

TEXAS DEPARTMENT OF TRANSPORTATION

COMMISSION MEETING

Room 1A.1  
200 East Riverside Drive  
Austin, Texas

Thursday, February 23, 2012

COMMISSION MEMBERS:

Ted Houghton, Chair  
Jeff Austin III  
Ned S. Holmes  
William Meadows  
Fred Underwood

STAFF:

Phil Wilson, Executive Director  
John A. Barton, Interim Deputy Executive Director  
Bob Jackson, General Counsel  
Rose Walker, Chief Clerk  
JoLynne Williams, Chief Minute Order Clerk

I N D E X

<u>AGENDA ITEM</u>	<u>PAGE</u>
<b>CONVENE MEETING</b>	8
1. <b>Approval of Minutes</b> of the January 25, 2012, workshop and the January 26, 2012, regular meeting of the Texas Transportation Commission	13
2. <b>Resolutions</b> Recognize Technology Services Division Director Judy B. Skeen, P.E., upon her retirement from the department after 28 years of service.	13
3. <b>Congestion Relief Project Planning</b> Accept a report prepared by the Texas Transportation Institute identifying transportation projects that will significantly reduce levels of congestion on the state's most congested roadways, as required by the General Appropriations Act (MO)	17
4. <b>Modernization</b> Adopt a new mission statement, values and goals for TxDOT (MO)	32
5. <b>Discussion Item</b>	
a. Update on status of the SH 99 (Grand Parkway) procurement and discussion regarding the receipt of qualifications submittals from prospective proposers	35
b. Discuss immediate infrastructure needs due to drilling and other activities within the Barnett and Eagle Ford Shale areas	38
6. <b>Aviation</b> <b>Various Counties</b> - Award federal and state grand funding for airport improvement projects at various locations (MO)	51
7. <b>Public Transportation</b>	
a. <b>Various Counties</b> - Award federal \$5311 funds, Nonurbanized Area Formula Program for FY 2012 (MO)	53
b. <b>Various Counties</b> - Award federal \$5310 funds, Special Needs of Elderly Individuals and Individuals with Disabilities Program, and award transportation development credits for FY 2012 (MO)	55

8. **Promulgation of Administrative Rules** Under Title 43, Texas Administrative Code, and the Administrative Procedure Act, Government Code, Chapter 2001:
- a. **Final Adoption**
- (1) **Chapter 2 - Environmental Review of Transportation Projects (MO)** 56  
 Repeal of §§2.1-2.20 (Environmental Review and Public Involvement for Transportation Projects), and §2.44 and §2.48 (Additional Requirements for Certain Types of Transportation Projects); New Subchapter A, General Provisions, New §§2.1-2.14, New Subchapter C, Environmental Review Process for Highway Projects, New §§2.41-2.52, New Subchapter D, Requirements for Classes of Projects, New §§2.81-2.86, New Subchapter E, Public Participation, New §§2.101-2.110, New Subchapter F, Requirements for Specific Types of Projects and Programs, New §§2.131-2.134
- (2) **Chapter 9 - Contract and Grant Management (MO)** 68  
 New §9.150, Purpose, §9.151 Definitions, §9.152, General Rules for Design-Build Contracts, §9.153, Solicitation of Proposals, §9.154, Protest Procedures, and §9.155, Conflict of Interest and Ethics Policies (New Subchapter I, Design-Build Contracts)
- (3) **Chapter 15 - Financing and Construction of Transportation Projects (MO)** 70  
 Amendments to §15.86, Conflict of Interest, and §15.90, Reports and Audits, and New §15.95, Toll Project Corporations (Transportation Corporations)
- b. **Proposed Adoption**
- Chapter 6 - State Infrastructure Bank (MO)** 71  
 Amendments to §§6.2-6.4 (General Provisions); Amendments to §6.12 and Repeal of §6.13 (Eligibility); Amendments to §§6.21-6.23, the Repeal of §6.24 and §6.25, and New §6.24 (Procedures); Amendments to §6.31 and §6.32 and Repeal of §6.33 (Department and Commission Action); Amendments to §§6.41-6.43, the Repeal of

§§6.44-6.46, and New §6.44 and §6.45  
(Financial Assistance Agreements)

- |     |  |    |
|-----|--|----|
| 9.  | <b>Office of Compliance and Ethics Report</b>  | 74 |
| 10. | <b>Toll Road Projects</b><br><b>Cameron County</b> - Approve the Cameron County Regional Mobility Authority's connection of the SH 550 Project to a segment of the state highway system (MO)   | 75 |
| 11. | <b>Transportation Planning</b><br>Approval the Fiscal Year 2011 Annual Report on the Economically Disadvantaged Counties Program (MO)  | 80 |
| 12. | <b>Unified Transportation Program (UTP)</b>  |    |
| a.  | Authorize project selection process for the 2013 UTP (MO)  | 81 |
| b.  | Authorize a variance in the manner in which federal-aid highway construction funds are distributed to parts of the state versus the manner in which they are distributed by the federal government (MO)  | 82 |
| 13. | <b>Proposition 12 Bond Program</b><br><b>El Paso County</b> - Designate a state spur along a new location from Schuster Avenue southwestward approximately 0.3 miles to US 85 (Paisano Drive) in the city of El Paso (Spur 73), authorize the funding of development by the department of the Spur 73 connector with the proceeds of general obligation bonds issued under Transportation Code, Section 222.004 (Proposition 12 bonds), and authorize the executive director to enter into a project development agreement with the Camino Real Regional Mobility Authority (CRRMA) for the CRRMA to design the project (MO) | 83 |
| 14. | <b>Contracts</b><br>Award or reject contracts for maintenance, highway and building construction   |    |
| a.  | <b>Highway Maintenance and Department Building Construction</b><br>(see attached itemized list) (MO)   | 84 |
| b.  | <b>Highway and Transportation Enhancement Building Construction</b><br>(see attached itemized list) (MO)   | 86 |
| 15. | <b>Eminent Domain Proceedings</b><br><b>Various Counties</b> - Authorize the filing of   | 87 |

condemnation proceedings to acquire real property by eminent domain for non-controlled and controlled access highways (see attached list) (MO)

16. **Routine Minute Orders** 88

a. **Donations to the Department**

- (1) **Administration** - Acknowledge a donation from CG/LA Infrastructure, LLC, for a department employee's travel expenses to attend and speak at the 5th Annual Global Infrastructure Leadership Forum in London, England, from February 19-26, 2012 (MO)
- (2) **Travel Information Division** - Consider a donation from the Waco Convention and Visitors Bureau to provide food, beverages, admission and transportation to area attractions, from various sponsors, to the department as part of its hosting the 57th Annual Texas Travel Counselors Conference from April 16-19, 2012 (MO)
- (3) **Traffic Operations Division** - Consider a donation for the cost associated with the fabrication and installation of two highway signs which designate segments of State Highway 359 and State Highway 285 as the Veterans of the Korean War Highway (MO)
- (4) **Austin District** - Consider a donation from Steelwood/Persimmon, LLC, for the design and construction of a left and right turn lane on FM 1626 to their Platinum Onion Creek Development in Travis County (MO)
- (5) **Austin District** - Consider a donation from Taylor Morrison of Texas, LTD, of the design and construction of a center turn lane and shoulder widening on RM 1826 at proposed Reunion Boulevard in Hays County (MO)
- (6) **Bryan District** - Consider a donation from ReMax Select for the cost of design and construction of a raised curbed island and a deceleration right-turn lane from the SH 6 southbound frontage road to the new ReMax Select office building (MO)
- (7) **Bryan District** - Consider a donation from Jewett Economic Development Corporation for installation of new large guide signs on I-45 in Leon County

and adds "Jewett" to the wording of the signs (MO)

- (8) **Houston District** - Consider a donation from NNP-Telfair, LP, for the cost to design and construct three right turn lanes on US 59 in the vicinity of University Boulevard in Fort Bend County (MO)
- (9) **San Antonio District** - Consider a donation from the 702 Group, LLC, of the design and construction associated with adding an approach to the existing signalized intersection of FM 78 at FM 3009 to a new commercial development (MO)

b. **Right of Way Dispositions and Donations**

- (1) **Bastrop County** - SH 71 at FM 20 in Bastrop - Consider the sale of surplus right of way to the abutting landowner (MO)
- (2) **Brazoria County** - SH 288 from Harris County line to SH 332 in Lake Jackson - Consider the acceptance of two donations of land for a highway improvement project (MO)
- (3) **Brazos County** - FM 2154 at SH 6 southeast of College Station - Consider the sale of surplus right of way to Texas Municipal Power Agency (TMPA) (MO)
- (4) **Cameron County** - US 77/83 at Ringgold Street in Brownsville - Consider the sale of surplus right of way to the University of Texas at Brownsville (UTB) (MO)
- (5) **El Paso County** - I-10 at SL 375, southeast quadrant, in El Paso - Consider the exchange of right of way (MO)
- (6) **Fort Bend County** - US 59 at FM 762 in Rosenberg - Consider the exchange of drainage easements (MO)
- (7) **McLennan County** - SL 340 at FM 3400 in Waco - Consider the sale of surplus right of way to the abutting landowner (MO)
- (8) **San Patricio County** - SH 361 at Avenue A in Ingleside - Consider the quitclaim of surplus right of way to correct an error (MO)

c. **Highway Designations**

**El Paso County** - Extend the designation of FM 3380 along a new location from SH 20 southwestward approximately 0.6 miles in

the Tornillo Community (MO)

d. **Release of Access Rights**

- (1) **Brazoria County** - SH 288, north of FM 518, in Pearland - Consider the designation of two locations on the highway at which access will be permitted to the abutting property (MO)
- (2) **Hill County** - Authorize the new designation of access control along I-35 in the city of Hillsboro in order to change both the denial of access line and permitted access lines for the property owned by the heirs of W.G. Middleton, from the existing locations to new adjacent locations along the property (MO)

e. **Finance**

- (1) Accept the annual continuing disclosure Report for the State Highway Fund revenue bonds (MO)
- (2) Accept the annual continuing disclosure report for the Texas Mobility Fund (MO)
- (3) **Travis and Williamson Counties** - Accept the annual continuing disclosure report for the Central Texas Turnpike System (MO)

f. **Speed Zones**

**Various Counties** - Establish or alter regulatory and construction speed zones on various sections of highways in the state (MO)

17. **Executive Session** (none required)

**OPEN COMMENT PERIOD** (no commenters) 89

**ADJOURN** 89

P R O C E E D I N G S

1  
2 MR. HOUGHTON: Good morning, folks. Social  
3 hour is over, meeting to begin, commence. It is 9:02  
4 a.m., and I call to order the regular February 23, 2012  
5 meeting of the Texas Transportation Commission to order.  
6 Note for the record that public notice of this meeting,  
7 containing all items on the agenda, was filed with the  
8 Secretary of State at 3:06 p.m. on Wednesday, February 15,  
9 2012.

10 I'd ask that before we begin today's meeting  
11 that you lace all cell phones and other communication  
12 devices in the silent or off mode.

13 And if you wish to address the commission  
14 during today's meeting, please complete a speaker's card  
15 at the registration table which is in the back. To  
16 comment on an agenda item please complete a yellow card  
17 and identify the agenda item; if that's not what you want  
18 to do and you want to comment in open session, it's a blue  
19 card. Regardless of the color of the card, we'd like to  
20 have you limit your remarks to three minutes.

21 As is our custom, we will open with comments  
22 from the commissioners, and I'd like to start with  
23 Commissioner Jeff Austin.

24 MR. AUSTIN: Good morning, Mr. Chairman, fellow  
25 Commissioner Meadows.

1 I saw many of you at the forum, and what a  
2 great event that was, record number, really excited to  
3 hear some of the speakers, the topics, looking at the  
4 technology, and I was given a couple of facts from the  
5 forum. Many of you may have downloaded the new app which  
6 is great showing we're keeping up with the times, how to  
7 follow the forum, but we had 200 new followers on Twitter,  
8 I didn't get a number of the downloads for the app but it  
9 was a tremendous event. And thank you for your  
10 participation. There were a lot of folks that were really  
11 interested in transportation and what's going on. Phil  
12 did a great job in unveiling the new management team and  
13 reorganization and we really appreciate everything.

