

TEXAS DEPARTMENT OF TRANSPORTATION
COMMISSION MEETING

Ric Williamson Hearing Room
Dewitt Greer Building
125 East 11th Street
Austin, Texas

Thursday, January 27, 2011

COMMISSION MEMBERS:

Deirdre Delisi, Chair
Ted Houghton
Ned S. Holmes
Fred Underwood
William Meadows

STAFF:

Amadeo Saenz, Executive Director
Steve Simmons, Deputy Executive Director
Bob Jackson, General Counsel
Roger Polson, Executive Assistant to the
Deputy Executive Director
JoLynne Williams, Chief Minute Order Clerk

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Proposed Adoption

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- c. **Johnson and Tarrant Counties** - Consider final approval of a request for financing from the North Texas Tollway Authority (NTTA) to pay for certain costs associated with the development and construction of the SH 121 toll project from the Fort Worth Central Business District at I-30 south to US 67 in Cleburne (Southwest Parkway/Chisholm Trail), including the costs of right-of-way acquisition (MO) 88
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Western Winter Workshop in Pebble Beach, California on February 3-6, 2011 (MO)

- (2) **Construction Division** - Acknowledge a donation from the Texas Asphalt Pavement Association for a department employee's travel expenses to participate and speak at the Southeastern Asphalt User Producer Group Annual Meeting and the Board of Directors meeting. The meeting was held in Oklahoma City, Oklahoma from December 6-9, 2010 (MO)
- (3) **Houston District** - Consider a donation from Landmark Industries to process an environmental document for advance acquisition of right of way (MO)
- b. **Eminent Domain Proceedings**
Various Counties - noncontrolled and controlled access highways (see attached itemized list) (MO)
- c. **Load Zones & Postings**
 - (1) **Roadways - Lavaca and Colorado Counties** - Revise load restrictions on roadways on the state highway system (MO)
 - (2) **Bridges - Various Counties** - Revise load restrictions on bridges on the state highway system (MO)
- d. **Right of Way Dispositions and Donations**
 - (1) **Aransas County** - FM 1781 and SH 35 at Aransas County Airport - Consider the removal from the system of a section of FM 1781 and transfer of control, jurisdiction and maintenance to Aransas County. The MO also provides for the transfer and quitclaim of surplus right of way on FM 1781 and SH 35 to the county (MO)
 - (2) **Bexar County** - SH 16 at Triana Parkway northwest of Helotes - Consider the quitclaim of surplus right of way to the county (MO)
 - (3) **Brazos County** - SH 6 at Arrington Road in College Station - Consider the sale of surplus portions of a drainage easement (MO)
 - (4) **Dewitt County** - US 87 at Westhoff Cemetery Road southeast of Westhoff - Consider the sale of surplus right of way to the abutting landowner (MO)

- (5) **Fort Bend County** - US 59 at FM 762 in Rosenberg - Consider the grant of surplus access rights in exchange for new right of way (MO)
- (6) **San Patricio County** - SH 361 at Hackberry Street in Ingleside - Consider the quitclaim of surplus right of way to correct an error (MO)
- (7) **Tarrant County** - US 287 south of I-30 in Arlington - Consider the sale of a surplus drainage easement (MO)
- e. **Release of Access Rights**
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- f. **Finance**
 - (1) Accept the quarterly cash report (MO)
 - (2) Accept the quarterly investment report (MO)
- g. **Speed Zones**
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- 21. **Executive Session** Pursuant to Government Code, Chapter 551, 121
 - a. **Section 551.071** B Consultation with and advice from legal counsel regarding any item on this agenda
 - b. **Section 551.074** - Discuss the duties of one or more persons who fill a position of Executive Director, Deputy Executive Director, Chief Financial Officer, Assistant Executive Director, General Counsel, Audit Office Director, Director of Government and Public Affairs, Director of Strategic Policy and Performance Management, and other division and office directors.
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P R O C E E D I N G S

1
2 MS. DELISI: Good morning. It is 9:07 a.m. and
3 I call the regular January 2011 meeting of the Texas
4 Transportation Commission to order. Note for the record
5 that public notice of this meeting, containing all items
6 on the agenda, was filed with the Secretary of State at
7 4:48 p.m. on January 19, 2011.

8 Before we begin today's meeting, just a
9 reminder, please put your cell phones on the silent or off
10 mode, please.

11 Usually at this point I go to the commissioners
12 for comments, but today I would like to turn it over to
13 Amadeo first.

14 MR. SAENZ: Thank you, Madam Chair and
15 commissioners.

16 I just wanted to, for one, thank you for the
17 opportunities that I have had working with you. Earlier
18 this week I sent you my letter with my intent to retire at
19 the end of August, with over 33 years of service for
20 TxDOT. I've had one employer in my career. I had a few
21 more but that was what I needed to get through college,
22 and it was much harder work.

23 (General laughter.)

24 MR. SAENZ: But I think through the years I've
25 had the opportunity to work with many, many, many people,

1 and I've always been of the approach that I learn from
2 everybody that I work with and I try to share as much as I
3 can, sometimes I think probably I share too much.

4 But when I took this job, when I interviewed
5 three years ago, my intent was to go through Sunset, get
6 some changes implemented to become more efficient, and
7 then go ahead and move on. Some of the people that I have
8 worked with have said after so many years try doing to be
9 something new.

10 So I think we've done great things, I think
11 we've implemented some changes, I think we see that this
12 agency and the people of this agency are capable of
13 changing. I'm a little bit disappointed that have been
14 shown have not really given us the credit for the changes
15 that we've done, but I can assure you our people stand
16 ready to move forward with making the changes that will
17 make this agency better. We've changed through the 90-
18 some-odd years that this agency has been in existence, and
19 I don't see any difference as we move forward.

20 I made it effective August because I wanted to
21 make sure that as we're going through the legislative
22 session, I want to make sure we get Sunset because that
23 was one of my goals and I want to make sure we accomplish
24 that. And then afterwards I'd also like to give the
25 opportunity to let you have time to bring onboard the next

1 executive director or the next CEO so that we can have a
2 smooth transition and not take a step backwards before we
3 take a step forwards. So I appreciate that.

4 I also want to announce at this time, of
5 course, Steve Simmons and I came up to Austin at the same
6 time in 2001. We've been up here over nine years, and of
7 course, we've been working together, we kind of grew up
8 together, and Steve also has announced to me that he plans
9 to retire at the end of August. And I guess we're going
10 to ride off into the sunset over to the golf course for a
11 little bit and do some stuff.

12 So I just want to thank Steve for his
13 leadership and his hard work through the years and his
14 friendship, and I look forward to a long retirement and a
15 lot of fun on the golf course and wherever that things may
16 take us.

17 But what I do want to do is thank you for the
18 opportunity that you gave me. Having the job of executive
19 director is a job that not too many people have had, and
20 there are some tremendous rewards and then tremendous
21 challenges, but the people of Texas make the work easy and
22 make the rewards easy also.

23 So thank you very much and I look forward to
24 the next few months. We've still got to build some roads,
25 we've still got to solve some problems, and we're going to

1 work till the very last day to make sure that we meet the
2 goals of TxDOT. So with that, I thank you.

3 MS. DELISI: Amadeo, I just want to say in my
4 relatively short career I've had the opportunity to work
5 with a lot of executive directors at a lot of different
6 agencies in the state government, and it goes without
7 saying that you have been one of the best to work with.
8 You are a credit to this agency.

9 As I said yesterday, you've served this agency
10 with honor and integrity, and the things that you have
11 accomplished over the last three years and what we will
12 continue to accomplish -- because you're right, we have
13 Sunset to go through and we're going to have a very good
14 legislative session for this agency -- you are leaving
15 this agency a better place than how you came into the
16 executive director's role. And that's a credit to you,
17 it's a credit to your leadership team and the people that
18 you've surrounded yourself with. It's a great group of
19 people. And you will be missed.

20 MR. SAENZ: Thank you, Madam Chair.

21 I just want to let you all know that if we
22 don't get our Sunset bill passed [inaudible].

23 (General laughter.)

24 MR. HOUGHTON: I'm going to break tradition
25 because I've worked with you the longest on this

1 commission, Amadeo, in three years in your prior job as
2 assistant to the executive director and three years as the
3 executive director, and it has been a marvelous ride.
4 I've enjoyed all of it. And some of the highwater marks
5 are the CDA program, the projects we're building all over
6 this state, and you were right in the middle of them. I
7 remember the late nights on the State Highway 130,
8 Segments 5 and 6, early mornings, four o'clock in the
9 morning or so.

10 To you and your family, the best, and I look
11 forward to seeing you over there, around here, because
12 I've got to believe that there are those that recognize
13 talent out there and you are a very talented individual.
14 And I thank you for your service.

15 MR. SAENZ: Thank you, sir.

16 MR. HOLMES: Amadeo, when I look back on the
17 four years that I've been here, my observation is that you
18 have exhibited integrity, amazing creativity, and you've
19 been able to generate a feeling, I believe, from the
20 transportation providers in this state and from the TxDOT
21 family that is very endearing. There is a genuine
22 heartfelt love for what you've done and for you, and
23 you've reciprocated that. And I want to tell you that
24 I've very much enjoyed and appreciated being able to work
25 with you for these last four years, and wish you all the

1 best.

2 MR. SAENZ: Thank you, sir.

3 MR. UNDERWOOD: Amadeo, I want to personally
4 thank you. I want to associate myself with my fellow
5 commissioners' comments. I had to write some notes so I
6 didn't choke up and do it wrong or what not, so bear with
7 me.

8 MR. SAENZ: Commissioner, there is no crying in
9 TxDOT.

10 (General laughter.)

11 MR. UNDERWOOD: Okay. All right. Thank you
12 for making it easier for me.

13 As long as I've known you, Amadeo, you've been
14 a man I've respected from day one. I remember as I first
15 came on the commission, and being a neophyte and the rural
16 commissioner, I didn't know come here from sic 'em, and
17 Amadeo took the time, late nights with me to coach me and
18 say: Here's where we are, here's what we're doing, here's
19 the quality people we have, let me show you. And he would
20 brag about each person in our organization. And here's
21 what they're doing and here's why they're doing this and
22 here's why I put so-and-so here or here's where we're
23 going here.

24 And I just want the employees to know how much
25 Amadeo cared about them, every man and woman in this

1 organization. He put them first in front of his health
2 and in front of probably his family, and I appreciate
3 that. Being in a family business I really respect that.

4 We would not be where we are. He's made some
5 changes that you will never see. You'll get the benefit
6 of it but you'll never really see it. And I appreciate
7 that. You didn't run around beating your chest and look
8 at me, I'm wonderful. You went around saying look how
9 wonderful this person is, or look how good this district
10 engineer is, or look how good this organization is. And
11 that's really classy and I really appreciate that, sir.

12 It was an honor to be on the commission when
13 you were here, sir, and I really appreciate it. Thank you
14 of everything you've done for Texas.

15 MR. SAENZ: Thank you.

16 MR. MEADOWS: Well, I certainly appreciate this
17 break with tradition because finally having the
18 opportunity to have the last word, I really intend to
19 capitalize on it. I don't know how much time you all have
20 today.

21 (General laughter.)

22 MR. MEADOWS: Amadeo, my words will be brief
23 but I promise you they will be heartfelt, absolutely.

24 You know, I think of the last several years,
25 having the honor to serve on this commission, you think

1 about the challenges, the true challenges that we all have
2 faced together, and your leadership, I would say, is
3 characterized by the grace, by the dignity and the
4 integrity which you took to meet and apply to every
5 challenge.

6 And I really do think that does characterize
7 you and your personality, and I have tremendous respect
8 and admiration for that, your commitment, your dedication
9 to the people of Texas, because you never forget that.
10 You never have forgotten it and you will not forget it,
11 and I think you remind us of that, that's who we're
12 working for. Every day, every decision, every action you
13 made was to the best of your ability to benefit the
14 citizens of this state, and I think we, as a commission,
15 and I think the citizens of this state thank you for your
16 service.

17 MR. SAENZ: Thank you, sir.

18 I guess really I'd like to go back and just one
19 more quick comment since I got the opportunity to speak
20 earlier. But I just want to reiterate the importance of
21 the TxDOT employees. The employees of TxDOT are family
22 members. They're the most unselfish, the most dedicated
23 employees that exist in this planet.

24 They're there when there's snow and ice on
25 Christmas Eve, they're out there putting themselves to

1 help the traveling public, help people that are going from
2 one place to the other and not spending it with their
3 families. And you would think that they would be sad or
4 that they would be angry because they're having to do
5 that. You go watch them and they are enthusiastic about
6 being out there. They are happy to be out there because
7 they know that they're serving a purpose.

8 I was meeting with a gentleman from New York
9 this morning from the New York public transit, and we
10 started the conversation with the Queen Isabella Causeway.
11 The Queen Isabella Causeway was hit by a barge on
12 September 15, right after 9/11. The Pharr District, to a
13 man, volunteered to learn how to work ferry operations.
14 And of course, being a rural district, semi-urban, to
15 incorporate ferry systems, but every single man said
16 whatever it takes we want to learn to do it because we
17 want to help. And that's the culture that we have and the
18 culture that we need to make sure we keep.

19 And I've had a great honor working for TxDOT.
20 As I mentioned, I've had one employer my entire career,
21 and it has been a pleasure. And as I leave, I will
22 continue to watch because I know that this agency is going
23 to continue and adapt to ensure that they serve the people
24 of Texas. So I thank you.

25 And like I said, we've got several more months

1 so there will be more times for goodbyes and celebrations
2 between now and then. Thank you all very much.

3 MS. DELISI: Yes. We have seven more months,
4 but at this point I do want to ask the audience to join me
5 in a round of applause honoring Amadeo.

6 (Applause.)

7 MR. SAENZ: And now a round of applause for the
8 people of TxDOT.

9 Thank you all very much. It's been a pleasure
10 and an honor.

11 MS. DELISI: If you wish to address the
12 commission during today's meeting, please complete a
13 speaker's card at the registration table in the lobby. To
14 comment on an agenda item, please complete a yellow card
15 and identify the agenda item. If it's not an agenda item,
16 we will take your comments at the open comment period at
17 the end of the meeting. For those comments please
18 complete a blue card. Regardless of the color of card, we
19 will limit each speaker to three minutes.

20 The first item of business today is approval of
21 the minutes of the December 15 and 16, and the January 5
22 commission meetings. Members, the draft minutes have been
23 provided in your briefing materials. Is there a motion to
24 approve those minutes?

25 MR. HOUGHTON: So moved.

1 MR. HOLMES: Second.

2 MS. DELISI: All in favor?

3 (A chorus of ayes.)

4 MS. DELISI: The motion passes.

5 Okay. So with that, the first agenda item
6 today is a followup report and discussion with Jay
7 Kimbrough of the Restructuring Council to explore
8 implementation options relating to the report we received
9 at the special meeting on January 5.

10 Jay, come on down.

11 MR. KIMBROUGH: Good morning. For the record,
12 my name is Jay Kimbrough, and I'm here as a followup, as
13 the Chair indicated, at her invitation to talk about some
14 next steps and some ideas and some thoughts.

15 But I want to start with this, as I have every
16 time, without repeating everything that Amadeo said, I
17 want to thank the employees of this agency for their
18 support throughout this entire mission. It has been
19 difficult and complex, but the unqualified support and
20 assistance from everybody is very much appreciated and I
21 want to acknowledge that once again.

22 As was indicated on January 5, the council
23 submitted its report of priorities and recommendations
24 that indicated by all will enhance TxDOT's role in meeting
25 the state's future mobility demands. Today I'd like to

1 give some thoughts and ideas on next steps and thoughts
2 and recommend a process at a high level, if you will,
3 about implementation.

