC Chapter 6 (SIB rules).

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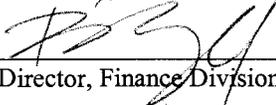
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TYLER and ATLANTA Districts

IT IS THEREFORE ORDERED that the definition of the project in the SIB loan agreement be revised to include preliminary studies required to determine the feasibility of the Hourglass project.

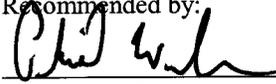
IT IS FURTHER ORDERED that the executive director of the department or his designee is authorized to enter into an amendment of the SIB loan agreement and any related agreement or document as may be needed to revise (i) the definition of the project and (ii) the audit requirements, each as described herein.

Submitted and reviewed by:



Director, Finance Division

Recommended by:



Executive Director

112941 DEC 15 11

Minute Date
Number Passed