14 Over the last month I've had an opportunity to  
15 go up to the Paris District, attend the safety awards and  
16 I just want to say the ladies and gentlemen of the  
17 district up there, and I know across the state are really  
18 putting safety first. It really touches your heart  
19 because we're setting an example with a lot of great  
20 things coming down

21 We then went over to the Atlanta District,  
22 spent some time over there. Also, Chairman Phillips and  
23 Representative Lavender followed us to talk about some of  
24 the projects up there. That was really wonderful.

25 I know Commissioner Underwood is not here

1 today, and there was a myth floating around the forum on  
2 Thursday morning that Commissioner Meadows was actually  
3 there at 8:30, heard that from Myth Busters. However,  
4 since he's not here and whatnot, I have something for  
5 Commissioner Meadows on behalf of Commissioner Underwood  
6 and whatnot. This came from Myth Busters and this says:  
7 I reject reality and substitute my own. So he wanted to  
8 make sure his presence was felt.

9 Good morning and welcome to everyone.

10 MR. MEADOWS: Well, thank you, Commissioner  
11 Austin. I certainly appreciate that kind gesture on  
12 behalf of Commissioner Underwood.

13 And we are kind of flying in the missing man  
14 formation this morning. I will have to say I've never  
15 been so close to the seat of power and I'm kind of liking  
16 it. I know if Chairman Houghton needs any advice, counsel  
17 or direction -- you can't gave us yet -- I'd be happy to  
18 help you out.

19 (General laughter.)

20 MR. MEADOWS: Of course, as Commissioner Austin  
21 mentioned, this morning we are this morning going to  
22 particularly miss Commissioner Underwood's rather unique  
23 brand of humor, and will have to insist next month that we  
24 get a double dose to just sort of catch up. We certainly  
25 miss him and wish him well.

1           And also, I think we all would like to wish  
2 Commissioner Holmes a successful mission trip to the  
3 Central African Republic. I know we all appreciate his  
4 efforts there and appreciate the sacrifices he's making  
5 for us.

6           Also, I'd like to mention a particularly  
7 exciting event that's taking place in Dallas next week,  
8 the much-anticipated and awaited opening of the Calatrava  
9 bridge, the Margaret Hunt Hill bridge opening celebration  
10 will be next week. And it really is, of course, going to  
11 be a great gathering of all the luminaries, all the people  
12 that have been involved in advancing that project that  
13 really does define and celebrates a new gateway into  
14 Dallas in a spectacular fashion.

15           What is also unique about that project, in  
16 addition to what will be a world-acclaimed design, is the  
17 fact that all of the partners that came to the table that  
18 made that happen: TxDOT; the RTC -- I know Michael Morris  
19 is here today and was very involved in the project; TxDOT,  
20 our Dallas District spent so much time on that project  
21 advancing it and need to be congratulated for that; the  
22 federal government; City of Dallas. And also, I think  
23 it's really important to note that there's over \$20  
24 million in private contributions that went into that  
25 project that really helped it advance that design that's

1 going to be recognized, I think, around the world and  
2 really be a statement for Dallas and a statement that is a  
3 celebration of what Dallas is and the accomplishments.

4 And so I'd certainly like to congratulate  
5 Dallas. I know Commissioner Austin may have the  
6 opportunity to attend the event, which is great that we  
7 will have some representation there. But again,  
8 congratulations to the City of Dallas.

9 MR. HOUGHTON: I echo my fellow commissioners'  
10 remarks. And at this time I'd like to express my sincere  
11 appreciation and congratulations, Coby, to your staff on  
12 the forum. The head count was 1,300 and change, and we  
13 even had to close registration and we announced that, I  
14 guess, during the opening proceedings. But  
15 congratulations to all.

16 I'd like to also congratulate -- if you didn't  
17 read it in the minutes or text or blogs that we get at  
18 TxDOT -- Pete Sepulveda is here, the new executive  
19 director of the Cameron County Regional Mobility  
20 Authority. Pete, congratulations. Full-time, you get to  
21 build toll roads and leverage projects on a full-time  
22 basis.

23 And Ray Wilkerson, who is chairman here in  
24 Austin. Are we giving something away today? To have the  
25 chair here, it's pretty dadgum important. So welcome to

1 all.

2 Let me see, we've taken care of Coby and his  
3 congratulations. The first order of business is the  
4 approval of the minutes of the January 25 and 26, 2012  
5 meetings. Members, the drafts are provided in the  
6 briefing materials. Is there a motion?

7 MR. AUSTIN: So moved.

8 MR. MEADOWS: Second.

9 MR. HOUGHTON: All in favor?

10 (A chorus of ayes.)

11 MR. HOUGHTON: Executive Director Wilson, I'll  
12 turn the agenda over to you.

13 MR. WILSON: Thank you, Mr. Chairman.

14 Our first item today is a resolution  
15 recognizing Judy Skeen who retired from TxDOT on January  
16 31, 2012. I would like to invite our director of the  
17 Technology Services Division, Judy Skeen to come forward  
18 so we can present this resolution. Judy.

19 (Applause.)

20 MR. WILSON: "Whereas, the Texas Transportation  
21 Commission takes great pride in recognizing Judy B. Skeen,  
22 P.E. for her outstanding service to the Texas Department  
23 of Transportation and the State of Texas after a long and  
24 distinguished career of 28 years, eight months;

25 "And whereas, Skeen received an engineering

1 degree from Texas Tech University in 1982 and began her  
2 career in the Lubbock District in 1983, earning her  
3 Professional Engineer certification in 1988;

4 "And whereas, she transferred to the Automation  
5 Division in Austin where she held numerous technical and  
6 management positions in the Engineering Systems Section,  
7 serving as director from 1991 to 1993;

8 "And whereas, in 1993 she was selected as  
9 director of the Information Systems Division, later  
10 renamed the Technology Services Division, where she served  
11 as director until her retirement;

12 "And whereas, Skeen chaired the Information  
13 Resource Council for seven years and served as sponsor of  
14 the TxDOT Standing Committee on Surveying for 13 years,  
15 providing strong guidance and expertise;

16 "And whereas, Skeen was honored with TSE's  
17 Hubert H. Henry Award in 1992 for contributions and  
18 support of automated technologies, as well as the  
19 prestigious Luther B. DeBerry Award in 1992 for  
20 outstanding contributions to Texas in the field of  
21 transportation, and was inducted into the Texas Tech  
22 University Civil Engineering Academy in 1994;

23 "And whereas, Skeen has honorably represented  
24 TxDOT while serving as vice chair on the American  
25 Association of State Highway and Transportation Officials,

1 known as AASHTO, Subcommittee on Information Systems, and  
2 vice chair of the AASHTO Special Committee on Joint  
3 Development, as well as holding the offices of secretary,  
4 vice president and president in the Highway Engineering  
5 Exchange Program, HEEP;

6 "And whereas, Skeen has been a dedicated and  
7 loyal member of TxDOT, a true public servant to the State  
8 of Texas, and is described by her admiring staff as  
9 extremely hardworking, an advocate for employees, and  
10 wholly committed to promoting technology to improve agency  
11 efficiency;

12 "Now, therefore, be it resolved that the Texas  
13 Transportation Commission does hereby extend its sincerest  
14 best wishes to Judy B. Skeen in recognition of the  
15 considerable professional achievements and a career of  
16 loyal service to TxDOT on behalf of the State of Texas and  
17 its citizens.

18 "Presented this day, Thursday, the 23rd of  
19 February, 2012."

20 Are there any further comments from the  
21 commission?

22 MR. AUSTIN: I just want to say, Judy, thank  
23 you for your distinguished years and your service to the  
24 State of Texas. Thank you, and good luck.

25 MR. MEADOWS: Judy, thank you very much. We

1 really appreciate it.

2 MR. HOUGHTON: Judy, I know you're not going to  
3 ride off into the sunset, so what direction are you going  
4 to head from here, or can you say?

5 MS. SKEEN: I've actually been given an  
6 opportunity to work with AASHTO, so retirement is looking  
7 really good.

8 I have a couple of remarks I'd like to make, if  
9 that's okay.

10 MR. HOUGHTON: Oh, absolutely. Please.

11 MS. SKEEN: First of all, I'd like to thank you  
12 guys for this honor. It was unexpected but very much  
13 appreciated.

14 When I began my TxDOT career as an engineering  
15 assistant in the Lubbock District traffic office, I never  
16 intended to stay here and retire here. That was not even  
17 on my radar. My plans were actually to come onboard, get  
18 my five years, get my engineering license, and then stay  
19 home, have kids, stay home and then join the workforce  
20 again later, but things didn't quite work out that way.  
21 Kids didn't come as quickly as possible. I guess things  
22 happen for a reason, but I finally became a mom through an  
23 international adoption of two kids who are awesome  
24 children from Korea. But by the time all of that took  
25 place, I had fell in love with TxDOT and I was a member of

1 the TxDOT family. So anyway, here I am 28 years later.

2 I have a lot of people I'd like to thank for my  
3 career here, starting off with Ben Alley, who was district  
4 engineer in Lubbock who gave me the opportunity to come to  
5 work for TxDOT; Dan Wiley and Tommy Howell for giving me  
6 an opportunity to transfer to the Automation Division when  
7 my husband transferred to Austin with his job; Bill  
8 Burnett for believing in me and naming me division  
9 director back in 1993; Wes Heald and Kirby Pickett for  
10 their steady guidance and direction; Mike Behrens, Amadeo  
11 Saenz and Steve Simmons for their leadership and support;  
12 and finally, all the members of the Technology Services  
13 Division. They have been my family and they're an awesome  
14 group of dedicated folks, and I had the privilege to work  
15 with them.

16 I want to thank you again, it was a great ride,  
17 and I will miss my TxDOT family. Thank you.

18 (Applause.)

19 MR. WILSON: Let's take some pictures.

20 (Pause for presentation and photos.)

21 MR. WILSON: Next is Shannon Crum from the  
22 Transportation Planning and Programming Division, who will  
23 present item 3 concerning congestion relief project  
24 planning. Shannon.

25 MS. CRUM: Good morning, everyone. For the

1 record, my name is Shannon Crum. I'm the director of data  
2 management in the Transportation Planning and Programming  
3 Division.

4 This minute order accepts a report prepared by  
5 the Texas Transportation Institute, that makes  
6 recommendations for the use of Proposition 12 Bond  
7 proceeds to fund engineering feasibility studies, project  
8 planning, environmental studies, and right of way  
9 acquisition for projects that will reduce congestion on  
10 the most congested road segments in the state.

11 In Rider 42 to the department's appropriation,  
12 the 82nd Legislature allocated \$300 million in Proposition  
13 12 Bond proceeds to develop projects that will relieve  
14 congestion on them most congested road segments in the  
15 Dallas-Fort Worth, Houston, Austin and San Antonio  
16 metropolitan areas. It further directed that TTI would  
17 facilitate and coordinate studies in the four most  
18 congested regions of the areas of the state in order: to  
19 determine which projects have the greatest impact on  
20 congestion, economic benefits, user costs, safety and  
21 pavement quality; to identify funding options to support  
22 the completion of the projects; include recommendations  
23 for applying the best traffic and demand management  
24 principles; ensure open and transparent public  
25 participation; and make recommendations to the department

1 at major decision points.

2 The report before you today contains TTI's  
3 first set of recommendations for engineering studies,  
4 environmental work, right of way acquisition and project  
5 design. Bill Stockton, executive associate director for  
6 TTI, is here this morning to present the early  
7 recommendations.

8 MR. STOCKTON: Thank you, Shannon.

9 Good morning, Mr. Chairman, members of the  
10 commission. My name is Bill Stockton. I'm executive  
11 associate director of Texas Transportation Institute.

12 I'm going to give you an overview of the  
13 report. It's a long and detailed report. With me today  
14 is Tim Lomax, who has led the effort for TTI, and Phil  
15 Lasley, who has done a considerable amount of the effort  
16 on TTI's part.

17 First, let me say it's a privilege that we have  
18 had the opportunity to work with local transportation  
19 agencies in the four metropolitan areas, Austin, Dallas-  
20 Fort Worth, Houston and San Antonio. This effort has been  
21 a very unified and broad-based effort on the part of the  
22 locals, they have accomplished a tremendous amount of work  
23 in five months and put together a set of recommendations  
24 for you that amount to \$248 million in Prop 12 funding.