4 Actions needed now. First, I would urge the
5 commission and TxDOT to formally adopt all the
6 recommendations in the council's reports. Secondly, a
7 formal implementation strategy should be developed so that
8 it is conducted in an organized and coordinated effort.
9 Development of an implementation plan is listed as
10 specific recommendation in both the council's report and
11 Grant Thornton's report. Specifically, an implementation
12 plan should include a sequence of priorities, a logical
13 timeline, milestones and performance measures to benchmark
14 progress.

15 Next, a decision should be made on which
16 implementation model is most appropriate. There are three
17 possible models: one, TxDOT lead implementation without
18 outside assistance of any kind; second, TxDOT lead
19 implementation with advice and assistance from outside
20 management expertise; third, outside management experts
21 oversee and manage the day-to-day responsibilities of
22 implementation. So essentially we see three theoretical
23 models there and a decision you will make on which one of
24 those to follow.

25 And auditor in all three of these options could

1 serve in a key oversight role, regularly reporting to the
2 commission on the progress of the implementation. And
3 again, the database that's been provided will help
4 everybody, the public and the agency and all, track and
5 monitor progress on the implementation.

6 Finally, TxDOT should implement recommendations
7 that it can proceed with now. That is low-hanging fruit
8 and we've talked about that, and management is working on
9 those things as we speak and has been on those things that
10 can go forward very quickly.

11 Simultaneously, work should begin on the hiring
12 of outside management expertise if that is the option that
13 the commission selects because that process can take
14 several months to complete, so the process can really
15 begin even as you might take a little time to make a
16 decision but at least rough drafts, if you will, of the
17 process could be started.

18 TxDOT has already made some significant
19 progress on two new positions that were talked about
20 months ago, the chief information officer and the chief
21 administrative officer that have been posted and
22 interviews have been conducted, and those positions are
23 expected to be filled before very long, as I understand
24 it. And those will be key positions as part of the
25 implementation process as well.

1 Implementation strategy discussion. As stated
2 in the council's report, a comprehensive and systematic
3 implementation approach is needed to ensure because these
4 recommendations are all interconnected and coordination
5 will be key. Key information is needed to develop the
6 strategy and with the assistance of TxDOT administration,
7 gathering of this information has already begun.

8 A preliminary assessment of the recommendations
9 is underway by the administration right now, and that
10 assessment is divided into four broad categories:
11 internal implementation; external implementation that
12 might require outside management expertise; short-term
13 implementation, three to six months, for example; and then
14 long-term which I define generally as beyond six months.
15 And again, administration is working on that now.

16 So as you know, the council's report talked
17 about a changed management firm or outside management
18 expertise that could be an option to assist with the
19 implementation process. And those preliminary assessment
20 of recommendations that we have been talking about can be
21 used to determine the most appropriate role of a changed
22 management firm or related outside management expertise.

23 Generally, outside management expertise can
24 provide guidance and advice with implementation, or they
25 can go beyond this and get directly involved in the day-

1 to-day responsibilities of implementation. And I'm not
2 advocating one or the other, those are just the options
3 that the commission and the management can determine how
4 it works best.

5 Oversight. Regardless of what model is taken,
6 oversight of the implementation is mandatory, and that
7 goes without saying, and to ensure implementation follows
8 the commission's intent and directive, that oversight
9 function could be handled by an audit office which
10 regularly reports to the commission or a subcommittee that
11 the commission has. But the autonomy and independence of
12 an audit from an outside source like that is a key piece
13 to transparency and credibility for all to see that the
14 agency has indeed done what it said it would do.

15 The next steps. In summary, again, I recommend
16 the commission and TxDOT act on the following four items
17 as soon as appropriate to keep moving forward with the
18 revitalization of the department:

19 Adopt the council's recommendations in full
20 since they will reposition TxDOT to better mobility
21 challenges in Texas, and those challenges will continue to
22 grow day by day.

23 Identify a strategy to implement the
24 recommendations. Again, the best approach to
25 implementation will be a coordinated approach since the

1 recommendations are all interconnected.

2 Determine which implementation model is most
3 appropriate, and then go ahead and implement those
4 recommendations that TxDOT management can see that can be
5 proceeded with right now, while simultaneously working on
6 the hiring process with outside management expertise or
7 outside consulting expertise as the commission deems
8 appropriate.

9 With that, once again, I want to thank the
10 agency.

11 And, Amadeo, one job. This is about my 26th
12 mission in government since 1966, so I envy your career
13 and thank you for your service.

14 And, Steve, the same thing. Thank you very
15 much.

16 That's all, Madam.

17 MS. DELISI: Are there any questions for Jay?
18 No?

19 So one of the main issues I guess Jay has
20 brought up is the issue of outside expertise. He did
21 mention the possibility of a TxDOT-led effort, but I, for
22 one, think we do need to bring in outside expertise. If
23 there's agreement on that, then I think what we need to do
24 is direct staff to begin the process of identifying the
25 quickest way to bring in the outside expertise and

1 hopefully not have to spend a lot of time, just doing it
2 as quickly as possible.

3 MR. HOUGHTON: Do we go through a procurement
4 on outside expertise?

5 MR. SAENZ: We will look at all the options,
6 Commissioner. The normal way is we would go out on a
7 procurement, and of course that may take some time, but
8 I'm going to work with staff to find out what other
9 options we have available that will allow us to bring
10 someone to help.

11 And I agree with Jay. I think the task is
12 going to be big. We also have the task at hand to do our
13 day-to-day work and make sure that the car keeps running
14 while we change the tires.

15 MR. KIMBROUGH: Or the bike.

16 (General laughter.)

17 MR. SAENZ: Or the bike, yes. You've got less
18 tires. Thank you.

19 But I think having some outside assistance will
20 allow us to basically succeed in both of them very well.
21 And what I will do is I will work with staff and come up
22 with the scenario to bring onboard some assistance for the
23 commission to move forward.

24 MR. HOUGHTON: Do you need a motion to accept?

25 MS. DELISI: No. This is just a discussion

1 item. There's no minute order at this point.

2 MR. SAENZ: There is enough direction.

3 MS. DELISI: Right. And as Jay mentioned, at
4 the same time staff is looking through the full report
5 seeing what we can do now while we're in this intervening
6 time period.

7 MR. UNDERWOOD: Madam Chair, I agree with you
8 that there are things that we can do right now that are in
9 the deal. And Jay, we've talked about that. But also I
10 would recommend to staff that whatever method that we find
11 to get a firm involved in it the fastest way.

12 MR. HOLMES: I was going to mention the same
13 thing. We clearly need to find an expedited path through
14 the selection process of an outside firm to help with this
15 process.

16 MR. SAENZ: Yes. We will move forward.

17 MR. MEADOWS: I obviously concur. And Jay made
18 a comment I'd quote, as you talked about next steps you
19 said as soon as is appropriate. I interpret that to mean
20 as soon as possible. And I think that's an important
21 designation to make.

22 First of all, thank you again for you and your
23 associates, your work in this endeavor which, in fact, I
24 think is a partnership as this commission asked you to
25 undertake this enterprise, and I think that the result has

1 been healthy, it's been good. And I think it continues to
2 demonstrate that this commission is absolutely committed
3 to substantive and material positive change that will
4 result in this agency being a better agency which is what
5 we all strive for. So thank you very much for that.

6 And I do think the steps that you all are
7 outlining, I absolutely concur. I think we are headed in
8 that direction, we are committed, and we are going to move
9 ahead as quickly as possible. That's what appropriate
10 means. Thank you.

11 MS. DELISI: Thanks, Jay.

12 MR. SAENZ: Thank you, Jay.

13 MS. DELISI: So with that, Amadeo, I'll turn
14 the rest of the agenda over to you.

15 MR. SAENZ: Thank you, Madam Chair.

16 Agenda item number 3, James Bass will present a
17 resolution for your consideration concerning the
18 submission of comments to the Securities and Exchange
19 Commission concerning the Dodd-Frank Wall Street Reform
20 and Consumer Protection Act.

21 MR. BASS: Thank you, Mr. Saenz. Good morning.
22 For the record, I'm James Bass, chief financial officer
23 at TxDOT.

24 Agenda item 3 is a resolution that we discussed
25 yesterday during the workshop. It would allow and direct

1 staff to submit comments to the Securities and Exchange
2 Commission's proposed rules associated with the Dodd-Frank
3 Act that would, under their definition of municipal
4 advisors, include those appointed to governing bodies of
5 state and local governmental entities.

6 Staff would recommend your approval so that we
7 may submit comments suggesting that appointed board
8 members not be included in the definition of municipal
9 advisors.

10 MR. HOUGHTON: So moved.

11 MR. HOLMES: Second.

12 MS. DELISI: All those in favor say aye.

13 (A chorus of ayes.)

14 MS. DELISI: The motion passes.

15 MR. BASS: Thank you. And one thing I'll point
16 out, a little different than most minute orders since this
17 is a resolution, we'll be coordinating with each of your
18 offices to get your individual signatures on the
19 resolution.

20 And I'd like to take the opportunity to thank
21 both Mr. Saenz and Mr. Simmons. It's been an honor and a
22 privilege to work for both of you, and appreciate the
23 environment you, along with the commission, have
24 established to allow staff to try new solutions for old
25 problems, and we look forward to the next seven months of

1 making continued change and improvements over the next
2 seven months and into the future. So thank you both very
3 much.

4 MR. SAENZ: Thank you, James.

5 Agenda item number 4, John Barton will lead the
6 discussion and presentation by the I-35 Advisory
7 Committee, and we'll get a report from the committee on
8 their final recommendations.

9 MR. BARTON: Good morning, Madam Chair,
10 commissioners and Director Saenz. For the record, my name
11 is John Barton, and I do have the distinct pleasure of
12 serving as your assistant executive director for the State
13 of Texas here at the Texas Department of Transportation
14 over Engineering Operations.

15 And I'm pleased to be with you this morning to
16 talk a little bit about the I-35 Corridor segment and
17 advisory committees and the extensive efforts that they've
18 been putting forth over the past several months to plan
19 for the future of Interstate 35.

20 In a few minutes I'll ask that Bell County
21 Commissioner Tim Brown come forward. Mr. Brown served as
22 the chairman of the I-35 Advisory Committee, and he will
23 share with you the draft MY 35 plan. But before he comes
24 up, I would like to just share a brief few comments about
25 how we got to where we are today and why it's been such an

1 important process for us to go through.

2 As we've all stated before, I-35 serves as a
3 major artery not only for the State of Texas but for our
4 nation in the movement of goods and freight across our
5 state and as a route for commuters to travel from city to
6 city, from suburb to work, school, play and other places
7 on a daily basis. And because of this, it is just a major
8 and important part of our state.

9 The mobility issues that affect one section of
10 I-35 have a ripple effect not only along the corridor but
11 in other areas of the state as well, and those delays
12 cause increased fuel and goods cost, they reduce air
13 quality, diminish safety, and the quality of life along
14 the corridor is impacted each day by the congestion, the
15 time spent away from work or away from families and the
16 reduced safety for the motorists along the corridor.

17 The Texas State Data Center shares with us that
18 they predict that the population around I-35 across the
19 State of Texas will increase by 86 percent between now and
20 the year 2040, so the issues are only going to continue to
21 grow. And I applaud the commission for your recognition
22 of the importance of this corridor, for your commitment to
23 move forward with much needed improvements along this
24 corridor.

25 And currently the department staff and our

1 contractors are working on projects from Gainesville,
2 Texas where we're improving the intersection of I-35 and
3 US 82 to make it safer and realigning those frontage
4 roads, further south into the Metroplex where we're
5 working on Interstate 35 over in Dallas as part of the LBU
6 C.A. project and improving that major portion of I-35
7 which is the 19th most congested section of roadway in
8 Texas

9 Over in the Metroplex we're also working on I-
10 35W as part of the North Tarrant Express project and we'll
11 be addressing issues at that intersection with Interstate
12 820 which is the eighth most congested section of roadway
13 in Texas.

14 And of course, I think most of you know about
15 the progress that's being made through the Waco District
16 on I-35 to reconstruct much of that aged interstate system
17 and add additional capacity in each direction, changing it
18 from a four-lane interstate to a six-lane interstate.

19 We also have work here in Austin at the
20 interchange of I-35 and what's locally referred to as Ben
21 White to add some direct connectors to make improvements
22 there, as well as some additional overpasses and system
23 improvements on I-35 in Buda and Kyle.

24 And then as you move through San Antonio and
25 down into Laredo, we have work underway on State Loop 20

1 which is an alternative to I-35 in Laredo where we have
2 that heavy border crossing of truck traffic and other
3 commerce in the Laredo area.

4 So while all these improvements are going on
5 and will certainly have impacts on the State of Texas as
6 we continue to grow over the years, Texas is going to need
7 to be able to sustain our quality of life and improve the
8 economic position of our state, and a vision for the
9 entire Interstate 35 Corridor is important to making sure
10 that we plan for that future today rather than waiting for
11 something to happen.

12 So as we've worked on this at your request, you
13 saw the need for a holistic, comprehensive, citizen-
14 driven, grassroots method of planning improvements along
15 I-35, and you recognized that citizen input was the most
16 valuable of all resources that can come to bear when we
17 plan for these massive transportation improvements, and so
18 you put together the corridor advisory committee and the
19 corridor segment committees, and they've been working on
20 their MY 35 effort which is the first of its kind in the
21 State of Texas. I believe it's the first of its kind in
22 this country in that it's the most intensive and
23 specifically designed to bring out the degree of citizen-
24 led input and governance of this process and to bring that
25 public involvement to a level that has never before been

1 seen.

2 Texans from outside of this department have
3 developed this MY 35 plan. It's one of the most
4 comprehensive and yet easy to understand plans that has
5 ever been produced for major corridor improvements in our
6 nation. Local leaders and communities from across the
7 state that represent these communities along this corridor
8 reached out to their citizenry, they reached out to the
9 research community, and they compiled a lot of data in the
10 development of this MY 35 plan, and the result is a very
11 user-friendly document, I think you'll see, that embodies
12 not only the spirit but the intent of the Texas Southern
13 University public involvement recommendations that you had
14 research performed on and brought before you last month.

15 I would like to note that the I-35 committees
16 were very welcoming to Dr. Lewis and her staff and fellow
17 researchers as they were brought in to observe the MY 35
18 process, and I would like to thank them, the committee
19 members, for allowing Texas Southern University's research
20 efforts to observe their activities in developing this
21 MY 35 plan. They set us on a path that I believe is going
22 to ensure a successful future for Interstate 35.

23 They've created a comprehensive set of
24 recommendations that they will share with you and they lay
25 the foundation for citizen-led and driven planning

1 processes for the Department of Transportation here in
2 Texas into the future.

3 Commissioners, all of you, I want to thank you
4 for your guidance and vision in this, particularly
5 Commissioners Houghton and Meadows for being engaged early
6 on and consistently. And Commissioner Meadows, I
7 appreciate your persistence and continued involvement,
8 weathering the cold weather up in Hillsboro the other day
9 to celebrate the ribbon-cutting on one of those projects,
10 and making sure that we stay on target and continue to
11 provide the support to these volunteers from Texas to do
12 this effort.

13 So with those comments, I would like to
14 introduce Bell County Commissioner Tim Brown. He has
15 served as the corridor advisory committee chair for this
16 effort. He's done a spectacular job of keeping all of
17 these committees focused on their task at hand, and has
18 provided strong leadership to allow this to be a success.

19 So much appreciation and credit goes to Commissioner
20 Brown, and at this time I believe he would like to share
21 the draft recommendations with you.

22 Commissioner Brown.

23 MR. BROWN: I am Tim Brown, Bell County
24 commissioner.

25 Madam Chair, with your indulgence, before I

1 start I want to express my respect for Amadeo and for
2 Steve. I was surprised when I walked in the room and
3 realized that I was listening to an announcement for
4 retirement. And, my friend, it's been an honor to work
5 with you.

