

TEXAS TRANSPORTATION COMMISSION

VARIOUS Counties

MINUTE ORDER

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HOUSTON AND BEAUMONT Districts

Subchapter E, Chapter 223, Transportation Code prescribes the process by which the Texas Department of Transportation (department) may enter into a comprehensive development agreement (CDA) with a private entity that provides for the design, development, financing, construction, maintenance, repair, operation, extension, or expansion of an eligible project.

Planning and development of SH 99 (Grand Parkway), a proposed outer circumferential highway traversing seven counties and serving the Houston area has been underway since the 1980s. During that time, the department and the counties in which the highway is proposed to be 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 Transportation Code, §228.0111 and the policies included in Minute Order 111410, the department and the counties in which the Grand Parkway is located 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. Each of the counties subsequently elected to exercise its option to develop, construct, and operate the portion of the Grand Parkway located within the territory of the county.

By resolution and order adopted on July 13, 2010, Chambers County withdrew its previous election to exercise that option, effectively choosing to not exercise its option, and providing for the reversion to the department of the right to develop, construct, and operate that portion of the Grand Parkway. In Minute Order 112528, the Texas Transportation Commission (commission) approved the department's determination to exercise its option to develop, finance, construct, and operate the portion of the Grand Parkway in Chambers County.

On January 11, 2011, the Harris County Commissioners Court rescinded its September 15, 2009 action to exercise the county's option, effectively choosing to not exercise its option, and providing for the reversion to the department of the right to develop, construct, and operate that portion of the Grand Parkway. In Minute Order 112558, the commission approved the department's determination to exercise its option to develop, finance, construct, and operate the portion of the Grand Parkway in Harris County.

There exists the potential for expediting the development and completion of all or part of the Grand Parkway through the use of a CDA, and the employment of innovative methods for the development and financing of projects that are available with a CDA. Development of the Grand Parkway is a crucial element to responding to growing traffic congestion throughout the Houston metropolitan area.

The department's authority to enter into a CDA for the Grand Parkway expires on August 31, 2011. Legislation has been filed that would extend that authority. The department is contemplating the use of a CDA for the development, design, construction, financing, maintenance, and operation of the portion of the Grand Parkway from Segment D in Harris County, northeasterly to Segment I-2 in Chambers County (Project).

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The use of a CDA to deliver the Project is subject to the enactment of legislation authorizing the department to enter into a CDA for the Grand Parkway after August 31, 2011. As both Montgomery and Liberty counties have exercised its option to develop, construct, and operate the portion of the Grand Parkway located within the territory of that county, those counties would need to rescind the exercise of their options in order for the department to develop, construct, and operate the portion of the Project in those counties.

Section 223.203, Transportation Code prescribes requirements for a CDA procurement and requires the department to publish a request for qualifications in the *Texas Register* that includes 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.

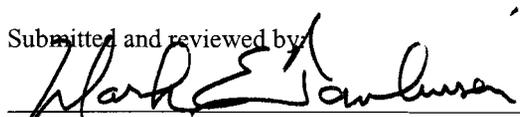
The planned improvements will provide increased capacity by creating a circumferential route that relieves traffic congestion and facilitates the efficient movement of people and goods within the developing communities of the metro core.

IT IS THEREFORE ORDERED by the commission that the department is authorized to publish in the *Texas Register* and in one or more newspapers of general circulation a request for qualifications to develop, design, construct, finance, maintain, and operate the portion of the Grand Parkway from the portion of Segment D in Harris County, northeasterly to Segment I-2 in Chambers County.

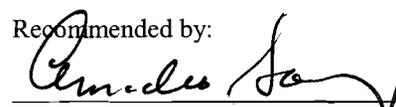
IT IS FURTHER ORDERED that the issuance of the request for qualifications is subject to the enactment of legislation authorizing the department to enter into a CDA for the Grand Parkway after August 31, 2011.

IT IS FURTHER ORDERED that the project scope described in the request for qualifications may only include the portion of the Grand Parkway in Montgomery and Liberty counties if those counties rescind the exercise of their options to develop, construct, and operate the portion of the Project in those counties.

Submitted and reviewed by


Director, Texas Turnpike Authority Division

Recommended by:


Executive Director

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Minute Number Date Passed