25 In the report itself there are 18

1 recommendations for funding or Prop 12 projects and there  
2 are 25 additional recommendations for local action that do  
3 not require Prop 12 funding. I'll just give you an  
4 example, the range of the projects go from the immediately  
5 actionable projects such as: the acquisition of right of  
6 way for the US 290-Beltway 8 interchange in northwest  
7 Houston; the Horseshoe project where the funding would  
8 provide the engineering and right of way for a currently  
9 funded project in the DFW area south and east of downtown  
10 Dallas; expanding on existing efforts such as that in  
11 Austin where the I-35 operations project which is funded  
12 by the City of Austin would be expanded and increased in  
13 scope, it would be expanded beyond the current limits to  
14 include I-35 from Hays County to Williamson County and  
15 would include potential for managed lanes in that project;  
16 and then leveraging of existing projects.

17 An example of the leveraging would be in San  
18 Antonio where the connectors for US 281 and 1604, the  
19 design work would be done on that project to leverage work  
20 currently underway or analysis currently underway by the  
21 Alamo Regional Mobility Authority for Loop 1604.

22 As I said, the totals reached \$248 million. In  
23 addition to the specific 18 funding recommendations, there  
24 are recommendations for traffic management and travel  
25 options. That is intended to assure that we get the

1 maximum amount of benefit from the individual projects  
2 that are being built using these Prop 12 funds.

3           Once again, I want to commend the efforts of  
4 the local agencies in coming together very quickly, very  
5 determinedly to come to recommendations that we could  
6 bring to you today and our report is a compilation of  
7 that. I also want to commend TxDOT leadership for jumping  
8 in and participating enthusiastically to help advance  
9 these important projects as quickly as they have.

10           Tim Lomax is available to review either  
11 individual metro areas with you or individual projects as  
12 you see fit. The report is posted for the public to see  
13 on the TTI homepage. If you have questions, I'll be glad  
14 to answer them or turn them over to Tim.

15           MR. AUSTIN: Just a couple of general comments.  
16 The detail in the reports is outstanding, and I really  
17 applaud in some of the early discussions, as you were  
18 working through this, of looking at different  
19 alternatives. It's not hey, we just need money to  
20 construct it, but here's a range of alternatives, have we  
21 considered this idea or that. But I really applaud the  
22 depth that you went through the report.

23           I have had a couple of questions. As this was  
24 posted on the agenda, I have had a couple of folks in the  
25 outlying areas of the state say: I know this is really

1 focused on the most congested roadways, and what about  
2 rural? And I just want to share to those that are out  
3 here, we're not going to forget about the rural at all,  
4 especially when it comes to safety. This one was  
5 specifically designed for the 100 most congested roadways,  
6 and they do need attention.

7 But I really applaud what you are doing,  
8 especially coming back with a detailed plan of early  
9 recommendations because that really helps us set a  
10 direction and move forward. Thank you.

11 MR. STOCKTON: Thank you. The credit goes to  
12 the local agencies.

13 MR. MEADOWS: I just would thank you as well,  
14 and the briefing yesterday was very helpful. But I think  
15 the broad participation that you were able to create  
16 really resulted in, I think, us having a really solid  
17 plan.

18 MR. STOCKTON: Thank you.

19 MR. HOUGHTON: Are we going to move on to Tim?

20 MR. STOCKTON: If you have specific questions,  
21 otherwise, we'll move on to another item.

22 MR. HOUGHTON: Let's move on.

23 MR. STOCKTON: Thank you very much.

24 MS. CRUM: Staff presents the Mobility  
25 Investment Priorities Early Recommendation Report for your  
*ON THE RECORD REPORTING*

*2/23/2012*

*(512) 450-0342*

1 acceptance, as shown in Exhibit A, and recommends your  
2 approval of this minute order.

3 MR. HOUGHTON: Any other questions? We have  
4 folks that want to talk on this. Right?

5 Okay, shuffle the deck and see who we have  
6 first. Terry Mitchell.

7 MR. MITCHELL: Mr. Chairman, members of the  
8 commission. My name is Terry Mitchell.

9 MR. HOUGHTON: Tell us who you are with.

10 MR. MITCHELL: I'm with the Chamber of Commerce  
11 in Austin and I'm a part of the Central Texas Mobility  
12 Improvement Priorities Working Group -- if I can say that  
13 all at one time -- we call it the working group. We're  
14 focused on prioritizing the Rider 42 funds for the Central  
15 Texas region. I'm here to speak today in the place of or  
16 at the request of Senator Watson who could not be here  
17 today, and there are many of the members of our group that  
18 are here today and have signed a card in support of our  
19 work here.

20 Transportation is a key issue in our region.  
21 If you're here, you know it. Our chamber does an annual  
22 business retention and expansion survey of our major  
23 leaders in our metropolitan area, and the number one issue  
24 is transportation, the number two issue is public transit,  
25 so this is square in the center of our bull's-eye.

1           Senator Watson pulled together key  
2 transportation agencies and community organizations to  
3 participate in this working group, and our goal was to  
4 provide input, recommendations, direction, as well as  
5 serve as conduits to disseminate this information to our  
6 community. We've been working very closely with TTI and  
7 very much appreciate the work that they have been doing.

8           The six corridors in our region that appear on  
9 the 50 most congested roadways list have been analyzed,  
10 and the working group has discussed, tweaked the  
11 recommendations and we voted to support the projects that  
12 were listed in the early recommendations report. They are  
13 badly needed projects affecting major corridors in our  
14 metropolitan area.

15           In addition, the working group was focused on  
16 leveraging funds. Our I-35 project, for example, is  
17 leveraging the work that's already being done by the City  
18 of Austin in analyzing the congested area of I-35. It  
19 also is working with Williamson County in their analysis  
20 of the I-35 region in their area. We are collaborating,  
21 we're working together. On our working group we had  
22 members of CAMPO, we had members of Capital Metro, we had  
23 CTRMA, City of Austin all working together to try to  
24 relieve congestion in this area.

25           We were disappointed to learn that the public

1 outreach project intended to support congestion relief  
2 efforts on all six of the corridors could not be included  
3 because of constitutional limitations. We respect that  
4 and understand that and are working with TxDOT to find  
5 other ways to reach out and address ways to communicate  
6 and effectively manage those six congested corridors.

7 We want to thank you for your effort and thank  
8 you for working on behalf of our Central Texas community,  
9 and we appreciate the support in addressing these  
10 congested corridors. Thank you very much.

11 MR. HOUGHTON: Thank you.

12 Jack Drake from Houston, Texas.

13 MR. DRAKE: Good morning. I am vice chair of  
14 TAG, Transportation Advocacy Group, Houston Region. My  
15 business in Houston is the Greenspoint District, but I am  
16 also a regionalist and I want, as do our members, better  
17 mobility in our region and our state. My regionalist TAG  
18 partner today is Phil Urby, VP, CH2MHILL.

19 Thank you for item 3, for advancing solutions  
20 to our region's congestion through the congestion relief  
21 project planning. We all know our transportation  
22 infrastructure needs help and we need to help our elected  
23 officials do it. Dallas-Fort Worth and other areas of our  
24 state have for years had a stronger, more organized  
25 presence here in Austin, particularly before you. Our

1 organization, Transportation Advocacy Group, Houston  
2 Region, incorporated, dues-paying money in the bank, paid  
3 executive director, and most importantly, representing 160  
4 members, intends to fill that void, to be a new voice for  
5 the Houston region, to join the voice of Ned Holmes. Our  
6 mission is to convince the legislature to more adequately  
7 fund transportation infrastructure or give us the power to  
8 do it.

9 Senator Williams spoke to 50 of us at our  
10 February monthly meeting, and I'm pleased to report we  
11 know where he stands and we stand with him and we are  
12 encouraged, as it is so important, he encouraged us. We  
13 have many more visits with legislators to come. Look for  
14 us to be advocates for the Houston region and look for us  
15 to support you as you seek ways to more adequately fund  
16 transportation infrastructure for Houston and across the  
17 state.

18 Good day.

19 MR. HOUGHTON: Thank you.

20 County Commissioner Valerie Covey, Williamson  
21 County. Is Valerie here? Valerie, do you want to speak?

22 MS. COVEY: (Speaking from audience.) On item  
23 8a.

24 MR. HOUGHTON: We got the wrong one? Sorry  
25 about that. Sure you don't want to speak on this,

1 Valerie? Thank you, Valerie.

2 Mike Heiligenstein, CTRMA.

3 MR. HEILIGENSTEIN: Thank you, Mr. Chairman and  
4 the commission, as we sit here in Mecca today. We know  
5 that it's Mecca and we know because of all the traffic and  
6 congestion out there that it presents its challenges.

7 To paraphrase Tip O'Neill, when he said all  
8 politics are local, I think it's now in transportation all  
9 politics is the nearest point of congestion in your  
10 community, and we have that particularly on MoPac and I  
11 think it's indicative of the intent of this legislation  
12 and the intent of this funding and this commission and the  
13 community to address these very congested corridors.

14 MoPac, as you know, Loop 1 is now under deep  
15 environmental process where we're just several months  
16 away, actually, from wrapping up the record of decision on  
17 that first eleven miles for a managed lane express lane,  
18 but we knew when looking at that right of way that wasn't  
19 enough, that was just filling in one little gap of our  
20 congestion. The Loop 1 process south of the lake is an  
21 equally important one, and that's what part of this  
22 congestion relief gives us is the money to get through  
23 procurement, to do all the environmental work, to do the  
24 preliminary design work and to get through procurement on  
25 that project is going to be huge for the community.

1           Again, we want to thank Senator Watson. He  
2 brought together disparate groups, made sure we got on the  
3 same page, reached a consensus, and we really appreciate  
4 that effort on the part of the senator and all the folks  
5 involved.

6           I'm just going to end by a quick paraphrase or  
7 Joe Julio, who wrote in his book, and I think this project  
8 absolutely represents this: The Loop 1 congestion process  
9 and project is the perfect alignment of finance,  
10 technology, customer service and highway management.  
11 That's what this project is about, and when we're done, it  
12 will go all the way from 620 to Slaughter Lane in the  
13 south and be one of the most dynamic systems of express  
14 lanes in the state. And we thank you for your assistance.

15           MR. AUSTIN: Well said.

16           MR. HOUGHTON: Ray Wilkerson, chairman of  
17 CTRMA, last but not least.

18           MR. WILKERSON: Mr. Chairman, board members.  
19 I'll make this brief.

20           We don't often tell you enough how much we  
21 appreciate the partnership we have with you. The  
22 consensus-building that's been built with the Chamber of  
23 Commerce and the City of Austin, the staff of TxDOT, this  
24 board, the CTRMA has bought consensus that just wasn't  
25 there years ago, and I think the leadership that your

1 staff and you have done for us, we just want to take a  
2 moment to say thank you for the partnership that we enjoy.

3 Thank you very much.

4 MR. HOUGHTON: Let me ask Tim or Bill a  
5 question, either one. When we look at the road in itself,  
6 and I'll pick on Loop 1 just for fun because that's the  
7 one that just was talked about, do you look at the entire  
8 system on how it integrates, if you get on a managed lane  
9 and you go fast and you get to the end of the managed or  
10 the end of the toll road and then you get pinch points on  
11 coming in and going out, do we look at those kind of  
12 things, how it integrates into the entire system, or was  
13 your job not to do that kind of thing?

14 DR. LOMAX: That's definitely our job, and I  
15 think that's something that we take seriously, not just in  
16 a corridor level but in a regional level. So for example,  
17 on the I-35 corridor, we're not just looking at I-35, the  
18 agencies that we're working with are looking at 183,  
19 they're looking at 360, they're looking at Loop 1, we're  
20 even looking out at 130 to try to build on the experiment  
21 that you did with the tolling. So it's really looking at  
22 here's the problem, I-35 is the problem or Loop 1 is the  
23 problem, but then the solutions might be in a lot of  
24 different places, a lot of different technologies, travel  
25 options.

1 MR. HOUGHTON: And is that addressed in these  
2 studies?

3 DR. LOMAX: Yes, sir. And they will continue  
4 to be addressed in other ones. This is the first report of  
5 several. We'll be talking a lot about the issues that we  
6 were directed to under Rider 42.

7 MR. HOUGHTON: And John, when do I get to talk  
8 about the biggest roundabout in the world? Who wants to  
9 take that one? I don't think people know. I really don't  
10 think they have a full depth and breadth.