6 I met Amadeo many years ago when we were
7 working on an earlier task force that was looking at TxDOT
8 and trying to find ways that we could do things a little
9 bit better, and at that time I think Amadeo was still a
10 district engineer down south somewhere. And it's been a
11 long road since then, my friend, and I wish you well.

12 And I wish you well, Steve.

13 John made several of the comments that I would
14 have made about the background on this. I do want to
15 mention that this is an ongoing process. I hate to start
16 with a disclaimer but in looking over our document we made
17 a decision yesterday to put a sticker that says
18 "Preliminary Draft" on the front to make it very, very
19 clear that there's still a lot of work that needs to be
20 done on this.

21 We actually started this project many years ago
22 when the Trans-Texas Corridor concept was rolled out, and
23 a citizens advisory committee was convened that was tasked
24 with trying to sort of marshal that thing along and figure
25 out as we went along what was wrong with the concept and

1 what was right. And we figured our very quickly there
2 were two basic flaws in the way that was done: number
3 one, there was not enough citizen input on the front-end.
4 The other was the presumption that there's a one-size-
5 fits-all solution for transportation in the State of
6 Texas.

7 The diversity that we see in our communities
8 from region to region in the state is such that
9 transportation solutions must be adapted and must be
10 uniquely designed for those distinct reasons.

11 This committee, as John pointed out, is really
12 the first effort, I guess, in the nation where a true
13 grassroots statewide, or corridor-wide grassroots effort
14 was organized to provide citizen input from various
15 communities up and down the corridor in an organized way
16 to bring their recommendations to the table.

17 The problem, as you all know, there is no other
18 mechanism for doing planning of this sort in Texas. We
19 generally do our planning through our MPOs which are
20 concentric and situated around our major urban areas, but
21 there is no planning organization for a corridor. So this
22 committee or set of committees sort of functioned in that
23 void.

24 I'm not going to go all the way through the
25 specific recommendations at the back. I will recommend it

1 to you and give you time to study it and will be happy to
2 come back at a future date and meet with you and look at
3 specific questions you may have.

4 A lot of the projects that you'll see you have
5 seen before. Some of them come directly out of the TIPS
6 from the various planning organizations. Others are
7 related to rail relocation and some innovative ideas
8 there, and again, you've heard those before.

9 One really innovative thing that popped to the
10 top on this thing that I will mention to you, and it's the
11 sort of thing that I think we need to do a lot more
12 thinking about, was a recommendation that came out of this
13 region here around Austin that proposed that we do
14 something that's never been done before in the nation.

15 And that is de-designate the existing
16 Interstate 35 through Austin and flip with the 130 Loop
17 around Austin, make that the interstate, take the tolls
18 off of that to incentivize the use of that facility by
19 people who don't want to come through Austin, and then
20 restructure the way funding is done for the existing
21 infrastructure here in Austin. It's a very complex
22 proposal but it's the kind of thing that is kind of out of
23 the box thinking that I think we need to do a lot more of.

24 The report, I think, is fairly straightforward
25 and easy reading. As John mentioned, I'll recommend it to

1 you. And with that I'll stand down and I'll go back to my
2 initial comment. I think we've still got a lot of work to
3 be done, and the real question is where do we go from
4 here?

5 The committee that I have served with still
6 stands ready to do more work on this report, both
7 editorial work trying to clean up some of the things that
8 we think need additional work here, and if there is
9 additional refinement that needs to be done on some of the
10 specific ideas that are presented in this report, we'd be
11 happy to do that as well.

12 And with that comment, I'll stand for questions
13 if you have any.

14 MS. DELISI: Any questions for Commissioner
15 Brown?

16 MR. HOUGHTON: Not necessarily a question.
17 Commissioner, thank you for your service.

18 MR. BROWN: Absolutely.

19 MR. HOUGHTON: You've been here over and over
20 and over again.

21 MR. BROWN: It seems that way.

22 MR. HOUGHTON: And it's been a great thing.

23 MR. BROWN: I must apologize. I should have
24 asked are there other members of the segment committees or
25 my advisory committee in the room. I saw a number of

1 people. Look at the hands. Thank you all for coming down
2 and thank you for your service. These men and women
3 dedicated a lot of time and effort and brought an amazing
4 array of ideas and skill sets and backgrounds to the
5 table, and they're all to be commended for their service.

6 MR. HOLMES: Commissioner Brown, I was struck
7 by the out-of-the-box thinking on de-designating I-35
8 through Austin and moving it over to 130. How far along
9 is that thinking and how much investigation has been made
10 into that?

11 MR. BROWN: Well, actually I think there's been
12 a fairly mature set of ideas that have been developed
13 around that concept, and it's an idea that was developed
14 here in this region and brought forward through the
15 committee process.

16 I was surprised by it when I first saw it and
17 my first response was this is crazy and there's no way to
18 do it. And when our committee looked at it, it was one of
19 those things that we didn't really know what to do with
20 it, but the more we looked at it, the more we thought this
21 really does make sense.

22 There's a myriad here. I'm not going to
23 suggest that it's a doable deal, it's very complicated,
24 it's going to require federal action and a lot of other
25 political hurdles that are going to have to be encountered

1 along the way here locally, but it's something that I
2 certainly requires and merits your additional
3 consideration.

4 MR. HOLMES: Did your committee look at
5 financial obligations that are inherent in that?

6 MR. BROWN: There are discussions of those that
7 are built into that. There is a summary of that project
8 in the back of the document that you can look at, and if
9 you're interested in more detailed information, we'd be
10 happy to bring the authors of that idea in and let them
11 really explain it to you. I wouldn't attempt to try to do
12 it because it is a complicated deal. But there's been a
13 lot of thought put into it and there are people who can
14 answer your questions.

15 MR. MEADOWS: Tim, let me just make a couple of
16 observations, actually just reemphasize some things that
17 have already been said. But this report is unique for the
18 Texas Department of Transportation and for the State of
19 Texas at least in two respects. First of all, it's the
20 citizen-driven nature of it. And I think every man and
21 woman that submitted in this process at the segment level,
22 the corridor level, we really appreciate your
23 participation and your involvement because you've done
24 something and defined something that really is a unique
25 approach and be part of something that is very important

1 for this state.

2 The second piece that you mentioned is that
3 from a planning perspective another unique feature is that
4 this is a plan on a corridor basis, I mean, a true
5 corridor basis where we really are integrating, and then
6 in a comprehensive fashion beginning to define really a
7 dynamic process of improving the corridor and trying to
8 meet the transportation needs of the citizens.

9 Saying all that, I will join the rest of us in
10 thanking you, Tim, for your leadership on this whole
11 effort. It really has been essential to it, it's been
12 effective, and I think we have a very good, and as you
13 point out, dynamic plan.

14 The second thing that's important about it and
15 what makes it a real document to me, among other things,
16 and that is that there are elements in this plan that are
17 already funded and underway. I mean, Tower 55 is
18 referenced in here, Central Texas Interstate 35 expansion.
19 The plan calls for ultimate expansion to eight lanes but
20 already we are in the process, having committed \$1.2
21 billion to expanding that to six lanes for a 90-mile,
22 roughly, section of roadway.

23 There's good stuff in here, and the fact is
24 that these planning processes are dynamic, and as long as
25 we continue to engage the citizenry as we have in this

1 initiative, both through citizen participation in the
2 planning process but also the community outreach that
3 every one of these groups is engaged and involved with. I
4 think we've learned that this is a better way to plan for
5 TxDOT and for the state.

6 And thank you very much, and thank you all very
7 much for your participation.

8 MR. BROWN: This has been a learning process
9 for all of us. I absolutely agree. As I said, there is
10 no other mechanism for doing it and I commend you,
11 commissioners, for recognizing that this is an important
12 undertaking and being willing to support an effort that is
13 new and hasn't been tried before, and we'll learn together
14 and maybe down the road we'll get something done.

15 Thank you.

16 MR. BARTON: Madam Chair, just one last
17 comment. I believe that a copy of a written comment, if
18 you will, was provided to all the commissioners from
19 Robert Spillar, who is the director of the Austin
20 Transportation Department here in the City of Austin and a
21 participant in this MY 35 planning effort, and I believe
22 that Mr. Spillar is unable to be here today to address the
23 commission but he wanted to share this written statement
24 with you so I wanted to make sure that you had that as
25 well.

1 MS. DELISI: Thanks.

2 At this time I'd like to call up Mayor Jones.
3 Good morning.

4 MAYOR JONES: Thank you, Madam Chair,
5 commissioners.

6 Mr. Saenz, let me, as everyone else has, begin
7 my comments with acknowledgment of the great service that
8 you and Steve have provided to the State of Texas, from a
9 different perspective, a local community, and also a
10 member of a transportation advocacy organization. You've
11 been extremely generous with your time, with that of your
12 staff to make yourselves very accessible to hear the
13 specific needs of the local communities. You've worked
14 with us on a pass-through project in Temple, you've worked
15 with us statewide on issues of multimodal transportation,
16 and you're to be commended.

17 I hope that continues through TxDOT for a long,
18 long time to come, that accessibility and that willingness
19 to partner and work with the local communities to address
20 transportation issues that are important to us, and I
21 thank you and commend you for that and hope it's an
22 example and a bar that's been set and will continue to be
23 raised.

24 So thank you very much, sir. Congratulations.
25 Look forward to working with for the next seven months

1 too. We've got a lot to do.

2 MR. SAENZ: Thank you, Mayor.

3 MAYOR JONES: Again, I'm Bill Jones, mayor of
4 the City of Temple. I also serve as a member of the
5 Killeen-Temple MPO, the president of the South Central
6 High Speed Rail and Transportation Authority, LLC, and
7 vice chair of the Texas High Speed Rail and Transportation
8 Corporation. I served as the chair of Segment 2 of the
9 MY 35 Corridor Committee, and so spent with Commissioner
10 Brown and the other members countless number of meetings
11 and hours in working on this plan which I, too, thank the
12 commission for allowing us to do. I think it was a very
13 important effort for the State of the Texas which, as
14 Commissioner Brown said, is a work in progress, it's still
15 ongoing.

16 I would like to direct my comments specifically
17 to some things that were already said by Mr. Barton when
18 he opened his comments, Mr. Meadows as well, that this is
19 a corridor-wide concept, this is not highway. I-35 is a
20 highway, this study, this effort, this work was addressing
21 how do we move goods and services north and south through
22 the State of Texas along this corridor which we define as
23 I-35, and thus we called it MY 35.

24 But it's going to take a multimodal approach to
25 really address the time frame, the cost, the way we pay

1 for, the way we develop transportation in the State of
2 Texas, but particularly along I-35, but I think it's
3 applicable across this area of Texas. I see the I-69
4 effort that's going on separate and apart from the MY 35
5 as a very important component to helping I-35. We can
6 never build I-35 as a highway to the level that it's going
7 to be needed beyond our even planning horizon of the MY 35
8 which was directed at about 25 years.

9 Beyond that, our state is going to grow. In
10 some projections I've done, just in some work I've done, I
11 see that by about 2050, in around that range, Texas will
12 be the most populous state in the United States, and if
13 you compare the population that will be against the
14 population of the United States as a whole, Texas will be
15 one-eighth of the population of the United States of
16 America in and around the 2050s. That's huge.

17 That's a planning process that has to begin
18 today for us to be able to address the transportation
19 needs of this state, and everything has to be on the
20 table. Out-of-the-box thinking such as Commissioner Brown
21 laid out that is considering doing something that nobody
22 would have thought of as feasible and possible, but it's
23 the kind of thing that has to be on the table.

24 About 55 years ago a president laid out a plan
25 for an interstate highway system that revolutionized this

1 nation in ways nobody could have ever forecast. And I say
2 to you we need to do that in Texas, we need to integrate
3 high speed rail, commuter rail, transit rail systems, our
4 highway system, our air transportation system. We need to
5 plan for moving goods and services through this state in a
6 way that will keep this state the viable state that it is
7 today.

8 And so I commend you for this effort. I think
9 we're at the very beginning of an effort that has to
10 continue to go on and we have to look at a lot of things.
11 I'm very pleased that we've gotten the money and it looks
12 like we're going to have money to study our rails from the
13 Texas border of Oklahoma all the way to Laredo and the
14 Mexico border. I think that's very, very important for us
15 to really look and prove what can be done with rail,
16 whether it's commuter or high speed or transit, but it's
17 an important component of how we move goods and services.

18 So I'll end my comments there. Thank you again
19 for your attention to my comments to your leadership for
20 bringing MY 35 into being. It's a great effort of
21 bringing the citizens and the communities together to plan
22 for transportation for the future.

23 Thank you very much.

24 MR. SAENZ: Thank you, Commissioner Brown, for
25 the leadership of the corridor committee, and of course

1 the segment committee members, thank you for your service.
2 We're not done yet, we probably have a little bit more
3 work to do.

4 I do want to also let everybody know that if
5 you're interested in looking at the report, it is on the
6 MY 35 website, www.my35.org, so there's the way that you
7 can access it. There's a couple more things that you get
8 to, but if you get to the website, you'll get to the
9 report.

10 So thank you all very much. Good job.

11 Moving on to agenda item number 5,
12 commissioners, deals with Aviation, and Dave Fulton will
13 present a minute order awarding federal and state grant
14 money.

15 MR. FULTON: Thank you, Amadeo. For the
16 record, my name is Dave Fulton, director of TxDOT's
17 Aviation Division.

18 This minute order contains a request for grant
19 funding approval for four airport improvement projects.
20 The total estimated cost of all requests, as shown in
21 Exhibit A, is approximately \$3.4 million: approximately
22 \$2.9 million in federal funding, \$85,000 in state funding,
23 and \$415,000 in local funding.

24 A public hearing was held on December 15 of
25 this year. No comments were received. We recommend

1 approval of this minute order.

2 MS. DELISI: Is there a motion?

3 MR. UNDERWOOD: So moved.

4 MR. HOLMES: Second.

5 MS. DELISI: All in favor?

6 (A chorus of ayes.)

7 MS. DELISI: The motion passes.

8 MR. FULTON: Thank you.

9 MR. SAENZ: Thank you, Dave.

10 Agenda item number 6, commissioners, deals with
11 Public Transportation. 6.a deals with the award of
12 Federal Capital Improvement Program funds, and Eric
13 Gleason will present that minute order.

14 MR. GLEASON: Good morning. For the record, my
15 name is Eric Gleason, TxDOT director of Public
16 Transportation.

17 Agenda item 6.a awards \$5 million in federal
18 funding under the Federal Transit Administration State of
19 Good Repair initiative, and approximately 780,000
20 transportation development credits to rural transit
21 districts listed in Exhibit A for fleet replacement.

22 Working closely with our rural program
23 partners, the department was successful in securing these
24 funds through a nationally competitive discretionary call
25 for projects from all transit agencies announced by FTA

1 last spring. Using transportation development credits to
2 support investments in new transit vehicles will improve
3 air quality by replacing older vehicles with newer models
4 which meet current emission standards and increase the
5 value of transportation assets by investing in the
6 replacement of depreciated rolling stock.

7 We recommend your approval of this minute
8 order.

9 MS. DELISI: Is there a motion?

10 MR. HOUGHTON: So moved.

11 MR. HOLMES: Second.

12 MS. DELISI: All in favor?

13 (A chorus of ayes.)

14 MS. DELISI: The motion passes.

15 MR. SAENZ: Thank you, Eric.

16 I think agenda item 6.b, commissioners, is
17 being deferred at this time. We have not gotten the
18 allocations from FTA.

