

TEXAS TRANSPORTATION COMMISSION

VARIOUS Counties

MINUTE ORDER

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TYLER and ATLANTA Districts

On November 18, 2010, by Minute Order 112498, the Texas Transportation Commission (commission) granted final approval of a request by the North East Texas Regional Mobility Authority (NETRMA) for toll equity financing in the form of a loan for certain costs of design and construction of Segment 3B of Toll 49, from SH 31 north to I-20 (project), in the amount of up to \$90 million, not to exceed the difference between the amount of eligible project costs and the amount of a State Infrastructure Bank (SIB) loan for the project.

On February 24, 2011, the commission adopted Minute Order 112608 to modify the terms of the toll equity loan authorized under Minute Order 112498, to extend the maturity and adjust the interest rate accruing on the toll equity loan.

Pursuant to Minute Order 112498, as modified by Minute Order 112608, the Texas Department of Transportation (department) and NETRMA entered into the Toll Equity Loan Agreement (agreement) dated as of March 1, 2011, to provide a loan in the stated amount of \$59,749,346.02 to finance certain costs of the project that will not be financed by a SIB loan for the project.

The NETRMA has determined that the project to be financed in part by the agreement should now also include development costs as defined in 43 TAC §27.51 (toll equity rules), and for all feasible segments, the preparation of plans, specifications, and estimates for 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 and 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 toll equity 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, expand the availability of funding for transportation projects or reduce direct state costs.

The commission has determined that the requirement in the toll equity loan agreement to provide financial information audited by a firm of independent public accountants meets the requirements of 43 TAC §§27.50-27.58 (toll equity rules).

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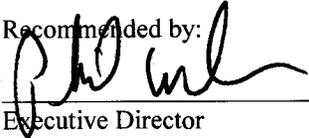
IT IS THEREFORE ORDERED that the definition of the project in the toll equity loan agreement be revised to include development costs and, for all feasible segments, the preparation of plans, specifications, and estimates for the Hourglass project.

IT IS FURTHER ORDERED that the executive director of the department or his designee is authorized to enter into an amendment of the toll equity 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

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Minute  
Number

Date  
Passed