11 MR. BARTON: For the record, I'm John Barton,  
12 deputy executive director at TxDOT.

13 What Chairman Houghton is talking about is  
14 actually one of the ideas that has been spawned out of  
15 this evaluation of the congestion in the Greater Houston  
16 Area as part of this Rider 42 analysis, and that is to  
17 take a look at creative, innovative and never thought of  
18 before alternatives to taking the congestion that cripples  
19 the downtown community of Houston and trying to address  
20 it, and the concept it -- and it has a lot of evaluation  
21 that would have to be done -- would be to take the  
22 Interstate 10, US 59, Interstate 45 ring around downtown  
23 Houston and look at making it a singular directional flow  
24 so that all traffic flows in one direction, either  
25 clockwise or counterclockwise. And the thought would be

1 that by doing that you would be able to eliminate a lot of  
2 the weaving problems that currently exist, you would be  
3 able to, for all intents and purposes, double the capacity  
4 because everything would be moving in one direction, and  
5 as the chairman said, would be the largest roundabout in  
6 the world.

7 But I applaud Dr. Lomax and the TTI staff and  
8 the Greater Houston community for being willing to explore  
9 really bold and creative ideas like that. Don't know what  
10 the final outcome would be, but that's the type of  
11 thinking that is necessary for us to be able to address  
12 the future transportation challenges in this state with  
13 the limited resources that we have.

14 MR. HOUGHTON: And John, that was my point to  
15 bring that up, kind of some of the innovation, and Tim and  
16 Bill, the creative thinking that's going into these sort  
17 of things that we've taken the shackles off and saying  
18 what is it that we can do. I think it's remarkable and  
19 profound.

20 DR. LOMAX: I think you might also view it as a  
21 revenue raiser. I think it would be a really tremendous  
22 tourist attraction, and certainly from the civil  
23 engineering community, I know my professional colleagues  
24 would flock to the area and would be willing to pay  
25 countless dollars to take a tour of that.

1 MR. HOUGHTON: Too bad Commissioner Holmes  
2 isn't here to talk about those sorts of things.

3 Any other questions?

4 MR. AUSTIN: No.

5 MR. HOUGHTON: There's a motion here. Right?  
6 Do we have action on this item? Yes, we do have action.

7 MR. AUSTIN: I move we approve the report.

8 MR. MEADOWS: Second.

9 MR. HOUGHTON: All in favor?

10 (A chorus of ayes.)

11 MR. HOUGHTON: Bill, Tim, thank you. And  
12 Shannon, thank you very much.

13 MR. WILSON: Moving to item 4, our chief  
14 modernization officer, Dee Porter, will present the  
15 adoption of TxDOT's mission statement, values and goals.  
16 Dee.

17 MS. PORTER: Thank you, commissioners. Good  
18 morning. For the record, I am Dee Porter, chief Human  
19 Resources and Modernization officer for TxDOT.

20 As a result of recommendations from the Grant  
21 Thornton report that TxDOT establish a more strategic  
22 vision for the future of transportation and for the  
23 department and that we better align our operations to that  
24 vision, I'm here to present the new TxDOT mission  
25 statement, values and goals which will serve as the

1 foundation for the department's 2013-2017 strategic plan.

2 Each state agency is required to prepare a  
3 five-year strategic plan every biennium. In December,  
4 TxDOT administration developed a new mission statement,  
5 values and goals for TxDOT, and these were introduced at  
6 the January commission workshop. Following commission  
7 adoption of the new mission statement, values and goals,  
8 the department will proceed with developing a draft  
9 strategic plan for 2013-2017 in compliance with statutory  
10 requirements. We'll present the final strategic plan  
11 draft to you for adoption on or before the June 2012  
12 commission meeting to meet the state deadline in July of  
13 2012.

14 Now to review, the mission statement we're  
15 asking you to adopt is: Work with others to provide safe  
16 and reliable transportation solutions for Texas. The  
17 value statements are trust, integrity, responsibility,  
18 excellence and service, and in case anyone didn't notice,  
19 that just happens to spell tires because we feel that's  
20 how we roll.

21 The goals for the agency are: to maintain a  
22 safe system, to address congestion, to connect Texas  
23 communities, and to be a best-in-class state agency.

24 Thank you, commissioners. Staff recommends  
25 your approval, and I'm here to answer any questions you

1 may have.

2 MR. AUSTIN: I just have one comment. I  
3 applaud you for working on this, but this is not a  
4 destination, just a checklist, and I think it's important  
5 that as an agency we continue to look at these because  
6 these values are pillars that support the mission of  
7 everything that collectively we all do to serve the  
8 citizens. And when you look at this, this all equals  
9 responsiveness. As we continue to go out in our  
10 communities throughout the agency and what we all do, to  
11 be a more responsive agency, continue on with  
12 modernization, and we're going to move on past  
13 modernization at some point. But I think these values  
14 right here supporting that mission are going to be very  
15 important for us to live by every day. That's why I  
16 applaud your effort.

17 MS. PORTER: Thank you, sir. We believe it is  
18 a first step and a foundation.

19 MR. HOUGHTON: Any other questions? Is there a  
20 motion?

21 MR. AUSTIN: So moved.

22 MR. MEADOWS: Second.

23 MR. HOUGHTON: All in favor?

24 (A chorus of ayes.)

25 MR. HOUGHTON: Thank you, Dee.

1 MS. PORTER: Thank you, sir.

2 MR. WILSON: Item 5a is a discussion item  
3 regarding the Grand Parkway presented by Ed Pensock,  
4 interim director of the Turnpike Division. Ed.

5 MR. PENSOCK: Good morning, Chairman,  
6 commissioners, Phil. For the record, my name is Ed  
7 Pensock, interim director of the Turnpike Division of  
8 TxDOT.

9 Item 5a is an update of the SH99 Grand Parkway  
10 procurement and a discussion regarding the qualification  
11 of prospective bidders for that project.

12 A request for qualifications, or RFQ, was  
13 issued for this project on November 18, 2011. The request  
14 was to solicit teams interested in entering into an  
15 agreement to design and construct the northwest segments  
16 of the project. Qualification statements were received on  
17 February 1, 2012. Seven design-build teams and five  
18 concession teams made submissions. Based on the current  
19 financial environment, analysis of the specific project  
20 potential, robust competition and local support, TxDOT  
21 decided to go forward with a single delivery model,  
22 design-build.

23 TxDOT evaluated the seven submittals and has  
24 selected the most qualified teams to compete for the final  
25 contract. Exhibit B in your handouts includes the short

1 list of most qualified teams from which detailed proposals  
2 will be requested. Those teams include: number 1, Fluor  
3 Balfour Beatty Williams Brothers; number 2, Kiewit-Granite  
4 Parkway Constructors JV; number 3, Zachry-Odebrecht  
5 Parkway Builders; number 4, Grand Parkway Infrastructure,  
6 a consortium including Ferrovial Agroman S.A., Webber,  
7 LLC, and Prince Contracting, LLC; and finally, number 5,  
8 Spring Creek Constructors, a consortium including J.D.  
9 Abrams, LP, FCC Construction, Lane Construction  
10 Corporation, and Shikun & Binui.

11 This project will create a major link in the  
12 regional transportation system connecting Highways US 59  
13 north and US 59 Southwest of Houston. Staff anticipates  
14 issuing a request for proposals in early March of this  
15 year. The RFP is to design and construct approximately 37  
16 miles of new toll highway, specifically Segments F-1, F-2  
17 and G in Harris and Montgomery counties. The over \$1  
18 billion project is anticipated to break ground in 2013.

19 Staff is available to answer any questions.

20 MR. HOUGHTON: Questions?

21 MR. AUSTIN: This is a great day for Houston;  
22 this project is moving forward. Thank you.

23 MR. HOUGHTON: So let's go over the timeline  
24 again. You're going to issue four proposals sometime next  
25 month.

1 MR. PENSOCK: We're going to issue a request  
2 for proposals sometime early March, and that will be a  
3 draft request for proposals. We'll have some discussions  
4 with industry about the most appropriate balance of risk  
5 in that design-build contract, and anticipate issuing a  
6 final RFP probably in late April or early May of this  
7 year. We expect to get those final proposals in late  
8 summer or early fall of 2012 and anticipate in the fall  
9 coming before you with a recommendation on an award of a  
10 contract.

11 MR. HOUGHTON: Now, my understanding is that  
12 when they submit a proposal, the unsuccessfuls will be  
13 awarded a stipend. Right?

14 MR. PENSOCK: That's the plan, yes, sir. We  
15 have not come to you yet. We have to seek your approval  
16 of that stipend amount, and we are preparing to do that  
17 now.

18 MR. HOUGHTON: Is that statutorily?

19 MR. PENSOCK: It's statutorily required under  
20 the design-build statutes; it's recommended under the  
21 comprehensive development agreement statutes.

22 MR. HOUGHTON: The amount or the actual?

23 MR. PENSOCK: The actual action.

24 MR. HOUGHTON: But the amount isn't  
25 statutorily?

1 MR. PENSOCK: The amount is not.

2 MR. HOUGHTON: Any other questions? Motion?  
3 No action? Just discussion. Okay. Thank you.

4 MR. PENSOCK: Thank you.

5 MR. WILSON: Item 5b is a discussion item  
6 regarding infrastructure needs due to the drilling within  
7 the Barnett and Eagle Ford Shale areas, presented by Rick  
8 Collins, director of the Research and Technology  
9 Implementation Office. Rick.

10 MR. COLLINS: Good morning. For the record, my  
11 name is Rick Collins, director of the Research and  
12 Technology Implementation Office. I'm before you here  
13 today as a part of a task force looking into some of the  
14 Eagle Ford and Barnett Shale activities, as well as other  
15 energy developments and its impact to the transportation  
16 system.

17 Here is the TxDOT task force, the members are  
18 here with us today, I think every one of them is here, so  
19 they will also be available to respond to questions. We  
20 have three district engineers, so they're dealing with  
21 some of these issues on a daily basis.

22 Just to show you the map to show you what we're  
23 talking about here. The light green in the north part of  
24 Texas is the Barnett Shale, the bluer color down there in  
25 south Texas is the Eagle Ford Shale.

1           The purpose of this slide is simply to show you  
2 the activity in the Eagle Ford Shale play. You can see  
3 the dots. The red represents gas, the green oil, and the  
4 blue, I know you really can't see it, are all the permits.  
5 Again, the volume is tremendous. This was in December and  
6 there were over 3,000 permits issued along this area.

7           This represents, again, the activity in the  
8 Barnett Shale area. All the red represents the gas wells.

9           Talk a little bit about the magnitude of the  
10 matter. The title of this presentation deals with the  
11 Barnett and Eagle Ford Shale, but we recognize this is  
12 much bigger than that. The energy sector is of tremendous  
13 value to this state, we all recognize that. The issue is  
14 occurring in other parts of the state and will require  
15 cooperative effort amongst a large group of interest  
16 groups to address this issue, and there are some immediate  
17 things we need to look at mid-term and long-term, concerns  
18 that we need to address, and this is what the task force  
19 will be looking at.

20           The magnitude continued, this issue will  
21 consist, the next 20-40 years; it will evolve and change  
22 over those 20-40 years and longer. We need to be  
23 proactive in addressing this, we need to look at creative  
24 and innovative solutions. In other words, we need to look  
25 beyond just the pavement and what's happening to the

1 pavement. There are other solutions that we will be  
2 considering. We need some strategic and holistic, we need  
3 to step out of our box of just the pavement and look more  
4 strategically long-term at this issue and engage many  
5 others. We've done some research on this area. We need  
6 to expand on that research, and of course, time is of the  
7 essence.

8           Just to give you a sense of what goes on, this  
9 is based on some information we got from the Fort Worth  
10 area. They've been dealing with this issue for years, and  
11 this is just to bring one gas well into production, that's  
12 about 1,200 loaded trucks just to bring it into  
13 production, 353 loaded trucks per year to maintain, and  
14 almost a thousand loaded trucks every five years to  
15 re-frac the well. To give you a feel for this, this is  
16 equivalent to roughly 8 million cars just to bring that  
17 into production and an additional 2 million cars to  
18 maintain.