19 MR. GLEASON: Thank you.

20 MR. SAENZ: Thank you, Eric.

21 Agenda item number 7, Bill Glavin will present
22 a minute order appointing a new member to the board of
23 directors for the Lone Star Rail District.

24 MR. GLAVIN: Good morning, commissioners,
25 Amadeo.

1 This minute order reappoints Mariano Camarillo
2 as the public member to the Lone Star Rail District.
3 Article 6550(c)(1) of Vernon's Texas Civil Statutes allows
4 the establishment of an intermunicipal commuter rail
5 district and grants the powers necessary to provide
6 commuter rail service between Austin and San Antonio
7 areas. This statute requires the Texas Transportation
8 Commission appoint two public members to the district's
9 board of directors. One of these appointments expires at
10 the end of this month.

11 The other board members are appointed by the
12 member cities, counties, transit organizations and
13 metropolitan planning organizations. Currently the board
14 has 20 members.

15 Due to his exemplary service, staff recommends
16 Mr. Camarillo be appointed to his fifth term which will
17 expire in January 2013. Staff recommends approval of this
18 minute order.

19 And for the record, I am Bill Glavin. I am the
20 director of the Rail Division for the Texas Department of
21 Transportation.

22 MR. HOUGHTON: So moved.

23 MR. HOLMES: Second.

24 MS. DELISI: All in favor?

25 (A chorus of ayes.)

1 MS. DELISI: The motion passes.

2 MR. SAENZ: Thank you, Bill. Don't leave yet.

3 The next item 8, commissioners, deals with the
4 promulgation of administrative rules. 8.a deals with
5 proposed adoption, and Bill will present proposed rules
6 for Chapter 7, Rail Facilities, and Chapter 31, Public
7 Transportation.

8 MR. GLAVIN: Due to the department's increasing
9 responsibilities in rail transportation in Texas, the
10 department created the new Rail Division effective
11 September 1, 2009. The department proposes moving the
12 rules governing the State Safety Oversight Program for
13 Rail Fixed Guideway Systems from Chapter 31, Public
14 Transportation, to Chapter 7, Rail Facilities, reflecting
15 that change in the organization. It also amends the rules
16 to correct statutory citations to reflect changes in
17 federal regulations cited in the rules, eliminate
18 ambiguities in the rules, and improve the readability of
19 the rules and to make other non-substantive changes.

20 This minute order proposes adopting a new
21 Section 7.80 through 7.88 of the State Safety Oversight
22 Program for Rail Fixed Guideway Systems to be codified in
23 a new Subchapter E of Chapter 7, Rail Facilities in Title
24 43 of the Texas Administrative Code, Part 1. It also
25 proposes amendments to Sections 31.2, 31.3, and 31.48 and

1 the repeal of Sections 31.60 through 31.63 relating to the
2 Rail Fixed Guideway System State Safety Oversight to be
3 codified under Chapter 31, Public Transportation in Title
4 43 of the Texas Administrative Code.

5 This minute order presented for your
6 consideration authorizes the publication of the proposed
7 rules for the adoption in the Texas Register for the
8 purpose of receiving public comments.

9 Staff also recommends approval of this minute
10 order.

11 MR. HOUGHTON: So moved.

12 MR. HOLMES: Second.

13 MS. DELISI: All in favor?

14 (A chorus of ayes.)

15 MS. DELISI: The motion passes.

16 MR. GLAVIN: Thank you.

17 MR. SAENZ: Thank you, Bill.

18 Agenda item 8.b, commissioners, Steve Simmons,
19 deputy executive director, will present proposed rules
20 dealing with Traffic Operations and Internal Compliance
21 Program.

22 And Steve, again, now that you're up there, I
23 want to also thank you for your dedicated service. You've
24 done a great job for the department, and we're going to
25 see each other, we're going to do lots of stuff. We're

1 going to get old together as there was some movie.

2 MR. HOUGHTON: "Grumpy Old Men."

3 (General laughter.)

4 MR. SAENZ: No, no.

5 MR. UNDERWOOD: "Second Hand Lions."

6 MR. SAENZ: "Second Hand Lions." Yes, that
7 would be a good one.

8 MR. SIMMONS: That was filmed here in Austin.

9 MR. SAENZ: It was. They did go under the
10 bridge and we had to approve that, so we were probably
11 part of that.

12 Thank you, Steve, and the next eight months
13 will be fun, as I said to you last night on facebook. We
14 became friends last night on facebook. And it's going to
15 be fun, and then, of course after that we're going to have
16 lots more fun. So thank you, my friend.

17 MR. MEADOWS: Steve, thank you for your
18 service, and congratulations, "Second Hand Lion" or
19 whatever it may be. Thank you for your service to this
20 state, and your family, for everything you've done for
21 this department and for the State of Texas. Thank you.

22 MR. SIMMONS: Thank you.

23 MR. HOLMES: Thank you, Steve, for your
24 service. It's been in a lot of different places around
25 the state.

1 MR. SIMMONS: Yes, sir, it has.

2 MR. HOLMES: And also I suspect most people
3 know that you have spent quite a lot of time in
4 Washington, D.C. on federal issues, and you've given me
5 quite a lot of tutoring in that and I appreciate all that
6 help. Good judgment, good work, and very much
7 appreciated. Thank you.

8 MR. SIMMONS: Thank you, sir.

9 MR. MEADOWS: Steve, I just want you to know
10 that I appreciate it and want you to know that I'll think
11 about you every time I drive through the mixmaster in Fort
12 Worth.

13 (General laughter.)

14 MR. UNDERWOOD: Again, Steve, thank you very
15 much for everything you've done and for what you stand
16 for. Appreciate it. Thank you for what you've done for
17 the employees and for the State of Texas.

18 MR. SIMMONS: Thank you.

19 MS. DELISI: I just want to note for the record
20 when he said "Grumpy Old Men" I think he was talking about
21 himself.

22 (General talking and laughter.)

23 MR. SIMMONS: I wish you would have let me done
24 this minute order first before you did that.

25 MR. SAENZ: There's no crying in TxDOT.

1 MR. SIMMONS: You know that I'm tough on the
2 outside and soft on the inside. But it has been a great
3 career, and as Amadeo says, it's all about the employees
4 that get to deal with on a daily basis, and appreciate
5 everything they've done.

6 I do want to make something clear. Apparently
7 when you write a retirement memo, people interpret it
8 different ways, and I am not going to D.C. and work in the
9 current administration. I was fortunate enough to get
10 that call from the previous president's cabinet, asked if
11 I was interested, and the governor had actually
12 recommended me. So I just want to make sure everybody
13 understands I'm not going to D.C.

14 But thank you so much. And Amadeo, and is Mike
15 Behrens still here? Anyway, thank you for the
16 opportunities you have given me.

17 MR. SAENZ: He's on the wall.

18 MS. DELISI: He's here in spirit; he's on the
19 wall.

20 MR. SIMMONS: Okay. For the record, I'm Steve
21 Simmons, deputy executive director of the Texas Department
22 of Transportation. Once again I come before you making
23 this presentation in my capacity as the department's
24 internal compliance officer.

25 I won't go into details because this is about

1 the fourth or fifth time I've been up here talking about
2 the U.S. Sentencing Guidelines and what they recommend,
3 but they do ask that large departments that are putting
4 out money of other agencies to ask those agencies to
5 develop ethics programs and a code of conduct that follows
6 the organization that is providing the money.

7 This minute order is our third phase in meeting
8 these U.S. Sentencing Guidelines. Previously we've done
9 the same thing for transportation corporations, regional
10 mobility authorities, other entities receiving funds from
11 the department for toll facilities and for public
12 transportation.

13 I might add staff has recently developed a
14 model standards of conduct, a model minimum standards for
15 internal compliance program requirements, and
16 certification of internal ethics and compliance program
17 that is available for these entities to use in developing
18 this and make this as easy as possible working with our
19 partners.

20 The rules today expand the use of this concept
21 to require an entity that receives Texas Traffic Safety
22 Program funds to have and enforce compliance with an
23 internal ethics and compliance program. Texas Traffic
24 Safety Program funds are awarded under Traffic Safety
25 Program contracts and Traffic Safety Program agreements.

1 A Traffic Safety Program contract is a contract between
2 the department and other state agencies for the
3 procurement of goods or services for a safety project. A
4 Traffic Safety Program agreement is a contract between the
5 department and another state agency, a college or
6 university, a local government, a public or private for
7 profit or not for profit organization or an individual for
8 the implementation of a traffic safety program.

9 Specifically, agenda item 5.b does some
10 language clarification as well as reflecting new
11 organizational structure with our Traffic Safety
12 specialist, but mainly it requires an entity to adopt and
13 enforce an internal ethics and compliance program that
14 satisfies the requirements of 43 TAC, Section 1051 in
15 order to be able to receive Traffic Safety funds, and the
16 change is applicable only for grant agreements entered
17 into after January 1 of 2012.

18 We recommend approval of this minute order and
19 I'll be happy to answer any questions on this agenda item.

20 MS. DELISI: Is there a motion?

21 MR. HOUGHTON: So moved.

22 MR. HOLMES: Second.

23 MS. DELISI: All in favor?

24 (A chorus of ayes.)

25 MS. DELISI: The motion passes.

1 MR. SAENZ: Thank you, Steve.

2 Agenda item number 8.c, commissioners, Carol
3 Rawson will present a minute order concerning the Crash
4 Records Information System reporting form changes.

5 MS. RAWSON: Good morning. For the record, I'm
6 Carol Rawson, director of the Traffic Operations Division.

7 The minute order before you proposes
8 preliminary adoption of an amendment to the department's
9 existing rules for crash records.

10 Law enforcement officers are required to report
11 to the department motor vehicle crashes that they
12 investigate that result in property damage of at least
13 \$1,000 or serious injury or death. The form an officer
14 uses to make these reports is the Texas Peace Officer's
15 Crash Report, known as the CR-3. This form was adopted by
16 reference into rules in 2009. Officers began to use this
17 form beginning on January 1, 2010.

18 Some law enforcement agencies have had
19 difficulties completing the current form because it
20 doesn't have the crash codes printed directly on the form.

21 The proposed amendment will adopt an additional form,
22 what we'll call the CR-3 Alternate, which does have these
23 codes printed directly on the form. This should make it
24 easier and more efficient for the officers to complete the
25 form in the field. Both the existing form and the

1 proposed alternate form collect exactly the same
2 information and an agency will be able to use and submit
3 either version.

4 We have consulted with the Department of Public
5 Safety and they have concurred with the adoption of this
6 alternate version of the form.

7 Staff recommends approval of this minute order.

8 MS. DELISI: Is there a motion?

9 MR. HOUGHTON: So moved.

10 MR. HOLMES: Second.

11 MR. UNDERWOOD: Second.

12 MS. DELISI: All in favor?

13 (A chorus of ayes.)

14 MS. DELISI: The motion passes.

15 MR. SAENZ: Thank you, Carol.

16 Agenda item number 9, commissioners, deals with
17 the minute order presented by Coby Chase where we're
18 requesting your approval for adopting the Public
19 Involvement Policy and implementation plan.

20 MR. CHASE: Good morning. For the record, my
21 name is Coby Chase, and I'm the director of TxDOT's
22 Government and Public Affairs Division.

23 At the December 15 commission workshop you had
24 the opportunity to discuss the department's public
25 involvement activities with Dr. Carol Lewis of Texas

1 Southern University. Dr. Lewis presented to the
2 commission the findings of TSU's public involvement review
3 and the draft Public Involvement Policy developed in
4 conjunction with that review. At your direction the
5 agenda item before you authorizes the adoption and
6 implementation of that public involvement policy.

7 It's up on the screen but let me read it out
8 loud and into the record. The proposed policy is:

9 "The Texas Department of Transportation commits
10 to purposefully involve the public in planning and project
11 implementation by providing for early, continuous,
12 transparent and effective access to information and
13 decision-making processes. TxDOT will regularly update
14 public involvement methods to include best practices in
15 public involvement and incorporate a range of strategies
16 to encourage broad participation reflective of the needs
17 of the state's population."

18 And while the adoption and implementation of
19 the policy will place in action the recommendations of
20 TSU, it will also address the recommendations of the Texas
21 Sunset Advisory Commission. In its 2008 review of TxDOT,
22 the Sunset Advisory Commission cited the public's high
23 expectations for TxDOT regarding consistent and meaningful
24 public involvement and stated that we were not meeting
25 those high expectations. Further, the Sunset Commission

1 recommended the development and implementation of a public
2 involvement policy to guide our efforts agency-wide.

3 The policy statement developed by TSU and
4 proposed today for your adoption seeks to establish the
5 goals and principles that will guide the department's
6 future public involvement processes and practices.
7 Further, the implementation of the policy and the
8 recommendations of the TSU review seeks to define the
9 framework and best practices that will ensure our public
10 involvement efforts meet the high expectations of the
11 citizens we serve.

12 Also in conjunction with our strategic action
13 planning process, we will take the next steps to develop
14 goals and objectives, performance measures, procedures and
15 templates for initiatives ranging from statewide planning
16 to town hall meetings. In addition, the action plan will
17 include staff training to enhance and expand our public
18 involvement activities. I and my office are working with
19 Dianna Noble to develop and prepare this action plan.

20 At the request of Executive Director Saenz, the
21 Texas division of the Federal Highway Administration has
22 reviewed this policy to ensure it is consistent and
23 aligned to all federal regulations and guidance, and it
24 is.

25 And with that, I'll take questions and I will

1 recommend adoption of this minute order.

2 MS. DELISI: Questions? Is there a motion?

3 MR. HOUGHTON: So moved.

4 MR. HOLMES: Second.

5 MS. DELISI: All in favor?

6 (A chorus of ayes.)

7 MS. DELISI: The motion passes.

8 MR. CHASE: Thank you.

9 MR. SAENZ: Thank you, Coby.

10 Agenda item number 10, commissioners, Carol
11 Rawson will present a minute order dealing with Harris
12 County and the conversion of the HOV lanes to HOT lanes.
13 Carol.

14 MS. RAWSON: Once again, I'm Carol Rawson,
15 director of the Traffic Operations Division.

16 This minute order would allow the Metropolitan
17 Transit Authority of Harris County, METRO, to operate five
18 existing high occupancy vehicle lanes in Harris County as
19 high occupancy toll lanes under agreement with the
20 department. This minute order would allow single occupant
21 vehicles to use these lanes for an additional fee. Single
22 occupant vehicles will only be allowed on the lanes when
23 the free flow of traffic can be maintained. The price
24 would vary based on the lane's existing speed and the
25 level of congestion.

1 The introduction of HOT lanes allows these
2 corridors to move more people and vehicles without
3 building additional highway lanes, allows the price to use
4 the lane to vary to ensure that traffic remains free
5 flowing, and allows drivers in single occupant vehicles to
6 have an additional travel option when needed. Single
7 occupant vehicles will always have a free alternative with
8 the existing general purpose lanes.

9 These proposed HOT lane operations would cover
10 approximately 83 miles over portions of I-45, US 59 and US
11 290 as detailed in the minute order. METRO already
12 operates these high occupancy vehicle lanes under
13 agreement with the department.

14 Staff recommends approval.

15 MS. DELISI: Is there a motion or is there a
16 question?

17 MR. HOLMES: Just a comment, Chair.

18 MS. DELISI: Sure.

19 MR. HOLMES: I see Judge Emmett in the
20 audience. Yesterday, Judge, representatives of METRO
21 addressed the workshop and one of my questions was will
22 this be coordinated with the Harris County Toll Road
23 Authority, and the answer to that was yes. I presume that
24 HCTRA will actually be the toll operator, or is that
25 decided yet? Do you know, Carol?

1 MS. RAWSON: No. I think the portion of it is
2 I believe that they'll work in concert with each other
3 along with it, that METRO will have a piece of it, meaning
4 putting up the equipment and the actual operation of that
5 piece, but they'll have to coordinate with the toll
6 collection portion.

