

**TEXAS TRANSPORTATION COMMISSION**

VARIOUS Counties

**MINUTE ORDER**

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AUSTIN and SAN ANTONIO Districts

Article III, Section 49-k of the Texas constitution (constitutional provision) created the Texas Mobility Fund (fund) in the state treasury and provides that the fund shall be administered by the Texas Transportation Commission (commission) as a revolving fund to provide a method of financing the construction, reconstruction, acquisition, and expansion of state highways and to provide participation by the state in the payment of a portion of the costs of constructing and providing publicly-owned toll roads and other public transportation projects, in accordance with the procedures, standards and limitations established by law.

The Texas Legislature implemented the authority granted by this constitutional provision in Transportation Code, Chapter 201, Subchapter M (enabling act). Transportation Code §201.943 provides that the commission, by order, may issue obligations, including Texas Mobility Fund general obligation bonds (bonds), secured by and payable from a pledge of and lien on all or part of the money in the fund.

In Minute Order 109800, dated September 30, 2004, the commission adopted the Texas Mobility Fund Strategic Plan (plan) in accordance with Transportation Code §201.947 describing how the proceeds of obligations will be used and the benefit the state will derive from use of money in the fund.

Lone Star Rail District has submitted a request to the Texas Department of Transportation (department) for state participation in the form of a grant of Texas Mobility Fund bond proceeds to pay a portion of the cost of constructing other public transportation projects, specifically passenger rail services in Central and South Texas, adding much-needed capacity in the I-35 corridor (project).

The project will provide intercity passenger rail service on existing freight lines that parallel I-35 between Round Rock and San Antonio.

The grant of money in the fund will be used by Lone Star Rail District for environmental work, feasibility study, relocation work for existing freight lines and public outreach/information necessary in connection with certain required federal approvals for the project.

The grant of money in the fund for the project is consistent with the uses of the fund set forth in the plan.

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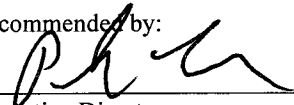
NOW, THEREFORE, IT IS DETERMINED that the request for a grant from the fund submitted by the Lone Star Rail District meets the eligibility requirements of the constitutional provision, enabling act, and the plan, and the commission approves the request for funding from the proceeds of the bonds in the amount of \$2.5 million, in the form of a grant, to be used for the purposes described herein, and directs the executive director to implement the actions necessary to effect the purposes of this minute order and further directs the chief financial officer, as an authorized representative pursuant to the master resolution and the applicable supplemental resolution for the fund, to ensure compliance with the permitted uses of the fund and the federal income tax laws applicable to the bonds including execution of any necessary agreements or certificates.

Submitted and reviewed by:



Chief Financial Officer

Recommended by:



Executive Director

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Minute  
Number

Date  
Passed