19           The Center for Transportation Research did some  
20 research for us just recently completed in August, and  
21 they looked at how these activities impact the service  
22 life of our system. For the natural gas well operations,  
23 because of the operations involved, here are the impacts,  
24 the reduction in service life, the 1 percent to 16 percent  
25 for rig movements. The lower number is for the

1 interstates and the 16 percent would be for the FMs, the  
2 US and state highways in between, so you see more impact  
3 on our FM roads. They were designed like some of our  
4 larger facilities

5 You can see across the board for some of the  
6 other activities associated with natural gas well  
7 operations and the impact and the overall impact from the  
8 interstate through the FMs is about 30 percent, according  
9 to research. Here's the crude oil well operations, the  
10 overall impact about 16 percent reduction in service life  
11 to our system.

12 We've learned some things already. This is not  
13 a brand new issue. We've learned that extensive  
14 coordination and cooperation is necessary. They've been  
15 doing this up in the Barnett Shale area. Some counties  
16 have actually worked with the industry to assist with some  
17 of the costs associated with maintaining these roads,  
18 fixing these roads, law enforcement has assisted for  
19 additional law enforcement where needed, and we also know  
20 that everybody has a vested interest in finding a way to  
21 lessen the impacts.

22 Our planned actions moving forward within the  
23 next 90 days, we recognize this has got to move to the  
24 statewide level. We'll convene an executive level meeting  
25 of the following to assess the impacts and coordinate the

1 efforts, we've got to involve the local governments, law  
2 enforcement groups, Department of Public Safety,  
3 Department of Motor Vehicles, Railroad Commission,  
4 industry leaders, energy industry leaders, and TxDOT. At  
5 the executive statewide level we need to be addressing  
6 this not in various areas of the state, we need to be  
7 consistent and really start looking at some policies.

8           Some additional planned actions. We need to  
9 look at our research, where are the gaps, what do we need  
10 to do, let's do some strategic research, and what we don't  
11 know, let's find those things out, and again, being  
12 proactive. What data do we have available, let's look at  
13 that data, make sure it's available to all the key  
14 players, share that data appropriately as we can.

15           Identify future energy developments. This is  
16 not about just oil and gas, we've got wind energy as well,  
17 we need to identify those, the processes associated with  
18 those developments and how that might impact the  
19 transportation system.

20           Identify and strategize the use of new  
21 technology. Again, this is much, much more than just  
22 putting asphalt onto roadways and fixing them after these  
23 activities are done. There may be some technologies both  
24 from our side that we can implement as well as we need to  
25 look at the technologies that are evolving and changing

1 that these energy development companies use to do their  
2 exploration.

3 Identify and discuss potential legislative  
4 issues. We need to look at that to see if legislative  
5 issues need to be addressed.

6 Funding strategies and plans. We're going to  
7 talk in a little bit about some immediate needs. This is  
8 long-term, how are we going to fund some of the things we  
9 need to fund, what do we need to fund, and what are our  
10 plans for doing that over the coming years. And  
11 obviously, I think we'll need to monitor, evaluate and  
12 revise these plans, it's not going to be a static plan.  
13 This is an evolving, quickly moving industry, if you will,  
14 so we will continue to monitor, evaluate and revise.

15 I'm going to shift gears a little bit and talk  
16 about the immediate need. We need to focus on safety, and  
17 generally this is going to be along our narrow roads;  
18 these roads were not designed to accommodate the volume  
19 and the weights that are traveling on them due to these  
20 activities. And we need to be consistent from district to  
21 district on how we apply our solutions across the line so  
22 we can be cost-effective. One district may be doing it  
23 this way, another one may be doing it another way. We  
24 need to do it the most cost-effective way and be  
25 consistent across the state.

1 I'm going to show some pictures, I'm going to  
2 flip through these pretty quickly. These are from various  
3 districts within the Eagle Ford and Barnett Shales. This  
4 is some of what happens to our roadways as a result of  
5 this. As you hopefully can tell, these are all safety  
6 issues that need to be addressed immediately, these are  
7 recently collected photographs. You see edge drop-offs  
8 there, you see pavement deterioration, you see pavement  
9 breaking up, and there's another example of an edge drop-  
10 off.

11 Current needs. This was the first issue that  
12 the task force looked at. We went out to the 13 districts  
13 located within the Eagle Ford and Barnett Shales. We've  
14 identified potentially \$40 million that could be used to  
15 assist those districts with those immediate needs, and  
16 we're talking about the immediate needs addressing those  
17 pictures, the situations you just saw in the pictures.  
18 We've identified more needs than that from the districts  
19 but we need to look at the most critical ones first,  
20 safety-related.

21 I want to finish up here, almost finish up here  
22 with the Center for Transportation Research report that  
23 looked at this issue and I thought these were some very  
24 good summary bullets. The current situation is not  
25 sustainable, we've got get ahead of this game, we've got

1 to be proactive. Growth in the energy sector contributes  
2 to the state's economic prosperity, but it also impacts  
3 the service life of our pavements across the state.  
4 Adequate funding sources needed to maintain infrastructure  
5 and ensure our transportation system can serve the energy  
6 sector in the future.

7 And just some closing comments. We recognize  
8 this is a critical issue, it requires some thoughtful  
9 planning at all levels within the agency, particularly at  
10 the executive level. We know we need to look at  
11 partnerships, multi-entity, cooperative partnerships.  
12 TxDOT leadership has placed this as a top priority for  
13 this agency and more details as the task force does its  
14 work and other things happen will be forthcoming as we  
15 develop these plans.

16 And with that, I will pause for questions, and  
17 the task force members are here as well.

18 MR. HOUGHTON: Jump in there, Commissioner  
19 Meadows.

20 MR. MEADOWS: Rick, first of all, I want to  
21 express my appreciation, and I know we all appreciate the  
22 task force, their efforts to date. The fact is that I  
23 know that you all have been at least to this point focused  
24 on the acute. We have serious immediate safety issues,  
25 not only in the Barnett Shale counties but in the Eagle

1 Ford counties. You all are devising techniques and  
2 methods to deal and address those, and I think that's  
3 recognized and appreciated. I know you all know it, you  
4 see it, you're coming up with a plan and you're going to  
5 address it.

6 Secondly, and as importantly, if not more  
7 importantly in terms of long-term, what you've described  
8 in terms of your more holistic approach to addressing this  
9 problem, it's a problem, but also, as you point out, it's  
10 an extraordinary opportunity for Texas from an economic  
11 development standpoint, job creation standpoint, the  
12 industry is so vital and has been historically in this  
13 state. And what we do know is that the production  
14 characteristics of these shale formations certainly result  
15 in many cases prolific production of hydrocarbons but also  
16 result in, as you point out -- I think the graphics  
17 indicate it -- the roadway impacts are inevitable when you  
18 begin to look at those sort of traffic loads on a farm to  
19 market road system.

20 What we also know it is highly likely, as we  
21 discussed yesterday, that these shale formations are most  
22 likely not the only shale formations, and in fact, we can  
23 reasonably expect that this sort of production activity  
24 utilizing advanced and effective completion techniques and  
25 production characteristics of those shale formations are

1 going to continue to represent challenges for us on this  
2 secondary road system, also certainly in the counties in  
3 the state.

4           The idea of putting together the next step of  
5 this task force, as you devise and implement the methods  
6 to address the acute issues, this next step is going to e  
7 really important because it's going to be so much more  
8 strategic. And I like your list, I think that you really  
9 have tried to identify the stakeholders. You've got DMV  
10 involved, we've got a lot of overweight truck issues,  
11 we've got DPS involved, you indicate local law  
12 enforcement, local government, Railroad Commission. I  
13 think that could go a long way to try and identify where  
14 these sort of issues might come up in the future, as well  
15 information data, the experience and knowledge with regard  
16 to what the production characteristics are and what we  
17 could reasonably expect both now and into the future with  
18 regard to this particular production activity.

19           The other thing I'd mention is that we would  
20 want to early on involve industry representatives in these  
21 discussions, and I know at least at the local level. When  
22 I say local level, literally down to the county level  
23 you've got major producers in those individual counties  
24 coming to the table and actually making, in some cases,  
25 financial contributions, but maybe more importantly, just

1 get everybody to the table. So I would encourage you all  
2 to move ahead with what it is you've outlined here; I  
3 think the trajectory is the right one.

4 What would be important, at least for me to  
5 know, and I know that we all would be interested in  
6 knowing, what's the time frame in this. Could you  
7 reasonably expect to come back to us with an update on the  
8 task force activity in this broadened and more strategic  
9 fashion or look in three months, two months? I'm not  
10 going to put you on the spot today, but I do think that we  
11 need to know, and I know that Phil Wilson will be able to  
12 let us know when we might expect a report back.

13 But just to summarize, thank you very much for  
14 your efforts, this is very important.

15 MR. COLLINS: Thank you.

16 MR. AUSTIN: I've got a couple of quick  
17 questions. I agree with a lot of the things Bill said and  
18 really going back to the early implementation, but also,  
19 how do we get out ahead of this. Right now this is a  
20 reactive report that needs to be addressed, and probably  
21 pretty quickly, but visit with the producers, the industry  
22 representatives, the county officials. If we know there's  
23 going to be activity, maybe there's an investment that  
24 could be made at a lower cost ahead of time than coming  
25 back after the fact. And you know, the drought hasn't

1 helped either.

2 One question I have, just in looking, I know we  
3 addressed the Barnett and the Eagle Ford shale plays, but  
4 there's also the Haynesville over in East Texas. I know  
5 I've heard from a couple of county judges as well on those  
6 projects, and if you could go back and maybe reevaluate,  
7 consider that one in there as well, because that is a  
8 producing shale play.

9 MR. COLLINS: Yes, sir.

10 MR. AUSTIN: But thank you for your work on  
11 this.

12 MR. HOUGHTON: Rick, have you ascertained what  
13 is county and state roads, the percentages? I imagine  
14 county roads are being affected too.

15 MR. COLLINS: Yes, sir.

16 MR. HOUGHTON: Is that number that you showed  
17 in there, is it inclusive of county roads?

18 MR. COLLINS: No, that number is not inclusive  
19 of the county roads. And I don't know if you've got the  
20 numbers with you, Toribio, on these areas.

21 MR. HOUGHTON: Do you know how many lane miles  
22 we're talking about of farm to market roads?

23 MR. GARZA: Commissioners, for the record, my  
24 name is Toribio Garza, director of Maintenance.

25 In this first round we looked at, again,

1 immediate needs, and we looked at within those two energy  
2 fields we looked at narrow roads, 22 foot or less, to get  
3 an idea. If they're not impacted now, they will be, and  
4 there was a total of 2,500 miles in both those fields, and  
5 about 400 of those miles are identified as immediate needs  
6 now, so it's just a matter of time. But that's just on  
7 our system.

8 MR. HOUGHTON: That's on our system.

9 MR. GARZA: Yes, sir.

10 MR. HOUGHTON: Okay. Rick, have we talked to  
11 our friends over at TSTA, the truckers, about bringing  
12 them into the tent?

13 MR. COLLINS: We certainly need to bring them  
14 in if they're key players.

15 MR. HOUGHTON: Yes, they're key players.

16 MR. COLLINS: And that's part of the process as  
17 well, there may be others that we don't have specifically  
18 listed yet, but we've got to be thinking about that and  
19 bringing those players in, so thank you.

20 MR. HOUGHTON: John, you and I have a common  
21 friend that has some access to the industry. We'll talk  
22 about that.

23 Rick, thank you.

24 MR. COLLINS: Thank you.

25 MR. WILSON: Item 6 is the awarding of aviation

1 grants. Aviation Division Director Dave Fulton will  
2 present this minute order.

3 MR. FULTON: Thank you, Phil, commissioners.  
4 For the record, my name is Dave Fulton, director of the  
5 TxDOT Aviation Division.

6 This minute order contains a request for grant  
7 funding approval for twelve airport improvement projects.

8 The total estimated cost of all requests, as shown in  
9 Exhibit A, is approximately \$10.7 million: approximately  
10 \$7 million in federal funding, \$2.6 million in state  
11 funding, and \$1.1 million in local funding.

12 Public hearings were held on January 19 and  
13 February 1 of this year. No comments were received. We  
14 would recommend approval of this minute order.

15 And I will add that Edinburg Mayor Richard  
16 Garcia is here and would like to address the commission.

17 MR. HOUGHTON: Mayor Garcia, please.

18 MAYOR GARCIA: Good morning, Mr. Chairman,  
19 commissioners. It's my pleasure to be here this morning.  
20 My name is Richard Garcia and I am the mayor for the City  
21 of Edinburg, and I come before you this morning to thank  
22 you.