7 And I know Vince is here that too may be able
8 to address it if you want a little bit more detail on the
9 interworkings with Harris County.

10 MR. HOLMES: I think the important piece of
11 that is that it be coordinated, not just with TxDOT but
12 with Harris County.

13 MS. RAWSON: Absolutely. And I know that the
14 relationship has been built and the agreement and they're
15 working on that portion of it too.

16 MR. HOUGHTON: Carol, are we maximizing the
17 synergy between the mature toll agency in Harris County
18 and TxDOT? Do we have the synergies to maximize revenue
19 and experience?

20 MS. RAWSON: I believe. I think METRO, with
21 what they've done and the ideas that have been going on, I
22 think they can. I think they can maximize what they need
23 to do, and I think also putting together the plans working
24 with HCTRA is going to help that along.

25 MR. HOUGHTON: Thanks.

1 MR. HOLMES: So moved.

2 MR. HOUGHTON: Second.

3 MS. DELISI: All in favor?

4 (A chorus of ayes.)

5 MS. DELISI: The motion passes.

6 MR. SAENZ: Thank you, Carol.

7 Agenda item number 11 deals with Toll Roads.

8 11.a, Mark Tomlinson will present a minute order
9 concerning the administrative charges for electronic toll
10 collection customer accounts.

11 MR. TOMLINSON: Good morning, Mr. Saenz,
12 commissioners. My name is Mark Tomlinson, director of the
13 Turnpike Authority Division of TxDOT.

14 And just briefly, Amadeo, on behalf of the
15 Turnpike Authority Division, I wanted to thank you for
16 your leadership and leading the innovative work that we've
17 been allowed to do. I think I have to thank you on behalf
18 of our division for your leadership and allowing us to be
19 what I think is on the cutting edge of transportation.

20 And on a personal level, I just thank you for
21 allowing me to be a part of that and for welcoming me and
22 my family to Austin, as you have done, and allowing us to
23 hang out with you and be a part of your family as well.

24 MR. SAENZ: Thank you, Mark.

25 MR. TOMLINSON: Item 11.a establishes fees to

1 be charged for administering electronic toll collection
2 customer accounts that we briefly mentioned in the
3 workshop yesterday.

4 Back in November the commission approved
5 amendments to Texas Administrative Code that become
6 effective on March 1 of this year that move these three
7 fees that we will mention briefly from rule into minute
8 order so that in the future as the commission wishes to
9 address these or adjust these in any way, you'll be able
10 to do that in a much more efficient manner.

11 In establishing the fees initially, the
12 commission considered the cost of operations, including
13 the cost of labor, materials, storage, bank fees as well
14 as project bond covenants. These fees are not intended to
15 produce revenue for the agency but rather to cover costs.

16 Briefly, these fees are for specialty tags we
17 will require a \$20 refundable deposit per tag. Those are
18 not our TxTags, they're not the sticker tags, they're a
19 very small percentage of our tag population, typically
20 used for motorcycles or some vehicles that just can't for
21 some reason technically use the sticker tag. Then the
22 mailed or faxed account statements, the fee is \$1 per
23 statement. And finally, checks that are returned for
24 insufficient funds, a \$25 fee per check.

25 Staff would recommend your acceptance of the

1 minute order. I'd be happy to answer any questions if I
2 can.

3 MS. DELISI: Is there a motion?

4 MR. HOLMES: So moved.

5 MR. HOUGHTON: Second.

6 MS. DELISI: All in favor?

7 (A chorus of ayes.)

8 MS. DELISI: The motion passes.

9 MR. TOMLINSON: Thank you.

10 MR. SAENZ: Thank you, Mark. Thank you for
11 your kind comments and also thank you for the good work
12 that you're doing.

13 Agenda item number 11.b, John Barton will come
14 up and present a minute order concerning the Grand Parkway
15 in Houston.

16 MR. BARTON: Thank you, Director Saenz. And
17 before I do, I guess I ought to also share my words of
18 appreciation for you, Amadeo and Steve, for your
19 leadership and for giving me the opportunity to work
20 alongside you over the last three years. I appreciate the
21 confidence that you've displayed in me and I trust that I
22 have not failed you in that confidence. And if you allow
23 me the pleasure and opportunity to continue to work for
24 you for the next seven months, then I will do so humbly
25 and graciously.

1 MR. SAENZ: We're going to work you harder the
2 next seven months.

3 (General laughter.)

4 MR. BARTON: Well, that's great news. At least
5 I have a job.

6 Commissioners, item 11.b that is before you
7 would memorialize a decision that you might make to
8 exercise the state's option to develop, finance, construct
9 and operate the portions of State Highway 99, locally
10 referred to as the Grand Parkway, in Harris County, and to
11 authorize this project with DEVELOP authority so it could
12 be further developed.

13 The minute order also would authorize our
14 executive director to enter into an agreement with Harris
15 County to identify this corridor as a future project
16 within Harris County which would enable the county then to
17 require the recognition of this corridor in any future
18 plats of properties within the boundaries of the corridor
19 that have been identified.

20 On September 15 of 2009, Harris County elected
21 to exercise its options to develop, construct and operate
22 the portions of the Grand Parkway located within Harris
23 County. After much thoughtful consideration and due
24 diligence, on January 11, 2011, Harris County
25 Commissioners Court rescinded this decision and, in

1 effect, provided for the reversion of this opportunity to
2 the State of Texas to have the right to develop, finance,
3 construct and operate the project.

4 Staff recommends that exercising the state's
5 option to develop, finance, construct and operate the
6 portions of Grand Parkway located within Harris County is
7 an option that should be exercised, and additionally, that
8 you authorize the executive director to enter into an
9 agreement with Harris County regarding the identification
10 of this corridor which would assist in preserving the
11 opportunity to acquire those properties in the future at a
12 reduced cost to the project and limiting the impacts of
13 the corridor on further development within the region.

14 So staff would recommend your adoption of this
15 minute order, and I'll be more than happy to answer any
16 questions you may have at this time.

17 MS. DELISI: Are there any questions for John?
18 No?

19 Then I would like to call up Judge Ed Emmett.

20 JUDGE EMMETT: Good morning, Madam Chairman,
21 commissioners. Thank you for your service. I am Ed
22 Emmett, I'm county judge of Harris County.

23 Amadeo, Steve, I'll talk to you later. There's
24 still seven months left here.

25 MR. SAENZ: Oh, we've got plenty of time,

1 Judge.

2 JUDGE EMMETT: I'm not going to say bye yet,
3 I'll save that.

4 But speaking of time, in the mid 1980s when I
5 was in the legislature and Bob Lanier sat over here, he
6 and others came up with an idea of how to quick start a
7 transportation project known as the Grand Parkway. Now
8 here we are more than a quarter of a century later and
9 we're still talking about building the Grand Parkway.

10 Today's action, I think, would be a tremendous
11 step forward. If you go back and look at the Grand
12 Parkway, it was originally going to be a scenic parkway,
13 as the name implies. Now, 26 years later, it is a
14 desperately needed economic engine for not only Harris
15 County but for the entire region.

16 To put in perspective how long this has been,
17 in that legislative session I had the privilege of
18 chairing the House Committee on Energy and there were two
19 freshman legislators, both with the first name of Rick,
20 one was Perry and one was Williamson. So that gives you
21 an idea of just how long this project has been around.

22 One of the things I think that has to be said,
23 though, it is a state highway. Harris County rescinding
24 its primacy does not affect the other counties, I can't
25 speak for them, obviously. It is assumed that this

1 project will be maintained as a project, that the entire
2 Grand Parkway will be eventually built and that revenues
3 off the segments in Harris County will be used on other
4 segments of the Grand Parkway. So with that assumption,
5 Harris County looks forward to working with TxDOT and the
6 other counties any way we can do to help move this project
7 forward.

8 Like I said, it has now morphed from being a
9 scenic byway through the outskirts of the Houston area
10 into being a desperately needed economic engine for our
11 region. So we did look at it as a county, we did exercise
12 primacy, and I won't go through all the angst that was
13 going on about CDAs and what might occur and who would
14 come in and do it, but having looked at it, we think that
15 it is a state highway and that it needs to be developed as
16 such by TxDOT, and we stand ready to assist in any way
17 possible.

18 I'll be happy to answer any questions.

19 MS. DELISI: Thanks, Judge.

20 Commissioner.

21 MR. HOLMES: Just a comment and a
22 clarification. Judge, my understanding that one of the
23 challenges that Harris County faced in developing the
24 Grand Parkway was the fact that you would be required to
25 develop it in seven counties, six of which were not Harris

1 County, and that presented really significant financial
2 challenges as well as just general development challenges.

3 I think that's correct. Is that correct?

4 JUDGE EMMETT: Yes, that's generally correct.
5 Harris County would not necessarily have developed it in
6 those other counties but there's no question that the
7 revenue-generating segments of the Grand Parkway are in
8 Harris County and that revenue then would have had to have
9 been committed to the other segments, the same as we hope
10 will occur when TxDOT takes it over.

11 This does free us up in a true partnership
12 situation, without mentioning any specific corridors, it
13 frees us up then to perhaps develop other projects at the
14 same time you're developing the Grand Parkway, and so we
15 get more transportation projects in the region if we work
16 together and let you do this and we do something else.

17 MR. HOLMES: The agreement to retain the
18 economics of any one section for the benefit of all
19 sections was memorialized in the market valuation waiver
20 agreement, and so I feel comfortable in saying that the
21 requirements that were placed on the counties when they
22 exercised primacy also apply to TxDOT. It's an agreement
23 that was signed by both TxDOT and the counties, and so
24 it's clearly appropriate that those economics are retained
25 within the Grand Parkway in order to build all segments.

1 JUDGE EMMETT: We would certainly hope so.
2 Anything else?

3 MS. DELISI: I have two more people. Thanks,
4 Judge.

5 JUDGE EMMETT: Thank you very much.

6 MR. SAENZ: Thank you, Judge.

7 MS. DELISI: William Burge.

8 MR. BURGE: Madam Chair, commissioners, staff.
9 I'm pleased to be here this morning, pleased to be here
10 for several reasons.

11 With hearing from Judge Emmett and their
12 position on the Grand Parkway, we now have one
13 quarterback, one process that we think will work all the
14 way from 59 to 59. We have acquired almost all of the
15 right of way and environmental which has taken us some 26
16 years since the inception of the Grand Parkway.

17 And I have a list of things that tell you why
18 this needs to be done. I'm going to let David do it
19 because really it's compelling that it needs to be done
20 for a couple of reasons, and I think we outlined, that
21 Exxon has designated and will go on record sometime in
22 April that this will be their home campus there are 45 and
23 the Grand Parkway, and obviously they need that in place
24 and moving that way by 2015.

25 All of the other areas that we're going through

1 we have really been able to come up with enough right of
2 way and environmental to really get, I think, the right
3 contractors and a program it can finance. If we don't do
4 it, though, in the next 60-90 days, this is the month that
5 will make us or break us because timing is everything.
6 And we've gone through a perfect storm and we do have the
7 advantage the next 90 days to looking into a perfect
8 rainbow, a rainbow going from 59 to 59.

9 And there are two or three benchmarks along the
10 way that need to be met, need to be put together, and hard
11 decisions need to happen in order for this thing to
12 facilitate. I think that with TxDOT now having the
13 project back and what work Grand Parkway has done over 26
14 years, I think there is a comfort level of being able to
15 not only identify the property, get comfortable with it,
16 but move forward on a delivery position.

17 The other half of the equation is the money,
18 and I know Ned has worked to try to come up with \$400- to
19 \$500 million which we hoped would seed the project, get it
20 going up 290, and from there look at other financial
21 delivery systems. But we feel like that if we can put
22 them all together that it will be a project that when
23 traffic is up there it will not only open up that area but
24 more importantly it will loosen up areas around Houston
25 that have never seen this type of coming together. So it

1 should be the real impetus that Houston has needed for a
2 long time.

3 I'm going to let David outline some of his
4 points, but I'd just like to say on something like this
5 when timing is everything, we really can't afford a hiccup
6 and we've got to look at a system and one person has to be
7 in control or this stuff gets away.

8 I had been the past chairman of the Harris
9 County Sports Authority which we undertook over a seven-
10 year period to build our three downtown stadiums, Minute
11 Maid, Reliant and Toyota, and the rodeo shared with
12 Reliant and the project was a little over a million two,
13 and we tried to fast track them and it was critical for
14 many reasons. But the biggest thing that we learned that
15 would keep it on schedule is to have the right people on
16 the ground working with the subs, and I say TxDOT needs to
17 have a designated entity and a group that's there, they're
18 not drawing the plans but they're in there keeping
19 everything honest and they know how to make the quick
20 decisions if something changes.

21 And David Gornet, our executive director has
22 been out there, like I said, 27 years. He knows the
23 property owners, he knows the elected officials, he is, I
24 think, a strong ongoing source for TxDOT to use as now you
25 start to pull out the plug, and I think he should in some

1 role be your project director to keep not only sanity but
2 understand what's important and how the phases should go.

3 So I just wanted to tell you I appreciate all
4 you've done. It's 24 years in the making but a few years
5 ago, this is a project that TxDOT can be proud of for a
6 long time and we think it's the way of the future, and
7 just what we've done on the Katy Freeway from downtown out
8 to Katy and how much a difference that has made for our
9 city. So we look forward to having some benchmarks made
10 this month and want to make sure.

11 I forgot to mention, Ned is supposed to slip
12 off February 1, he expires on his deal, and we don't want
13 that to happen. So I think we need to pretty much put him
14 into a minute order to get him going.

15 MR. HOLMES: I really didn't want to expire on
16 February 1 either.

17 (General laughter.)

18 MR. BURGE: When I left here I mentioned about
19 naming maybe one of these toll roads Holmes Toll Road.
20 Well, I went back and checked the archives, and as it
21 turns out, there's already a Holmes Road built in the '20s
22 back behind the old Astrodome/Astroworld. The trouble is
23 it's called the Holmes Road Dump and it's where everybody
24 takes their trash. So I think Holmes Road would probably
25 not look good alongside a road.

1 MS. DELISI: Thank you.

2 MR. HOLMES: Billy, you've always been
3 entertaining. How long have you been chairman of the
4 Grand Parkway Association?

5 MR. BURGE: Well, you know, who was the guy
6 that was on there four or five years and he couldn't get
7 along with everybody? I've been on it about 20 years.
8 And I tell you a funny story, this is pre Grand Parkway.
9 We were developing Cinco Ranch and we had Mason Road and
10 the fellow that ran Friendswood called and said, Would you
11 all consider adding another 40 feet of right of way to
12 your 100 and then we'll call it the Grand Parkway. And we
13 had already filed our plats and we said, No, move it over
14 to somebody else's property, it will never be built. And
15 that was the origin, that was '82.

16 David, you got my little satchel book there?
17 I've got something that will be for Commissioner. I think
18 he obviously is going to stay here for a long time, but I
19 took the liberty.

20 MR. HOLMES: I always worry when you bring
21 props.

22 MR. BURGE: Well, let me tell you, Ned, if
23 there's anything that's going to signify what a diverse
24 man for all seasons, I brought this.

25 This is a political bag that, quite honestly,

1 is McCain 2008. Well, so in anticipation of a little
2 something for Ned, I called the governor and I said, Do
3 you have something like this, Governor? And he said, Is
4 this for Ned? And I said yes. He said, Well, why didn't
5 you call Kay Bailey? So I called Kay Bailey and Kay
6 Bailey said --

7 MR. HOLMES: Do you have control of the mike
8 over there?

9 MS. DELISI: His three minutes might be up but
10 I'm interested to hear what he's going to say. Keep on
11 going.

12 (General laughter.)

13 MR. BURGE: And so Kay Bailey says, Well,
14 here's Sarah Palin's number, call her. So I called Sarah
15 Palin and she could not have been nicer, just takes the
16 call straight in. And she knows me, she wasn't sure about
17 you, but I told her what I was trying to do. And she
18 said, Well, now wait a minute, we've got a bunch of this
19 old McCain stuff that we're brushing off and putting my
20 name on it. And I said, He's about the same age as
21 McCain, so this would fit right in. So I got you this.

22 Now then, in 1984 is when the West Houston
23 Board came together, and this is the original board and
24 this is 26 years later. It's a picture of the board and
25 Ned is in it. Now, I'm going to pass it around. It's

1 about twelve people, a few of them are still in jail or
2 doing public service. This is Ned in '84 and his hair was
3 gray then. The Grecian Formula 44, whatever it is, he was
4 not able to take that. So a lot of your friends are on
5 here. We tried to get David Wolf out of it, it wouldn't
6 work. But pass that around, and Ned, tell them who all
7 your buddies are there.

8 MR. HOLMES: You know, it's always scary to
9 have Billy introduce you at any function. Don't ever
10 allow that to happen.

11 MR. BURGE: Madam Chair, there's so much more
12 on him.

13 Now, then, Ned, since you've been here, and I
14 know you came in on an unexpired term and I know you had
15 set high goals and you had the creativity, the longevity,
16 and more importantly, a tremendous following. As I
17 followed you around to your speeches, you kept saying one
18 thing on behalf of TxDOT, and there's a book and I think
19 if you read it you will understand that you did the right
20 thing. This book says "We Had Everything But Money."
21 It's about our families that grew up in the Depression. A
22 lot of us around here that are older, we could be those
23 kids around those old washers and dryers. It's a great
24 book, so Ned, when times get tough, just remember.

25 MR. HOLMES: No more props.

1 MR. BURGE: This is it. I talked to your wife
2 to see and she said after you finish up that she's going
3 to take you to the Caribbean to relax and get some sun,
4 and we both decided that you were too old for a Speedo, so
5 we decided to get you some boxers, and depending upon your
6 first cocktail, it's called "The Legend."

7 So you've "The Legend" to wear, you have a book
8 to bring back your history.

9 MR. HOUGHTON: Well, Ned, open it up.

10 (General talking and laughter.)

11 MR. BURGE: It says "The Legend" on one side
12 and "The Man" on the other.

13 MR. HOUGHTON: The Legend, The Man.

14 MR. BURGE: Anyway, I've been out there since
15 '84 on this project development, and it really needs to
16 happen and I really do think we've gone from the perfect
17 storm to the perfect rainbow. And early on I know
18 previous commissions have felt like this could be a big
19 project, signature project for TxDOT, and I guarantee you
20 that the movement of the city is in that direction. So
21 anything you can do.

22 But timing is everything and we're at a
23 crossroads. If some things fall in the hole in the next
24 60 to 90 days, that thing will be a hiccup and then
25 nothing is going to revert. I think Ned has hopefully

1 agreed with you all and been polite enough and a gentleman
2 that makes you feel like you'd sure like to do it.

3 MS. DELISI: I hate to ask but does anyone have
4 any questions of Mr. Burge.

5 (General laughter.)

6 MR. HOUGHTON: David, are you really going to
7 follow this?

8 MS. DELISI: I'm about to call him up if
9 there's on more questions.

10 MR. GORNET: I will be very brief in my
11 comments, sir. There's nothing I can do to follow that.

12 MS. DELISI: Well, come on up. Let's see you
13 try.

14 MR. GORNET: Good morning, Madam Chair, members
15 of the commission.

16 I'd like to stand here and endorse the
17 opportunity that the commission has to take over this
18 project from Harris County. Harris County has spent the
19 last 18 months doing its due diligence, has found it match
20 well with the goals of the county. Yes, the county wants
21 to provide transportation opportunities, but this as a
22 state highway is more appropriately a state project.

23 I appreciate my chairman Mr. Burge's kind
24 remarks about our ability to help guide this. As Judge
25 Emmett has had many years of experience on the political

1 side of this, from the technical side I can remember
2 working on pieces of the Grand Parkway back in 1983 doing
3 layouts on that, so I too have a quarter of a century of
4 experience in this.

5 We have a unique opportunity with the
6 possibility that Exxon will move its headquarters into the
7 region adjacent to the Grand Parkway and I-45, that
8 although it's not accounted for in the current traffic
9 demand model, as that type of intensity of development,
10 having that type of development open and complementary to
11 the opening day of the toll road will raise that opening
12 day traffic and revenue, help pay off any financial
13 obligations much more rapidly than if you wait, have a
14 ramp-up period and have a longer term development of that
15 type of corridor. So we have a unique opportunity there.

16 With that, we have about a four-year window to
17 expedite this project, both Segment E, Segment F-1 and
18 Segment G, to get those done from 59 to 59. Fort Bend
19 County at its commissioners court meeting Tuesday
20 afternoon let two design contracts. They intend to have
21 bridges under construction, per their acceptance of
22 primacy, later this summer, and they will be advancing all
23 nine bridges that they have to build there, probably
24 within the sometime by the fall have all nine of them
25 under construction.

1 And the Grand Parkway Association, as an
2 organization created by TxDOT we work for you, we welcome
3 the opportunity to continue to work for you and with the
4 administration and the Houston District on this important
5 project.

6 Thank you.

7 MR. HOLMES: David, just as a clarification,
8 you said the Exxon headquarters, it's the North American
9 headquarters. The world headquarters stays up in the
10 Metroplex, but this is potentially a 15,000-employee
11 facility.

12 MR. GORNET: Whatever they call it, if they're
13 putting 15,000 people there, that's a consolidation of
14 around 11,000 employees that they currently have in the
15 Houston region, as well as some 4,000 employees that it's
16 my understanding will primarily come from Virginia, former
17 Mobil employees will be consolidated here at this
18 location. They bought a 400-acre tract of land just west
19 of I-45 and just north of the Grand Parkway. I-45 cannot
20 be the only point of access to this, they need the Grand
21 Parkway there. Those 15,000 jobs will be individuals that
22 will have a strong opportunity to use a toll facility, and
23 so I think this will be a great benefit to the project.

24 MR. HOLMES: Well, Exxon representatives also
25 have stated very clearly to me that TxDOT moving forward

1 on the Grand Parkway is essential and that if that did not
2 happen they would not select this site to move their North
3 American headquarters.

4 MR. GORNET: Yes, sir. That's my understanding
5 also.

6 MR. HOLMES: So it's kind of a deal-breaker for
7 them.

8 MR. HOUGHTON: John, I have a question.
9 There's seven counties, Ned, involved?

10 MR. HOLMES: Yes.

11 MR. HOUGHTON: How many have declared primacy
12 and how many have waived?

13 MR. BARTON: Of the seven counties involved,
14 initially all accepted primacy, and to date two, Chambers
15 County and now Harris County, have chosen through their
16 due diligence process to rescind their previous decisions.

17 MR. HOUGHTON: That's not going to be an
18 impediment to us moving forward on this.

19 MR. BARTON: No, sir. And while there's not
20 much that is left that could be said after the previous
21 speaker, I would like to make sure that I note that the
22 action that you're considering today is specific to Harris
23 County only, and that is the section from approximately
24 Interstate 10, not US 59, on the west side of Houston, to
25 approximately Interstate 45 on the north side of Houston.

1 Segment E which basically runs from I-45 to US 59 is
2 primarily in Montgomery County, and then Segment D which
3 runs primarily from Interstate 10 south to US 59 is,
4 again, primarily in Fort Bend County, and Fort Bend County
5 and Montgomery County still have retained primacy.

6 MR. HOUGHTON: I asked you the question at the
7 special meeting, moon and the stars line up on the
8 segments that they have waived, how soon can we get moving
9 on this shovel-ready project?

10 MR. BARTON: Segment E that was the first leg
11 to receive environmental clearance and is most advanced is
12 a project that the Harris County Commissioners Court and
13 the Harris County Toll Road Authority have been actively
14 developing, and if we can acquire the design work that
15 they've done and take on the right of way that they've
16 acquired for the project, it's possible that we could, if
17 the project is funded and the commission makes a decision
18 to do so, move forward with a construction contract later
19 this summer to have dirt turning summer/early fall.

20 MR. HOLMES: John, as Billy mentioned, timing
21 is everything, and we need to really expedite this
22 project, and so I give you strong encouragement. Amadeo,
23 I think part of this motion is to work with Harris County
24 to make that transfer of those plans and work product,
25 right of way, et cetera.

1 MR. BARTON: Yes, sir.

2 MS. DELISI: If there's no other questions, is
3 there a motion?

4 MR. HOLMES: So moved.

5 MR. HOUGHTON: Second.

6 MS. DELISI: All in favor?

7 (A chorus of ayes.)

8 MS. DELISI: The motion passes.

9 MR. BARTON: Thank you.

10 MR. SAENZ: Thank you, John. Thank you, Billy.
11 That was a great presentation.

12 David, I think you need to work on yours a
13 little bit, or not follow Billy.

14 MR. HOUGHTON: Are these are taped?

15 MR. SAENZ: Yes, sir.

16 MS. DELISI: Live stream too.

17 MR. HOUGHTON: Live stream for future viewing
18 if anybody wanted to look at that presentation later on.

19 MR. SAENZ: That's correct, sir. You can just
20 go onto our website.

21 MR. HOUGHTON: Good. Thanks.

22 MR. HOLMES: Unfortunately, Exxon has been
23 watching this. We're really serious about this project,
24 Exxon.

25 (General laughter.)

1 MR. SAENZ: We will move, commissioners, in an
2 expedited fashion to work with Harris County and HCTRA to
3 do the transfer.

4 Agenda item number 11.c, Brian Ragland will
5 present a minute order concerning a request for financing
6 for a project in Johnson and Tarrant Counties.

7 MR. RAGLAND: Thank you, Amadeo. For the
8 record, I'm Brian Ragland, director of the Finance
9 Division.

10 Item 11.e is a minute order which gives final
11 approval of a request for financial assistance from the
12 North Texas Tollway Authority in the amount of \$25
13 million.

14 MR. SAENZ: 11.c.

15 MR. RAGLAND: I'm sorry. 11.c.

16 MR. SAENZ: And Brian, could you just present
17 both c and d and then we can vote on them one at a time,
18 because they're both tied together.

19 MR. RAGLAND: Again, it's from NTTA in the
20 amount of \$25 million. The amount is funded with a
21 federal earmark identified in TEA-21 and will go towards
22 the Southwest Parkway/Chisholm Trail project.

23 Your preliminary approval was granted by minute
24 order in your special meeting earlier this month, and
25 staff recommends your approval.

1 Item 11.d is a minute order which gives final
2 approval of a request also from the North Texas Tollway
3 Authority in the amount of \$91 million. This amount is
4 funded with Prop 14 Bond proceeds and also will go towards
5 the Southwest Parkway/Chisholm Trail project.

6 Your preliminary approval on this amount was
7 granted by minute order in February of last year, and
8 staff recommends your approval of both minute orders.

9 MS. DELISI: Are there any questions on either
10 of the minute orders, comments?

11 MR. MEADOWS: I have no questions, Madam Chair,
12 but I just wanted to acknowledge that two of the directors
13 from the North Texas Tollway Authority are present today.
14 The chairman, Victor Vandergriff, is here with us, and I
15 know we appreciate that. And Captain Bob Shepard, he is
16 here today, and I know Commissioner Houghton and I wanted
17 to acknowledge the fact, and I know he would not want us
18 to disclose the fact that it is his birthday. We
19 certainly appreciate you being here, Captain Shepard.

20 I also want to mention yesterday, in addition
21 to those two gentlemen, Directors Ken Barr and Dave
22 Denison were here working together. And it's just another
23 good example of the strong partnership that exists between
24 the NTTA and TxDOT as we work together in that partnership
25 fashion to see these important projects delivered.

1 So thank you all very much for your presence
2 here and your good work. And happy birthday.

3 MS. DELISI: Commissioner Houghton.

4 MR. HOUGHTON: I was just going to second my
5 friend's remarks on the happy birthday to Captain Shepard.

6 MS. DELISI: So with that then, is there a
7 motion on item 11.c?

8 MR. MEADOWS: Move approval.

9 MR. HOUGHTON: Second.

10 MS. DELISI: All in favor?

11 (A chorus of ayes.)

12 MS. DELISI: The motion passes.

13 Now can I get a motion on 11.d?

14 MR. MEADOWS: So moved.

15 MR. HOUGHTON: Second.

16 MS. DELISI: All in favor?

17 (A chorus of ayes.)

18 MS. DELISI: The motion passes.

19 MR. SAENZ: Thank you, Brian.

20 Agenda item 11.e deals with authorizing the
21 department to enter into an agreement with the Central
22 Texas Regional Mobility Authority for the 290 project, and
23 Mark Tomlinson will present that minute order.

24 MR. TOMLINSON: Good morning again. My name is
25 Mark Tomlinson, director of the Turnpike Authority

1 Division of TxDOT.

2 This minute order authorizes the executive
3 director to negotiate and enter into a project development
4 agreement with the Central Texas Regional Mobility
5 Authority for the development, construction, operation and
6 maintenance of the Manor Expressway toll project located
7 in Travis County along the existing US 290 facility from
8 US 183 to east of State Highway 130. The minute order
9 also approves the connection of the Major Expressway with
10 a segment of the state highway system.

11 The existing US 290 will be reconstructed and
12 expanded to provide an equivalent or greater number of
13 non-tolled lanes than currently exist. The non-tolled
14 portion of the project will remain on the state highway
15 system as US 290.

16 Staff believes the construction of the Manor
17 Expressway will provide for completion of a critically
18 needed project that will relieve traffic congestion on the
19 state highway system and improve mobility in Travis
20 County, so we would recommend your approval of the minute
21 order.

22 MS. DELISI: Are there any questions? Is there
23 a motion?

24 MR. UNDERWOOD: So moved.

25 MR. MEADOWS: Second.

1 MS. DELISI: All in favor?

2 (A chorus of ayes.)

3 MS. DELISI: The motion passes.

4 MR. TOMLINSON: Thank you.

5 MR. SAENZ: Thank you, Mark.

6 Agenda item number 12, commissioners, John
7 Barton will come up to the podium and present several
8 minute orders dealing with the Pass-Through Toll Program.
9 The first two minute orders will be in El Paso County, the
10 third one will be in Val Verde County.

11 John, if you could present all three.

12 MR. BARTON: Thank you, Director Saenz. Again
13 for the record, my name is John Barton, assistant
14 executive director for Engineering Operations here at
15 TxDOT.

16 Item 12.a would authorize the negotiation of
17 the financial terms of a pass-through toll agreement for a
18 project at the intersection of Loop 375 and FM 659 in the
19 City of El Paso with the Camino Real Regional Mobility
20 Authority. This particular pass-through toll project is
21 being considered outside of the call for projects and the
22 reimbursements would come from the El Paso MPO's future
23 Category 2 funds, so it's a little unique from our normal
24 Pass-Through Toll Program.

25 On January 20 of 2011, the Camino Real RMA did

1 submit a proposal for this pass-through toll financing in
2 the amount of \$7 million. The proposal would provide the
3 regional mobility authority funding to supply back to the
4 department with partial funding for the department's
5 construction of two direct connectors at Loop 375 and FM
6 659, locally known as Zaragosa, in a very rapidly growing
7 area of the City of El Paso.

8 This is a non-tolled project on the state
9 highway system and is part of the 2008 Comprehensive
10 Mobility Plan that you've endorsed from the City of El
11 Paso and the metropolitan planning organization. The RMA
12 will be supplying \$27 million of the total \$32 million
13 needed for the project, \$20 million of which is coming
14 from their transportation reinvestment zone that was
15 enacted by the City of El Paso.