23 I thank Mr. Wilson, Mr. Fulton, and all the  
24 staff of the Texas Department of Transportation on behalf  
25 of the City of Edinburg for the work that all they do, all

1 you do to ensure that we have adequate air transportation  
2 as we continue to partner with you for the purpose of  
3 creating jobs and providing safe passage for all that use  
4 our facility. Today, as we heard, there's an item on your  
5 agenda for approval of funding for airport improvement  
6 projects, Edinburg International Airport being one of the  
7 recipients of this funding in accordance with the capital  
8 improvement program.

9 South Texas International Airport at Edinburg  
10 is a centrally and strategically located airport. We have  
11 probably the only airport in the Valley that's the highest  
12 elevation airport in our area. We cater to DPS for  
13 emergency operations, we run border security operations  
14 out of our airport located in one of the fastest growing  
15 MSAs in the state that faces a growing demand for  
16 passenger and commercial and cargo services. The Texas  
17 Department of Transportation funding makes it possible for  
18 the City of Edinburg to keep up with the additional demand  
19 that we have.

20 Edinburg is asset-blessed. We're the county  
21 seat, the county government employs some 4,500 people in  
22 our city. We're also center for higher learning, higher  
23 education, having the University of Texas Pan American in  
24 our city that employs some 3,000 people. And we're also  
25 the medical center for our county, and we have in excess

1 of 6,000 jobs that are provided to our city. So the point  
2 of that is that with your continued partnership we rest  
3 assured that we'll be able to adequately develop another  
4 of our major assets which is the airport that I'm making  
5 reference to in the City of Edinburg.

6 And once again, I come here again to thank you  
7 for all your efforts and for your continued support.

8 MR. HOUGHTON: Thank you, Mayor.

9 Dave, anything else?

10 MR. FULTON: We recommend your approval of this  
11 minute order.

12 MR. HOUGHTON: Motion?

13 MR. AUSTIN: So moved.

14 MR. MEADOWS: Second.

15 MR. HOUGHTON: All in favor?

16 (A chorus of ayes.)

17 MR. HOUGHTON: Thank you, Mr. Fulton.

18 MR. WILSON: Item 7a and 7b are Public  
19 Transportation items to be presented by Eric Gleason,  
20 director of the Public Transportation Division. Eric, 7a.

21 MR. GLEASON: Thank you, Phil.

22 Good morning. For the record, my name is Eric  
23 Gleason, TxDOT director of Public Transportation.

24 Agenda item 7a awards approximately \$15.5  
25 million of available and an estimated anticipated total of

1 approximately \$21.1 million in federal funds under the  
2 Federal Transit Administration Section 5311 Nonurbanized  
3 Area Program to rural transit districts for rural public  
4 transportation purposes in Texas. The amount available at  
5 this time for award reflects FTA apportionments of fiscal  
6 year 2012 funds consistent with the continuing  
7 appropriation resolution passed by Congress minus a  
8 required 15 percent set-aside for intercity bus program  
9 needs, plus the remaining balance of previous fiscal year  
10 Section 5311 federal apportionments. The formula for  
11 allocating these funds is established in the Texas  
12 Administrative Code.

13           There are 38 rural transit districts in Texas  
14 operating a fleet of over 1,600 vehicles, and last fiscal  
15 year these systems carried more than 5.8 million riders  
16 and operated over 32.3 million revenue miles of service.  
17 The services these transit districts provide support the  
18 department's goal to connect Texas communities are in many  
19 cases critically needed mobility options for transit-  
20 dependent individuals in the rural areas of the state.  
21 They provide access to jobs, health care, education,  
22 shopping, recreation and social opportunities for persons  
23 who have no other means of travel available to them.

24           Additionally, as Texas continues to grow in  
25 population and employment, rural transit districts are

1 diversifying their service investments to attract  
2 commuters, helping the department's efforts to address  
3 congestion in a number of different areas of the state.

4 Staff recommends your approval of this minute  
5 order.

6 MR. HOUGHTON: Questions? Motion?

7 MR. AUSTIN: So moved.

8 MR. MEADOWS: Second.

9 MR. HOUGHTON: All in favor?

10 (A chorus of ayes.)

11 MR. WILSON: Item 7b, Eric.

12 MR. GLEASON: Thank you.

13 Agenda item 7b awards approximately \$4.2  
14 million of federal funds under the FTA Elderly Individuals  
15 and Individuals with Disabilities Program, Section 5310,  
16 and approximately 409,000 transportation development  
17 credits for various public transportation capital  
18 projects. The amounts in this minute order are consistent  
19 with the published FTA apportionments based on available  
20 funds under the current continuing appropriation  
21 resolution.

22 The formula for allocating Section 5310 funds  
23 is established in the Texas Administrative Code and  
24 following a reduction for state administrative expenses,  
25 the remaining balance plus unobligated funds from previous

1 projects is allocated to all 25 TxDOT districts for the  
2 selection of projects. Transportation development credits  
3 have been requested by various transportation agencies to  
4 match federal funds for eligible capital projects,  
5 including fleet, information technology, preventative  
6 maintenance, purchase of service and equipment. Use of  
7 TDCs for these purposes supports the department's goals as  
8 currently defined in the Texas Administrative Code.

9 Projects recommended for funding are listed in  
10 Exhibit A. Last fiscal year these services carried over  
11 1.2 million riders and traveled approximately 6.6 million  
12 miles.

13 We recommend your approval of this minute  
14 order.

15 MR. HOUGHTON: Questions? Motion?

16 MR. AUSTIN: So moved.

17 MR. MEADOWS: Second.

18 MR. HOUGHTON: All in favor?

19 (A chorus of ayes.)

20 MR. WILSON: Next is Carlos Swonke, director of  
21 the Environmental Division, to present item 8a(1), final  
22 adoption of administrative rules relating to Environmental  
23 Review of Transportation Projects. Carlos.

24 MR. HOUGHTON: Carlos, before you begin today,  
25 as the new Environmental Division chief, I want you to

1 notice something here on the dais. Can you tell the  
2 difference between that, this and that over there?

3 MR. SWONKE: I've seen that you have received  
4 the rules, yes. I think you were talking about the  
5 packet?

6 MR. HOUGHTON: See this space here? Lack of  
7 paper. No more trees, it's all in here.

8 MR. SWONKE: Well done.

9 MR. HOUGHTON: Thank you. So I just want to  
10 point out that we are the new Texas Department of  
11 Transportation.

12 MR. MEADOWS: I have no response at this time,  
13 however, you can reasonably expect that there will be one.  
14 Thank you.

15 MR. AUSTIN: Wouldn't it be great if he shared  
16 this technology?

17 MR. HOUGHTON: Yes. Onward, Carlos. I'd love  
18 to.

19 (General laughter.)

20 MR. SWONKE: For the record, I'm Carlos Swonke,  
21 director of the Environmental Affairs Division.

22 At the commissioners' November 17, 2011  
23 meeting, you approved a proposed rulemaking package that  
24 would repeal and replace the department's Chapter 2 rules  
25 regarding Environmental Review of Transportation Projects.

1 The purpose of the rulemaking action was twofold: first,  
2 the rulemaking would implement new Transportation Code  
3 Chapter 201, Subchapter I-1 requiring the department to  
4 complete technical review of draft environmental review  
5 documents by specified deadlines and authorizing a local  
6 government to be the project sponsor of a project; second,  
7 the rulemaking would implement several changes to the  
8 department's existing environmental rules, intended to  
9 make the process more efficient.

10 The proposed rulemaking package was published  
11 in the Texas Register on December 2, 2011. There was an  
12 extended comment period which ended on January 11, 2012.  
13 The department also held a public hearing on January 9,  
14 2012. No verbal public comments were received at the  
15 hearing, however, several entities provided written  
16 comments.

17 Williamson County and Hays County jointly  
18 submitted written comments. The following RMAs also  
19 jointly submitted written comments: Alamo RMA, Cameron  
20 County RMA, Camino Real RMA, Central Texas RMA, Grayson  
21 County RMA, and North East Texas RMA.

22 The department also received written comments  
23 from the following entities: the Texas Division of the  
24 Federal Highway Administration, the Texas Historical  
25 Commission, the North Texas Tollway Authority, the City of

1 San Antonio, the North Central Texas Council of  
2 Governments, and the Lone Star Chapter of the Sierra Club.

3 You will recall that prior to the proposal of  
4 these rules last December, staff conducted multiple  
5 stakeholder meetings to better understand the relevant  
6 issues related to the environmental review process. Staff  
7 also held additional meetings with stakeholders since the  
8 proposed rules.

9 The comments received have resulted in a number  
10 of changes to the rules as they were proposed in December.  
11 I want to especially thank Williamson County, Hays County  
12 and the RMAs for their input and their time.

13 These rules will be an important tool as we  
14 move forward and look for more and better ways to improve  
15 the efficiency and effectiveness of the department's  
16 environmental review process, and at this time we ask that  
17 you approve the proposed rules.

18 MR. HOUGHTON: Carlos, there's a few people  
19 that would like to say something. Now, I imagine you had  
20 unanimity on all those comments from all the stakeholders.  
21 Right?

22 MR. SWONKE: Yes, pretty much, just about.

23 MR. HOUGHTON: Okay, Commissioner Covey, now  
24 it's your turn.

25 MS. COVEY: Hello. I'm Valerie Covey, county

1 commissioner, Williamson County. And Chairman Houghton  
2 and commissioners, thank you for letting me join you  
3 today. I want to thank you also for your involvement on  
4 this issue, especially Commissioner Meadows, your comments  
5 before, I appreciate those very much.

6 I also want to thank Phil Wilson. Thank you  
7 for your leadership on this issue. Carlos Swonke came in  
8 late in the game, he was just hired recently, but he  
9 jumped in and his comments and his attitude about making  
10 positive changes helped guide the discussion, and I really  
11 do appreciate that.

12 I also want to thank Rich O'Connell and Patrick  
13 Lee. You know, attorneys don't get thanked much, but I do  
14 want to thank them for their efforts on this project. I  
15 know they're probably glad that it's going to be over  
16 soon.

17 Last session, after working diligently with our  
18 team, a bill was passed with a goal to streamline TxDOT's  
19 environmental review process, really to give deadlines as  
20 well as a fast-track path for local projects being paid  
21 for with local dollars.

22 We came to you back in the fall with concerns  
23 that we had with the way the rules were being initially  
24 drafted, and you heard us. You and those that I've  
25 mentioned before have worked with us, as well as not just

1 Williamson County but Hays County, but also the authors,  
2 the staff of Senator Nichols' and Senator Watson's offices  
3 to really reflect the intent of the law and address our  
4 concerns. And so on behalf of Williamson County and Hays  
5 County, I want to just say thank you, thank you very much.

6 We look forward to seeing projects go through  
7 this process soon and we look forward and appreciate the  
8 opportunity to give feedback on the process as we continue  
9 to partner with you on important transportation issues.  
10 So thank you very much.

11 MR. HOUGHTON: Thank you, Commissioner.

12 Michael Heiligenstein, CTRMA.

13 MR. HEILIGENSTEIN: Mike Heiligenstein, the  
14 Central Texas RMA.

15 Again, I also want to echo some of what the  
16 commissioner said, and having been a former county  
17 commissioner in Williamson County, I want to say thanks to  
18 Valerie for cleaning up the mess we left behind in that  
19 particular county.

20 But really, I think one of the things that we  
21 really need to focus on, I never thought that this would  
22 get fixed -- without you guys taking a personal interest  
23 in it, it never would have happened -- only because when  
24 you guys showed the interest you did, it started moving  
25 and it really made a huge difference. So thank you to the

1 commission for your involvement. It was critical to the  
2 process that's been going on for six to eight months. As  
3 she mentioned, it was a little tentative at first and I  
4 think the dance went on for a few months, but after the  
5 seriousness and the intent of the legislature was realized  
6 and the intent of the commission, I think it moved pretty  
7 darn quick, and we want to say, again, thanks for that.

8 To Rich, Patrick and Carlos, those guys really  
9 did a great job. And Phil, I think the new progressive  
10 attitude is a big part of that, and I thank you for your  
11 additions to that process.

12 We're not going to control everything. I mean,  
13 this is a conveyor belt that goes to the federal level, we  
14 can't control everything. I know the projects that I'm  
15 involved with get frustrating. Adding a lane to MoPac  
16 between a railroad track and existing guardrail taking  
17 2-1/2 years just drives me nuts. But we know what we've  
18 got to go through, we can make the parts that we control  
19 the most efficient that we can, and that's what this was  
20 about and we appreciate that.