16 If you will allow me, Madam, I will go on to
17 the other items and then make recommendations. Staff
18 would recommend your approval of that minute order.

19 Item 12.b is also for a pass-through toll
20 agreement with the Camino Real Regional Mobility
21 Authority. This particular item would authorize the
22 negotiation of the financial terms of a pass-through toll
23 agreement for another project, the Loop 375 mainlane
24 extension, with the Camino Real RMA. Again, they
25 submitted a proposal to us on January 20 of 2011

1 requesting \$5.7 million in pass-through toll financing,
2 again which will be paid back with future Category 2
3 funding from the El Paso MPO.

4 The proposal that they've submitted would
5 supply the department with funding for the construction of
6 Loop 375 mainlanes from approximately one mile west of US
7 59 over to Business US 59 in the northeast portion of the
8 City of El Paso in El Paso County. This is an area that
9 is rapidly growing as well near Fort Bliss.

10 Again it is a non-tolled project, it is on the
11 state highway system, and is another project that was
12 included as a keystone of the 2008 Comprehensive Mobility
13 Plan for the City of El Paso and the El Paso MPO. The RMA
14 would supply \$25.7 million of the \$80 million funding for
15 the project, \$20 million again which would come from their
16 transportation reinvestment zones enacted by the city.

17 And staff would recommend your approval of this
18 minute order as well.

19 MR. SAENZ: John, let's go ahead and do those
20 two since they're El Paso County.

21 MR. BARTON: Okay. Very well.

22 Again, staff would recommend your approval of
23 both of these minute orders.

24 MR. HOUGHTON: So moved.

25 MR. UNDERWOOD: Second.

1 MS. DELISI: All in favor?

2 (A chorus of ayes.)

3 MS. DELISI: The motion passes.

4 MR. BARTON: Great.

5 The next item on your agenda, commissioners, is
6 a minute order that would authorize an amendment to an
7 existing pass-through toll agreement that the department
8 has with Val Verde County.

9 We entered into that agreement on January 9 of
10 2008 to provide funding for the county's construction of
11 State Loop 79 which is a relief route to US 277 in the Del
12 Rio community, and this minute order would also obligate
13 the department to construct an interchange at the
14 intersection of State Loop 79 which the county is
15 constructing and US 90 at the north terminus of that pass-
16 through toll project.

17 The commission approved a pass-through toll
18 agreement with Val Verde County in February of 2007 for
19 the development of this relief route to US 277 as State
20 Loop 79. The total contemplated reimbursement under that
21 particular agreement was \$128 million, but when the
22 construction contract was awarded in 2010, the low bid
23 construction amount was much less than was anticipated and
24 came in at \$32.3 million. As a result of this, the
25 department has been working with the county and the county

1 has certainly been working with us to negotiate a
2 modification to the original agreement.

3 The department has proposed that the existing
4 agreement be amended to reduce our overall reimbursement
5 to \$77.2 million. \$44.9 million of that would be passed
6 through to the county based on the original terms of the
7 pass-through toll agreement; \$32.3 million, approximately,
8 would be used to make up front payments for the
9 construction costs to the low bid contractor, and we would
10 also include an opportunity to increase those amounts of
11 construction costs by up to \$1 million on change orders
12 that are mutually agreed upon by the county and the
13 department.

14 In addition to these changes to reimbursement,
15 this proposed amendment would obligate the department to
16 construct an interchange, an overpass, if you will, at the
17 north end of this project where it intersects with US 90.
18 The county would be responsible for providing the costs
19 for the design, right of way acquisition, utility
20 adjustments and any environmental investigation and
21 mitigation. The department would be responsible for
22 providing the cost for the construction of the
23 interchange.

24 And again, the staff would recommend your
25 approval of this minute order.

1 MS. DELISI: Any questions of John? No?

2 Okay. Then at this point I'd like to call up
3 Commissioner Beau Nettleton.

4 MR. NETTLETON: Thank you very much, commission
5 members.

6 I can remember in February of 2007 standing
7 here before you when we started this project. It's been a
8 great project, and Amadeo, you will actually get to drive
9 down it before you retire, so we should be complete by
10 then.

11 MR. SAENZ: That's great.

12 MR. NETTLETON: I appreciate all the work that
13 you had the staff have done on this. We're looking
14 forward to the completion of this project, and I wanted to
15 come before you on behalf of the county and thank you for
16 your work and Mr. Barton's and Mr. Saenz's work on this.

17 Thank you very much.

18 MR. HOUGHTON: Commissioner, thank you.

19 MS. DELISI: Is there a motion?

20 MR. HOUGHTON: So moved.

21 MR. HOLMES: Second.

22 MS. DELISI: All in favor?

23 (A chorus of ayes.)

24 MS. DELISI: The motion passes.

25 MR. SAENZ: Thank you, John.

1 Agenda item 13, commissioners, Mark Tomlinson
2 will present a minute order where we're adding an
3 additional member to the segment committees on the I-69
4 Corridor.

5 MR. TOMLINSON: Again, my name is Mark
6 Tomlinson, director of the Turnpike Authority Division of
7 TxDOT.

8 This minute order adds the Alabama-Coushatta
9 Tribe of Texas as an additional entity that may appoint
10 members to the I-69 Corridor Segment Committee. The
11 Alabama-Coushatta Tribe of Texas has requested that they
12 be allowed to participate with the Segment 2 committee and
13 be a part of the long-term planning process for I-69.

14 As you well know, the department's goal has
15 been to involve a diverse representation of community
16 interests and stakeholders on each corridor segment
17 advisory committee, so we feel the addition of the
18 Alabama-Coushatta Tribe will help us accomplish that.

19 The tribe has indicated that Mr. Ronnie Thomas
20 a member of their tribal council, will be the person that
21 they intend to select.

22 So we would definitely recommend your approval
23 of this minute order.

24 MR. HOLMES: So moved.

25 MR. UNDERWOOD: Second.

1 MR. MEADOWS: Second.

2 MS. DELISI: All in favor?

3 (A chorus of ayes.)

4 MS. DELISI: The motion passes.

5 MR. SAENZ: Thank you, Mark.

6 Agenda item number 14, commissioners, is being
7 deferred at this time.

8 Moving on to agenda item 15 dealing with
9 Transportation Planning. 15.a, John Barton will present a
10 minute order on a project on Coryell and Lampasas Counties
11 on US 190.

12 MR. BARTON: Commissioners, Madam Chair. Again
13 for the record, my name is John Barton.

14 This item would ratify, confirm and approve an
15 Advance Funding Agreement that has been entered into by
16 the department and the City of Copperas Cove to provide
17 the City of Copperas Cove reimbursement for the
18 construction cost of US 190 Copperas Cove Relief Route on
19 the southern and eastern sides of Copperas Cove in the
20 amount of \$42.3 million for the construction of this
21 project.

22 A little bit of background on this particular
23 issue. In April of 2010, you as a commission approved the
24 2010 Unified Transportation Program which included and
25 authorized funding for the construction of this much

1 needed relief route around the City of Copperas Cove, but
2 those funds were not able to be made available until
3 Fiscal Year 2013, delaying the delivery of this project
4 for this community.

5 The City of Copperas Cove approached the
6 department and requested that we consider a funding
7 arrangement where they would pay for the construction
8 today and use the funding that we had anticipated to make
9 available beginning in the year 2013 to reimburse them for
10 their costs.

11 The department agreed that this was a good
12 approach, an innovative approach and certainly would allow
13 a much needed project to be implemented quicker than we
14 would be able to with our cash flows, and so we entered
15 into an Advance Funding Agreement to that effect for the
16 design, construction and operation of the project in
17 cooperation with the city and to reimburse the city for the
18 financing of the construction in the amount that I've
19 noted, \$42.3 million once the project was completed
20 beginning in Fiscal Year 2013 when we had those funds
21 committed in the Unified Transportation Program.

22 The city would like to use this agreement as a
23 part of their assurances and certificates for the issuance
24 of bonds to be able to advance this project, and
25 therefore, this funding agreement would require commission

1 approval and a minute order signifying that would allow
2 them to be able to use this as a mechanism for the
3 security on their bonds.

4 So staff would recommend your approval of this
5 minute order, and again, I would be happy to entertain any
6 questions you may have.

7 MR. HOUGHTON: Any questions? Motion?

8 MR. HOLMES: Motion.

9 MR. UNDERWOOD: Second.

10 MR. HOUGHTON: All in favor?

11 (A chorus of ayes.)

12 MS. DELISI: Thank you, John.

13 MR. BARTON: Thank you.

14 MR. SAENZ: Thank you, John.

15 Agenda item number 15.b deals with a
16 redesignation of the San Angelo Metropolitan Planning
17 Organization. Jim Randall will present this minute order.

18 MR. RANDALL: Good morning, commissioners. Jim
19 Randall of the Planning and Programming Division.

20 Item 15.b. Federal law and regulations require
21 that an existing MPO may be redesignated only by agreement
22 between the governor and units of general purpose local
23 government that together represent at least 75 percent of
24 the existing metropolitan planning area population. On
25 October 4, 2005, the governor delegated the authority to

1 the Texas Transportation Commission to approve an MPO
2 redesignation.

3 For the past few years, the City of San Angelo
4 and the San Angelo MPO Policy Board have discussed the
5 possibility of having the San Angelo MPO independent of
6 the city. On October 19, 2010, the San Angelo City
7 Council authorized the city manager to initiate the
8 creation of the San Angelo MPO as a separate entity with
9 the city serving as the fiduciary agent. The city manager
10 has acted upon the council's authorization by executing a
11 letter to TxDOT's executive director supporting the
12 redesignation.

13 On December 9, 2010, the San Angelo MPO Policy
14 Board approved a resolution to redesignate the MPO by
15 separating it from the City of San Angelo. This
16 resolution also proposes that the city will continue to
17 serve as the fiscal agent for the MPO. San Angelo is the
18 only incorporated city within the MPO boundary and
19 represents at least 75 percent of the population of the
20 existing metropolitan planning area.

21 Staff recommends your approval of the proposed
22 San Angelo MPO redesignation, as described in Exhibit A.
23 Upon your approval of this minute order, the executive
24 director is authorized to enter into any necessary
25 agreements associated with the redesignation process.

1 Staff recommends approval of this minute order.

2 MS. DELISI: Is there a motion?

3 MR. HOUGHTON: So moved.

4 MR. HOLMES: Second.

5 MS. DELISI: All in favor?

6 (A chorus of ayes.)

7 MS. DELISI: The motion passes.

8 MR. RANDALL: Thank you.

9 MR. SAENZ: Thank you, Jim.

10 Agenda item number 15.c deals with the Regional
11 Transportation Council RTR account, or 121 account, and
12 the approval of projects that will be funded from that
13 account, and Brian Ragland will present this minute order.

14 MR. RAGLAND: Thank you. For the record, I'm
15 Brian Ragland, director of the Finance Division.

16 This minute order authorizes the addition of
17 one new project under the 121 RTR work program. The new
18 project is on State Highway 161 and specifically consists
19 of \$12 million to be paid to NTTA for the UP Railroad
20 bridge over 161, the frontage road highway railroad
21 crossings, and the frontage road intersections with Main
22 and Jefferson Streets.

23 With the addition of this amount, the RTR is
24 still within its financial limitations, and therefore,
25 staff recommends your approval.

1 MS. DELISI: Is there a motion?

2 MR. MEADOWS: So moved.

3 MR. HOUGHTON: Second.

4 MS. DELISI: All in favor?

5 (A chorus of ayes.)

6 MS. DELISI: The motion passes.

7 MR. SAENZ: Thank you, Brian.

8 Agenda item 16 will also be presented by Brian.

9 It is a minute order dealing with the acceptance of the
10 annual continuing disclosure report for the Texas Mobility
11 Fund.

12 MR. RAGLAND: Thanks, Amadeo.

13 This minute order is your acceptance of the
14 annual report of both financial information and operating
15 data for the Texas Mobility Fund. The disclosure includes
16 information of the various series of bond issuances, the
17 fund's historical and estimated revenues, and the audited
18 financials for the fiscal year ended August 31, 2010 which
19 you've already seen.

20 The disclosure is required by the bond
21 documents, and staff recommends your approval.

22 MS. DELISI: Questions?

23 MR. HOUGHTON: So moved.

24 MR. HOLMES: Second.

25 MS. DELISI: All in favor?

1 (A chorus of ayes.)

2 MS. DELISI: The motion passes.

3 MR. RAGLAND: Thank you.

4 MR. SAENZ: Thank you, Brian.

5 Agenda item number 17 deals with the Unified
6 Transportation Program, and James Bass will present a
7 minute order requesting approval of the preliminary
8 funding levels -- if we can find James. Here he comes.

9 MR. BASS: Good morning. Again for the record,
10 I'm James Bass, chief financial officer at TxDOT.

11 Today I'm going to walk you through a
12 discussion of the funding levels for the upcoming 2012
13 UTP. And just as a reminder, the UTP is not a guarantee
14 or a commitment of funds, it is a plan based upon a
15 forecast based upon assumptions. And one of the things
16 I'll do today is talk about how those assumptions have
17 changed since we last came before you for the 2010 UTP.

18 One of the obvious statements I'll point out as
19 to why the UTP is not a guarantee of funding, as we talk
20 here today we have a federal highway bill that will expire
21 in two months, and of course, the 2012 UTP will go through
22 the year 2021, so as you might imagine, there is a great
23 bit of uncertainty as to what may or may not happen on the
24 federal level, and again, that's why the UTP is an
25 important planning tool but is not a guarantee of future

1 funding.

2 Just as a reminder, the 2010 UTP which covered
3 the eleven-year period from 2010 to 2020, we had just over
4 \$23 billion in the twelve categories of the UTP laid out
5 in the fiscal years that you see in your handout or up on
6 the big screen. Back when we developed the 2010 UTP, we
7 were using the November 2009 cash forecast cash model as
8 our basis, and here are some of the high level assumptions
9 on both revenue and expenditures that went into that 2010
10 UTP.

11 If we break those down and start looking at
12 them in a little more detail and compare what did we think
13 back in November 2009 and compare that to our current
14 forecast, our current assumptions on revenue that's
15 displayed on this slide right here, and you can see that
16 motor fuel tax is effectively flat over that time period
17 since November 2009. We've actually adjusted the forecast
18 a couple different times but we've ended up back at
19 roughly the same place as we started.

20 State registration fees, a couple of changes
21 there. We had been projecting that it would grow at a
22 rate of about 4-1/2 percent per year. Based upon recent
23 activity, we've actually dialed that down to about 4.15
24 percent, and so you see an impact there.

25 The other change is coming up this September 1

1 the state's registration fee for vehicles will change from
2 a three-tiered approach based upon the age of the vehicle
3 to one single tier for all of the vehicles, and the latest
4 estimate on that is that it may cost, when that's first
5 implemented, about \$18 million. So we've lowered the base
6 and then the growth going forward has also been dialed
7 down.

8 Our federal motor fuel tax is slightly higher.
9 That is primarily because the continuing resolutions that
10 Congress has passed have been funding at prior funding
11 levels which is above and beyond the revenue coming into
12 the Federal Highway Trust Fund.

13 The other fed lines includes our traffic
14 safety, transit, aviation line items, and each of those
15 have seen and are projected to see increases in the years
16 coming forward.

17 One new item that's on the list that we didn't
18 have any dollars recognized in our forecast back in
19 November of 2009 is the BAB subsidy, or the Build America
20 Bonds subsidy, and that's where the federal government
21 reimburses the State of Texas for 35 percent of our
22 interest costs in this case on Proposition 14 Bonds that
23 we entered. That is expected to produce \$260 million over
24 this time period and so that's an increase to the revenue.