21 I think also in ending in want to thank  
22 Commissioners Covey and Long for the work that they did,  
23 they stuck to it like no two county commissioners I've  
24 every seen, and the other RMAs. It was a group effort and  
25 it came out -- I think it came out more fillet than

1 sausage, so I'm really happy about this particular  
2 process.

3 Thank you, guys.

4 MR. HOUGHTON: Thank you, Mike.

5 Michael Morris.

6 MR. MORRIS: Michael Morris, director of  
7 transportation at the North Central Texas Council of  
8 Governments.

9 Commissioners, Mr. Wilson, thank you very much  
10 for your commitment to this particular topic. We request  
11 your approval, and if you do approve it today, the  
12 discussion and accountability has to start today. We  
13 can't stop here. This is a process, and I'm going to give  
14 you an analogy. This is like you should be in charge of,  
15 let's say, Texas high school football. We need families  
16 involved. Sometimes a six-man team is okay; not all the  
17 games have to start at the same time, they don't all have  
18 to finish at the same time; all the games can occur in  
19 Texas simultaneously; sometimes you win, sometimes you  
20 lose -- the game is over and the family goes to McDonald's  
21 over the weekend and they move on with their life. There  
22 has to be accountability in this process.

23 What you can't have, and I'm going to give you  
24 high school football examples, or when we were ten years  
25 old, because I can't give you real world environmental

1 examples because there are people in this room -- the ten-  
2 year-old examples are: why are you always the  
3 quarterback; or can we play baseball today instead of  
4 football; or my mom says it's going to rain so we're not  
5 going to be there today; or can we go kick field goals  
6 today.

7 In the real world of environmental  
8 streamlining, which we should call environmental  
9 partnerships, there are days when you go to play a high  
10 school football game that that's what you are given. And  
11 with your approval, and hopefully your accountability, you  
12 should hold MPOs, you should hold TxDOT folks, continue  
13 great partnerships with the feds, local governments,  
14 citizens at large. If we're going to play high school  
15 football, we're going to have rules, we're going to review  
16 film and get better, the best athletes are going to play  
17 the game, we're going to look out for injuries, but at the  
18 end of the day there will be lots of high school football  
19 games being played.

20 The second and final point is we can do better,  
21 and I think with Mr. Wilson coming from outside the  
22 agency, wouldn't it be really cool that instead of  
23 mitigating wetlands, we create a wetland bank in Texas and  
24 work on reuse of water and work with Fish and Wildlife and  
25 work with water needs so Texas can be part of the water

1 solution. Why can't we build tree farms and replace the  
2 trees that were lost last summer, so instead of mitigating  
3 tree by tree in an environmental document, we produce  
4 thousands of trees, and we show that we're not all about  
5 streamlining because we really don't believe in the  
6 environment and we're going to get out in front of this in  
7 a very innovative way. Why don't we create wind farms  
8 that don't have risks to our radar systems and aviation,  
9 we put them in the right place in the state, we create  
10 renewable energy. We can all do better.

11 So my comments on both ends of the spectrum,  
12 it's a barbell: If you approve it today, hold all of us  
13 accountable. Let's have lots of things going on that can  
14 continue and don't say why are we going to play football  
15 today. Let's have fun and kick field goals. And on the  
16 other end, why can't we do greater environmental  
17 stewardship and lead in this because it doesn't cost us  
18 any more money. It costs us less money to create these  
19 particular inventories and farms of uses and then our  
20 partners from Fish and Wildlife or historical interests  
21 realize we're not just playing games, we're out there  
22 being a leader creating change.

23 Thank you.

24 MR. HOUGHTON: Thank you, Michael.

25 Are there any other questions? Carlos,

1 anything?

2 MR. AUSTIN: I just have one question for  
3 Carlos. You know, we're looking at this, if we approve  
4 this, as of March 1. Once March 1 occurs, will there be  
5 opportunities to go back and look at some of those that  
6 are already in the queue to find how can we expedite some  
7 of that?

8 MR. SWONKE: There is nothing to prevent that,  
9 no, sir. Actually, the effective date is April 16 that  
10 we're going to have projects that come in on that date  
11 will be processed under the new rules, but there's nothing  
12 for projects that are in the queue right now to go back  
13 and use some of these tools that are in the rules to make  
14 them more efficient.

15 MR. AUSTIN: And my understanding there are  
16 still a couple of items that may need some opportunity for  
17 consideration down the road, and you are going to be open  
18 to taking a look at those.

19 MR. SWONKE: Oh, yes. There is a lot of  
20 opportunity out there to do other things to make the  
21 process better.

22 MR. AUSTIN: Well, I applaud that continuing to  
23 look at it as it works, and if something doesn't work in  
24 this as we go, let's take a look at it. But you've come a  
25 long way, and I appreciate all the partners who gave input

1 because this is really a much, much, much improved  
2 document.

3 MR. HOUGHTON: Huge.

4 MR. SWONKE: A lot of the work was done mostly  
5 before I got here.

6 MR. HOUGHTON: It's been a long time coming.

7 MR. AUSTIN: And being a short-timer, he's got  
8 a great success, hasn't he?

9 (General laughter.)

10 MR. SWONKE: Seven weeks now.

11 MR. HOUGHTON: What you've done for me lately.

12 MR. SWONKE: There's always tomorrow.

13 MR. MEADOWS: I think we are just proud and  
14 appreciative to be at this point today, we really are.  
15 And it's interesting when you think about the genesis of  
16 all this, really it was some of these same locals -- and  
17 you know who you are -- that working with the legislature  
18 created the opportunity for us then too, working with our  
19 staff, who we all embraced the opportunity to change and  
20 improve.

21 We, of course, always appreciate Michael's  
22 creativity and your challenges to us. I think that's the  
23 way we do need to be thinking.

24 And with that, I would move approval, but I  
25 would have to comment to Mr. Green Jeans on my left that

1 if his battery dies, he can always borrow my book.

2 (General laughter.)

3 MR. AUSTIN: On that, I second that motion.

4 MR. HOUGHTON: All in favor?

5 (A chorus of ayes.)

6 MR. HOUGHTON: Thank you all very much.

7 Onward.

8 MR. WILSON: Item 8a(2) is the final adoption  
9 of amendments to Contract and Grant Management rules  
10 presented by Ed Pensock, interim director of the Turnpike  
11 Authority Division. Ed.

12 MR. PENSOCK: Hello again. Again for the  
13 record, Ed Pensock, Turnpike Authority Division.

14 Item 8a(2) finalizes the adoption of New  
15 Sections 9.150 to 9.155 concerning design-build contracts.  
16 These sections prescribe the procurement process to be  
17 followed by the department and develop conditions for  
18 private participation in design-build contracts.

19 Transportation Code Chapter 223, Subchapter F,  
20 added by Senate Bill 1420 in the 82nd Legislature,  
21 authorized the department to enter into in each fiscal  
22 year up to three design-build contracts for highway  
23 projects with a construction cost estimate of \$50 million  
24 or more. That statute authorized and developed  
25 requirements for entering into those contracts. As you

1 recall, this is a separate and distinct statutory  
2 authority, different from our comprehensive development  
3 agreement authority, and allows design-build to be used on  
4 non-tolled facilities.

5           These new sections prescribe requirements for  
6 qualifications submittals and proposal submittals in  
7 response to the department's requests. They address the  
8 manner by which the department intends to conduct those  
9 procurements. They address certain responsibilities of  
10 the department and private entities under these contracts.  
11 They prescribe protest procedures in connection with the  
12 procurement of a design-build contract, and they prescribe  
13 ethical standards of conduct and rules of conduct  
14 applicable for private entities participating in the  
15 department's program.

16           We received one comment regarding these rules  
17 from a representative of the Surety and Fidelity  
18 Association of America. That comment request was changed.  
19 And staff recommends your acceptance of this minute order.

20           MR. HOUGHTON: Questions? Motion?

21           MR. AUSTIN: I move we approve as presented.

22           MR. MEADOWS: Second.

23           MR. HOUGHTON: All in favor?

24           (A chorus of ayes.)

25           MR. WILSON: The next item will be presented by

1 Brian Ragland, director of the Finance Division. Item  
2 8a(3) is the final adoption of amendments to Chapter 15 of  
3 the Administrative Code related to Financing and  
4 Construction of Transportation Projects. Brian.

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

7 This minute order adopts amendments to Sections  
8 15.86 and 15.90 of Chapter 15, and also creates a new  
9 Section 15.95.

10 The primary purpose of these changes is related  
11 to the commission's authority to create transportation  
12 corporations for the purpose of developing, financing,  
13 constructing, reconstructing, expanding, operating or  
14 maintaining a department toll project. This allows for  
15 more efficient management and lower cost delivery of a  
16 project which, as you know, could allow additional  
17 projects to come forward. The changes also address a  
18 conflict of interest clause which is no longer necessary  
19 in the rules, and revises requirements for content and  
20 timing of financial reports of these corporations.

21 Proposed amendments were adopted December 15  
22 and no comments have been received. And staff recommends  
23 your approval.

24 MR. HOUGHTON: Questions? Motion?

25 MR. AUSTIN: So moved.

1 MR. MEADOWS: Second.

2 MR. HOUGHTON: All in favor?

3 (A chorus of ayes.)

4 MR. HOUGHTON: Thanks, Brian.

5 MR. WILSON: Item 8b is proposed adoption of  
6 amendments to the State Infrastructure Bank. Brian.

7 MR. RAGLAND: Thank you.

8 These proposed rule amendments are related to  
9 the State Infrastructure Bank, or SIB, and they basically  
10 do three things. First off, references to loans made from  
11 general obligation bonds, i.e., Prop 12, are deleted. As  
12 you'll recall the previous biennium's General  
13 Appropriations Act directed Prop 12 proceeds to the SIB,  
14 however, it required LBB approval to do so. That did not  
15 occur and those proceeds were re-appropriated in the  
16 current biennium, and so the rules at that time were  
17 changed in anticipation of that funding which did not  
18 occur and we do not anticipate will occur in the future.

19 Second of all, we're shortening and simplifying  
20 the rules for many borrowers. Specifically, we're  
21 increasing the amount to \$3 million per loan where you can  
22 approve them on a one-time basis instead of coming to you  
23 in two consecutive months. And then finally, we're doing  
24 some cleanup on areas of the rules that sometimes add some  
25 unnecessary confusion for both borrowers and internal

1 staff.

2 And I'm happy to answer any questions, and  
3 staff recommends your approval.

4 MR. HOUGHTON: I have one question. Why do we  
5 require to come to the commission twice anything above \$3  
6 million? Is it statute, rule?

7 MR. RAGLAND: I don't believe it's statute, I  
8 believe it's just an internal management decision.

9 MR. HOUGHTON: I mean, we approve it once, do  
10 you think we're going to change our mind between that  
11 time?

12 MR. RAGLAND: There are things that can change  
13 in between that time. In my short experience, sometimes  
14 it's a first step but there's still a lot to be worked out  
15 before your final approval. But again, we could just wait  
16 and bring them once.

17 MR. HOUGHTON: I like to look at it  
18 streamlined. Hopefully, we'll approve this today and  
19 hopefully come back, Bob, with something that's  
20 streamlined that you can work out all the details. Like  
21 going to the bank twice to make sure the bank didn't  
22 change their mind on your loan.

23 MR. RAGLAND: Well, these are proposed rules.

24 MR. HOUGHTON: You ever do that, Austin?

25 MR. AUSTIN: We'd never do that.

1 MR. RAGLAND: These are proposed so we'll be  
2 coming back to you after the comment period for final  
3 adoption.

4 MR. HOUGHTON: It's the collateral that you're  
5 looking for. Right?

6 MR. AUSTIN: Yes, sir. I think it's a great  
7 idea. I support it.

8 MR. RAGLAND: The reason for the \$3 million  
9 number versus the current \$250,000 number, it's not the  
10 entire reason, but that only represents about 10 percent  
11 of the value of our loan portfolio.

12 MR. HOUGHTON: I would think that we'll approve  
13 something here today, I can't telegraph that or say what  
14 they're going to do, but at the same time, I think come  
15 back and streamline things where we don't have to do this  
16 over and over.