25 The other state is a number of different

1 revenue streams coming in. One of the biggest ones in
2 there is the local participation funds, and we've actually
3 pulled the local funds for future projects out of this
4 forecast, so we're not building those local funds into the
5 letting caps. And the significance there is now as locals
6 are able to bring dollars forward for the advancement of
7 projects, it won't count against the district's cap, it
8 will truly be surplus funds in reality and in our
9 management and operation of those caps.

10 We then flip to the expenditure side, and these
11 are all of the expenditures that the department has that
12 do not show up in the twelve categories of the UTP. One
13 of the largest ones is the first one there and you'll see
14 that it reduced. There's a few reasons why that reduced,
15 and that's because in 2010 we had a state budget for 2010
16 and 2011, and so in 2012 we had a line item in our
17 forecast for inflation, realizing that delivering routine
18 maintenance, delivering administrative costs are going to
19 likely be higher in the future than they are today. Well,
20 now that we have a request for '12 and '13, we've moved
21 that inflation line to some of the other line items that
22 you see on here.

23 In addition, another large change is the
24 assumption on FTEs for the department. Back in November
25 of 2009, after the creation of the Department of Motor

1 Vehicles, we had in our forecast somewhere in the
2 neighborhood somewhere in the area of 14,100 FTEs. We've
3 now dialed that down closer to 12,200. That's had a
4 savings on employee benefits of roughly \$31 million a
5 year, \$310 million over this time period, and also salary
6 savings as lower FTEs are reflected there.

7 Another one I'll point out, you can see the
8 last two lines, maintenance and contracted routine
9 maintenance is an increase in the current expected
10 expenditures there, and that's because of the
11 appropriations request to target more of the resources
12 towards maintenance activities.

13 And the one other one I'd highlight is the Prop
14 debt service being paid out of Fund 6 is lower because
15 of our issuance was able to be at lower interest rates,
16 and also we're getting the federal subsidy coming in.

17 So overall the expenditures are \$1.4 billion
18 less, thereby making \$1.4 billion of additional cash
19 available for contractor payments.

20 So this is just a summary of the previous two
21 slides, net additional available for contractor payments
22 of \$1.09-. The forecast model then takes that cash and
23 converts it to a contractor or a letting figure and you
24 can see the current projection is just over \$25.6 billion
25 over this ten-year time frame, different and higher than

1 it was back in November of 2009.

2 Just as a reminder, even outside of the UTP
3 there are comprehensive development agreement and pass-
4 through projects that through the resources of the
5 department are being advanced and delivered. They don't
6 show up in the 2010 UTP but we wanted to just remind
7 everybody of those on this slide.

8 So the current thinking for the time period of
9 2010 to 2010 would be \$25.67-, but since we're working
10 towards the 2012 UTP, it's unnecessary to have 2010 and
11 2011 in those figures, so you see us pull those out, and
12 then we add the year 2021 to that. The reason we're
13 subtracting two years and only adding one is because the
14 UTP is moving from an eleven-year document to a ten-year
15 document, and that ten-year document is what is in the
16 administrative rules.

17 Again, one of the changes, and it's listed in
18 the rules, it used to be in the old UTP there was a
19 Category 2 for the eight large metros and a Category 3 for
20 the other metropolitan areas of the state. Both of those
21 old Categories 2 and 3 have now been combined into
22 Category 2, and you'll see that on the following slide.

23 Category 3 is now referred to as the non-
24 traditional financing methods for delivering projects, and
25 it adds up over this time period to around \$2.88-, \$2.89

1 billion, depends on if your round each of them
2 individually and add it up or round off at the total
3 itself. And that \$2.88 billion is made up of the State
4 Highway 121 proceeds, State Highway 130, Prop 14 and
5 additional pass-through, a little bit of Mobility funds,
6 and then the local funds.

7 So if we then move forward, and this next slide
8 will match the exhibit to the minute order before you for
9 consideration, it would show for the 2012 UTP what we
10 would project are the dollar amounts by category on this
11 screen.

12 I'll point out and you'll see Categories 5
13 through 11 are shaded with a couple of them with asterisks
14 next to them. The shading designates that those
15 categories have required minimums that must go into them.
16 Some of those may be by rider in the appropriations bill
17 which would be Category 11, others may be by federal
18 formula. CMAQ, STPMM which is Category 7, enhancements,
19 all the others, there are federal formulas that establish
20 a minimum that must go into those

21 Quite obviously, as I started off mentioning
22 since we just have a federal bill that goes through March,
23 we're making assumptions on what may happen in
24 reauthorization that the categories will continue and that
25 the minimum required would be continued. Obviously that's

1 all subject to reauthorization by Congress.

2 The two that I'd point out, Category 6 for the
3 Bridges and Category 8, Safety, in this column they're
4 higher than the calculated minimums, they're continuing
5 the current funding levels that the commission has
6 designated and approved in earlier UTPs and we've carried
7 that decision forward, however, we just wanted to point
8 out to you that it is a carry forward or continuance of
9 earlier decisions.

10 For Category 2 which is both the metro and
11 urban corridors now, the \$2.02 billion, that is simply the
12 remaining funds that were in those categories for the 2010
13 UTP. We took that amount, whatever has been committed
14 during 2010 or is projected to be committed during 2011,
15 left the \$2.02 billion that you see here.

16 If the commission adopts these, the next steps
17 will be that during the month of February the department
18 will host public meetings throughout the state to get
19 public input and comment on these funding levels and a
20 draft UTP. The agency would then come back to the
21 commission, currently estimated at the May meeting, and
22 deliver the full-blown, several hundred pages UTP document
23 for your adoption at that time.

24 So right now what staff would recommend is that
25 the funding levels by category that are up on the screen

1 right now and in your exhibit to the minute order, that
2 those be approved so we can move forward and start holding
3 those public meetings in February. And I'd be happy to
4 answer any questions that you might have.

5 MS. DELISI: Questions? Is there a motion?

6 MR. HOUGHTON: So moved.

7 MR. HOLMES: Second.

8 MS. DELISI: All in favor?

9 (A chorus of ayes.)

10 MS. DELISI: The motion passes.

11 MR. BASS: Thank you.

12 MR. SAENZ: Thank you, James.

13 Agenda item number 18 deals with two reports
14 dealing with an Obligation Limit and our State Highway
15 Fund reports, and Brian Ragland will present both of these
16 reports to the commission.

17 MR. RAGLAND: Thank you, Amadeo. For the
18 record, I'm Brian Ragland, director of the Finance
19 Division.

20 This first report is the monthly report on the
21 status of our obligation limits from traditional Fund 6
22 and then also how our motor fuel tax receipts are faring.

23 Through January we've let \$540 million and then
24 we have most all of the rest in the system as planned to
25 let in the remaining months of the year. That statement

1 does exclude the additional \$425 million that you approved
2 last month. That's down at the bottom on its own line.
3 And it's my understanding that there are ongoing
4 discussions regarding that amount.

5 If you don't have any questions on the
6 Obligation Limit report, I'll move on to the motor fuel
7 tax status.

8 Very good news here. Our January receipts were
9 10 percent over what they came in as last January. That
10 brings our year to date percentage to 5.48 percent for
11 those same five months, I guess it is. Our growth factor
12 in the forecast remains at about one percent or a little
13 over, so if the growth we're seeing continues, we'll end
14 up 4-1/2 percent over our estimate which will translate to
15 approximately \$100 million more in state funds than what
16 we had forecasted.

17 The page 2 from that shows the split of diesel
18 and gasoline. Diesel is running at about 10 percent over
19 what it was last year and gasoline is up about 4 percent.

20 So the weighted average of those two brings us to our 5-
21 1/2 percent overall.

22 And that's all I have on this report unless you
23 have any questions.

24 MR. SAENZ: Go ahead, Brian.

25 MR. RAGLAND: The next report is a quarterly

1 report that we do on the status of our Fund 6 cash
2 forecast and the activity and how it compares.

3 The beginning balance for FY '11 was \$426
4 million, we added to that \$1.64 billion and then spent
5 \$1.66 billion, so the cash balance as of November 30 was
6 \$409 million. Overall cash revenues were down 2.7 percent
7 from what we forecast and expenditures were down 2.1
8 percent from where we forecast. So we think we're doing a
9 pretty good job of forecasting our overall cash revenues
10 and expenditures.

11 The second page shows the variances by line
12 item from what was forecast. Because we're only three
13 months into the fiscal year, I did not plan to necessarily
14 address any of those, but I'll certainly take questions on
15 any of them. Obviously, some are very easy to explain and
16 some are more difficult, and we have staff presently
17 looking into why some of the variances were more than what
18 we would have liked to have seen.

19 I fully expect some of these variances to
20 smooth out as the year progresses, a lot of them are just
21 timing issues. But this report will always look back to
22 the first forecast of the year dated in September, so
23 although we're adjusting every month going forward, we're
24 always going to have variances when we're looking back to
25 the first forecast of the year.

1 And that's all I have on this report unless you
2 have specific questions. Thank you.

3 MR. SAENZ: Thank you, Brian.

4 Just a quick question. That Fund 927, is that
5 the local match?

6 MR. RAGLAND: That is local participation. I
7 told staff we needed to change the title of that because
8 it's not real transparent as to what that is.

9 MR. SAENZ: Put a name on it.

10 MR. RAGLAND: Right.

11 MR. SAENZ: Thank you.

12 Agenda item number 19, commissioners, deals
13 with our contracts, and Russel Lenz will make a
14 presentation of two minute orders dealing with our monthly
15 lettings, the first one on maintenance, the second one on
16 our highway program.

17 So Russel, you can present both minute orders,
18 please.

19 MR. LENZ: Good morning, Madam Chair,
20 commissioners. And I'd also like, as I start, to express
21 my sincere appreciation to Mr. Saenz for his friendship
22 and his leadership and his guidance through the time that
23 I've been with the department, and my personal wishes for
24 the absolute best.

25 For the record again, I'm Russel Lenz, the

1 director of the Construction Division. I'm presenting
2 item number 19.a(1) for the consideration of the award or
3 rejection of Highway Maintenance and Department Building
4 Construction contracts let on January 4 and 5, 2011. We
5 present 25 projects today; the average number of bidders
6 was 4.76; the low bid value was \$23,985,552.39; we had an
7 overall underrun of 13.09 percent.

8 Staff recommends the award of all maintenance
9 projects with the exception of one in Victoria County.
10 It's project number RMC-6218-72-001. The project received
11 six bids, the low bidder was 32.67 percent over our
12 estimate, counter to what we have been experiencing. That
13 was a value of \$392,011; the original engineer's estimate
14 was \$1.2 million. The project was for performance-based
15 mowing and herbicide, vegetative management.

16 The district has looked at the project and
17 they've determined that the mowing portion of the project
18 can be re-let as a conventional mowing project, the way we
19 do in the majority of the other areas of the state, and
20 that the herbicide work can be done in-house. The
21 herbicide and mowing work re-let in that fashion could
22 save us approximately \$200,000 a year for the district's
23 maintenance budget, and we recommend that we reject that
24 bid and that we re-let the project conventionally.

25 MR. HOUGHTON: So moved.

1 MR. HOLMES: Second.

2 MS. DELISI: All in favor?

3 (A chorus of ayes.)

4 MS. DELISI: The motion passes.

5 MR. LENZ: Item number 19.a(2) is for
6 consideration of the award or rejection of Highway and
7 Transportation Enhancement Building Construction contracts
8 also let on January 4 and 5 of this month.

9 We present 59 projects; the average number of
10 bidders was 6.05; the low bid value of the contracts was
11 \$191,646,502.49; and we had an overall underrun of 8.2
12 percent.

13 Staff recommends the award of all these
14 projects.

15 MR. HOUGHTON: So moved.

16 MR. HOLMES: Second.

17 MS. DELISI: All in favor?

18 (A chorus of ayes.)

19 MS. DELISI: The motion passes.

20 MR. SAENZ: Commissioners, Russel will now
21 present agenda item 19.b that deals with the award of the
22 second low bid on a maintenance contract, and there's two
23 minute orders under that agenda item.

24 MR. LENZ: Item number 19.b(1) is for the
25 consideration of the award of a right of way mowing and

1 litter removal contract to the second bidder at the first
2 bidder's price.

3 Bowie County project RMC-6217-05-001 was let on
4 December 1 of 2010 in the Atlanta District. The low
5 bidder was Perry M. West with a bid amount of \$84,352.
6 Perry M. West failed to execute that contract. The second
7 lowest bidder, Brydl Contracting, Inc., has indicated they
8 would like to do the contract and are willing to perform
9 the work at the unit prices of Mr. Perry's bid.

10 And the second item there is for the
11 consideration of the award of a highway cleaning and
12 sweeping contract to the second bidder as well.

13 Hopkins County project RMC-6218-36-001 was let
14 on November 10 of 2010 in the Paris District. The low
15 bidder was CNR Ground Solutions with a bid amount of
16 \$72,225. CNR Ground Solutions also failed to execute the
17 contract. The second lowest bidder, Catocon, Inc., has
18 indicated they'd like to do the contract and are willing
19 to also perform the work at the unit prices bid of CNR
20 Ground Solutions.

21 Staff recommends the approval of both of these.

22 MR. HOUGHTON: So moved.

23 MR. UNDERWOOD: Second.

24 MS. DELISI: All in favor?

25 (A chorus of ayes.)

1 MS. DELISI: The motion passes.

2 MR. LENZ: Thank you.

3 MR. SAENZ: Thank you, Russel.

4 Agenda item number 20, commissioners, is our
5 routine minute orders for dealing with donations to the
6 department, eminent domain proceedings, load zones and
7 postings, right of way disposition and donations, release
8 of right of way access, finance, speed zones. And staff
9 recommends approval of all of these minute orders with one
10 motion. We would be happy to answer any questions on any
11 individual minute order if you all have one.

12 MS. DELISI: Is there a motion?

13 MR. UNDERWOOD: So moved.

14 MR. DELISI: Can I get a second?

15 MR. MEADOWS: Second.

16 MS. DELISI: All in favor?

17 (A chorus of ayes.)

18 MS. DELISI: The motion passes.

19 MR. SAENZ: Those are all the regular items.

20 All we have is executive session.

21 MS. DELISI: This completes all the action
22 items on the agenda. We are going to recess for executive
23 session, but before I do, is there anyone signed up for
24 open comment?

25 MR. SAENZ: No, ma'am.

1 (Whereupon, at 11:31 a.m., the meeting was
2 recessed, to reconvene this same day, Thursday, January
3 27, 2011, following conclusion of the executive session.)

4 MS. DELISI: The meeting of the Texas
5 Transportation Commission is reconvened. For the record,
6 the time is 12:18 p.m. The commission has concluded its
7 executive session.

8 Is there any other business to come before the
9 commission?

10 (No response.)

11 MS. DELISI: There being none, I'll entertain a
12 motion to adjourn.

13 MR. HOLMES: So moved.

14 MR. HOUGHTON: Second.

15 MS. DELISI: All in favor?

16 (A chorus of ayes.)

17 MS. DELISI: The motion passes.

18 Please note for the record that it is 12:18
19 p.m. and this meeting stands adjourned.

20 (Whereupon, at 12:18 p.m., the meeting was
21 concluded.)

C E R T I F I C A T E

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MEETING OF: Texas Transportation Commission Meeting

LOCATION: Austin, Texas

DATE: January 27, 2011

I do hereby certify that the foregoing pages,
numbers 1 through 122 inclusive, are the true, accurate,
and complete transcript prepared from the verbal recording
made by electronic recording by Nancy King before the
Texas Transportation Commission.

(Transcriber) 1/31/2011
Date)
On the Record Reporting
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