17 MR. RAGLAND: Understood.

18 MR. HOUGHTON: Motion?

19 MR. AUSTIN: I so move.

20 MR. MEADOWS: Second.

21 MR. HOUGHTON: All in favor?

22 (A chorus of ayes.)

23 MR. RAGLAND: Thank you.

24 MR. WILSON: Item 9 will be presented by  
25 Suzanne Mann, director of the Office of Compliance and

1 Ethics. She'll make her monthly report on the  
2 department's compliance and ethics report. Suzanne.

3 MS. MANN: Good morning. For the record, my  
4 name is Suzanne Mann. I'm the director of the Office of  
5 Compliance and Ethics for the Texas Department of  
6 Transportation.

7 The purpose of this report is to provide a  
8 summary of information related to complaints and  
9 investigations for the month of January 2012.  
10 Transportation Code 201.452 provides that the compliance  
11 office has primary jurisdiction for oversight and  
12 coordination of all investigations occurring on department  
13 property or involving department employees.  
14 Transportation Code 201.454 requires the director of the  
15 compliance office to provide a monthly report to the  
16 commission regarding investigations and a summary of  
17 information relating to trends and recommendations.

18 Effective September 1, the Human Resources  
19 Division and the Audit Office implemented a procedure to  
20 notify OCE when investigations are initiated and  
21 completed, and in accordance with our modernization plans,  
22 all data is compiled by OCE for reporting purposes.

23 For the month of January 2012, we had 18  
24 complaints where reports were received, and it was also  
25 18 -- I'm not making these numbers up, it was 18 and 18 --

1 18 complaints reports were closed during the month.  
2 Allegations were substantiated in seven of the 18  
3 complaints investigations.

4 No further action is needed from you at this  
5 time.

6 MR. HOUGHTON: Thank you.

7 MR. WILSON: John Barton, deputy executive  
8 director and chief engineer, will present item 10  
9 regarding Cameron County RMA. John.

10 MR. BARTON: Thank you. For the record, John  
11 Barton, deputy executive director and chief engineer.  
12 Good morning, Chairman, Commissioners and Director Wilson.

13 The minute order before you this morning would  
14 authorize the Cameron County Regional Mobility Authority  
15 to make connections of a project they have under  
16 development, known as State Highway 550, to several points  
17 of the state highway system. The project generally runs,  
18 as you may know, commissioners, from US 77 south and east  
19 towards the Port of Brownsville and State Highway 48.

20 Our current rules require that for regional  
21 mobility authorities to connect their projects to the  
22 state highway system, they must have commission approval.  
23 That is found in Transportation Code 370.187. It also  
24 requires that certain conditions be met before this  
25 authority can be granted. The regional mobility has met

1 those conditions precedent to your approval, and this  
2 minute order would grant that authorization.

3 So staff would recommend your approval of this  
4 minute order, and I'd be happy to answer any questions you  
5 may have.

6 MR. HOUGHTON: We have one speaker, John Wood,  
7 vice chair of the Cameron County RMA.

8 MR. WOOD: Good morning. Thank you, Mr.  
9 Chairman, commissioners, Mr. Wilson. My name is John  
10 Wood. I do serve as vice chairman of the Cameron County  
11 Regional Mobility Authority, and we've been before you  
12 many times and always appreciate the opportunity to work  
13 with you.

14 I recently have been working with a company  
15 that has been looking at locating a facility in our  
16 county, and I, in conjunction with that, have a friend in  
17 Arizona who does a lot of research and consulting, mostly  
18 in environmental areas. So I was emailing back and forth  
19 with her, and unsolicited, I'd like to read what she said,  
20 and I didn't solicit it from her but she had it in one of  
21 her responses to me, February 10. It says just this one  
22 sentence: A couple of years ago when I was working at the  
23 Port Isabel-Brownsville area, some of the major companies  
24 were considering relocating there but decided against it,  
25 in part due to insufficient road infrastructure. And she

1 has in parentheses: I realize you all have been working  
2 to address that.

3 And we have been working to address that, we've  
4 been working a vision that has collaboration and  
5 partnerships, we've been working very dedicatedly with  
6 collaboration and partnerships, and a lot of hard work  
7 with collaboration and partnerships. And obviously, I've  
8 reiterated collaboration and partnerships many times.  
9 We've got a long list of partners, and TxDOT is right  
10 among the top of those partners and we appreciate that.

11 If you approve this item today, it will provide  
12 the RMA with projects, once we let it -- if you approve  
13 it, once we let it, and hopefully we can let it in the  
14 next six months -- with \$300 million worth of projects  
15 that will be under construction or under development.  
16 That means six projects that will actually be under  
17 construction during that time, and seven that will be  
18 under development during that time. And this is all part  
19 of our long-range plan, our 15-20 year plan to complete  
20 \$1.7 billion worth of projects within Cameron County. That  
21 relates to 88,000 head of household jobs in the next 15 to  
22 20 years, so we're looking forward to that and looking  
23 forward to your partnership on it.

24 The inception of the Cameron County RMA was  
25 about seven years ago, and since that time we've been

1 working with borrowed staff. We haven't had any staff at  
2 all on Cameron County RMA, so we've been borrowing staff  
3 from the county and other folks that would help us out,  
4 and it's been successful so far. But we know we need to  
5 make a difference, and Mr. Chairman, as you announced this  
6 morning, yesterday Cameron County RMA Board made a  
7 difference. We've committed and contracted with Pete  
8 Sepulveda to be our executive director. He's not going to  
9 start today or tomorrow because he is the administrator  
10 for Cameron County, we've been borrowing him for these  
11 seven years, and we're going to have a transition period  
12 but we hope that transition period doesn't last more than  
13 a few weeks.

14 So as you can see, we'll have him on board full  
15 time and we're going to be working full time to see that  
16 we accomplish all the projects that we need to get done,  
17 not only in Cameron County but also on this segment of I-  
18 69 that we've been working so hard on for the last 20  
19 years, and the balance of I-69 that goes on up to Canada.

20 So I appreciate your attention and I would  
21 certainly appreciate your vote on this. Thank you.

22 MR. AUSTIN: I have one question. Would you  
23 explain to me a little bit how long is this project, how  
24 far, the mileage that you're looking at.

25 MR. WOOD: Well, this project ultimately will

1 be about 7-1/2 miles. In fact, we have the only toll road  
2 south of Austin right now; we have about a mile and a half  
3 of toll road. This will connect into that toll, we're  
4 collecting toll on it since last June, and so we'll be  
5 able to be a toll road from 77, as Mr. Barton so aptly put  
6 it, all the way to Highway 48 and the Port of Brownsville.

7 And I want you to know, Mr. Barton, along with  
8 a lot of your staff has been extremely helpful with us on  
9 this project and other projects.

10 MR. AUSTIN: And my last question. You are  
11 using a variety of financing tools.

12 MR. WOOD: We've got about five or six  
13 different financing tools on this project. One of the big  
14 ones, obviously, monies that TxDOT has provided to us with  
15 pass-throughs. Another one, the county is putting up  
16 their credit, we're borrowing their credit to borrow money  
17 to fund another portion of it. So we are out there  
18 scrounging for anyone that will lend us money or give us  
19 money, work with us, federal government, we're all working  
20 together to make this work.

21 MR. AUSTIN: And I appreciate you sharing that,  
22 because you have all come together as a region to  
23 prioritize this to look at a combination and a variety of  
24 funding sources to make it happen, and I think your  
25 efforts are certainly paying off.

1 MR. WOOD: Everyone has collaborated together  
2 and we've partnershiped with everybody, and that's what  
3 makes it work, it is. Thank you.

4 MR. HOUGHTON: Thanks, John.

5 Questions? Motion?

6 MR. AUSTIN: So moved.

7 MR. MEADOWS: Second.

8 MR. HOUGHTON: All in favor?

9 (A chorus of ayes.)

10 MR. WILSON: Next up is Jim Randall, director  
11 of the Transportation Planning and Programming Division,  
12 presenting item 11, Annual Report on the Economically  
13 Disadvantaged Counties Program. Jim.

14 MR. RANDALL: Thank you. Good morning. Jim  
15 Randall, director of the Planning and Programming  
16 Division.

17 Item 11, Transportation Code Section 222.053  
18 requires the commission to report annually on the  
19 Economically Disadvantaged Counties Program to the  
20 governor, the lieutenant governor, and the speaker of the  
21 House of Representatives. The annual report documents the  
22 use of matching funds and local incentives, as well as the  
23 savings granted to counties participating in the program.

24 During fiscal year 2011, participating counties  
25 were granted over \$3 million in relief from local match

1 requirements. Since the program's inception in 1998, the  
2 department has granted adjustments to over 800 projects  
3 totaling more than \$53 million.

4 Staff recommends approval of the fiscal year  
5 2011 annual report, as shown in Exhibit A, and upon your  
6 approval the report will be presented to the governor, the  
7 lieutenant governor, and the speaker of the House of  
8 Representatives.

9 MR. HOUGHTON: Questions? Motion?

10 MR. AUSTIN: So moved.

11 MR. MEADOWS: Second.

12 MR. HOUGHTON: All in favor?

13 (A chorus of ayes.)

14 MR. HOUGHTON: Thanks, Jim.

15 MR. WILSON: Brian Ragland, Finance Division  
16 director, will present items 12a and 12b relating to the  
17 UTP project selection variance. Brian, item 12a.

18 MR. RAGLAND: Thank you. For the record, Brian  
19 Ragland, director of the Finance Division.

20 Item 12a is a minute order which authorizes the  
21 project selection process for the UTP which was the  
22 subject of the public hearing at your commission meeting  
23 last month and was detailed in the brochure which was  
24 attached as an exhibit last month and also available on  
25 the internet, available out in the foyer on the sign-in

1 table, and it's again available today if someone is  
2 interested in picking that up.

3 The comment was open until February 6 and we  
4 received no comments on the public hearing. Exhibit A  
5 summarizes each category, the project selection criteria  
6 for each category, and the typical participation on those  
7 projects.

8 And staff recommends your approval.

9 MR. HOUGHTON: Questions? Motion?

10 MR. AUSTIN: So moved.

11 MR. MEADOWS: Second.

12 MR. HOUGHTON: All in favor?

13 (A chorus of ayes.)

14 MR. WILSON: Item 12b, Brian.

15 MR. RAGLAND: 12b is a minute order that we  
16 bring to you every year that gives the department the  
17 authority to vary from federal-aid apportionment formulas  
18 when allocating funds across the state. Exhibit A lays  
19 out the various programs for which the variances may be  
20 needed or are necessary.

21 And staff recommends your approval.

22 MR. HOUGHTON: Any questions?

23 MR. AUSTIN: I move approval.

24 MR. MEADOWS: Second.

25 MR. HOUGHTON: All in favor?

1 (A chorus of ayes.)

2 MR. RAGLAND: Thank you.

3 MR. WILSON: Item 13 relates to the Proposition  
4 12 Bond Program, and Jim Randall, director of  
5 Transportation Planning and Programming will present.  
6 Jim.

7 MR. RANDALL: Thank you, sir. Again, Jim  
8 Randall with the Planning and Programming Division.

9 This minute order designates State Spur 73  
10 along a new location from Schuster Avenue in El Paso  
11 southwestward approximately 0.3 mile to US 85. This  
12 minute order also authorizes the funding for the  
13 development with the proceeds of Proposition 12 bonds. In  
14 addition, this minute order authorizes the executive  
15 director to enter into a project development agreement  
16 with the Camino Real Regional Mobility Authority for the  
17 RMA to design the project.

18 Working with the city, the MPO and the  
19 University of Texas El Paso, the department identified the  
20 Spur 73 improvement project to be funded with a portion of  
21 the Proposition 12 bonds for an estimated cost of \$4.2  
22 million. The new spur will include an elevated T  
23 intersection at US 85, as well as a connection with the  
24 future expansion of Loop 375 which is planned to run  
25 parallel to and between US 85 and Interstate 10.

1                   Staff recommends your approval of the proposed  
2 designation of Spur 73 and the authorization of funding  
3 for the development of the project with Proposition 12  
4 bonds. Upon your approval of the minute order, the  
5 executive director will be authorized to enter into a  
6 project development agreement with the RMA.

7                   Staff recommends your approval of this minute  
8 order.

9                   MR. HOUGHTON: Questions? Motion?

10                  MR. AUSTIN: So moved.

11                  MR. MEADOWS: Did you get all your questions  
12 answered?

13                  MR. HOUGHTON: I did earlier.

14                  MR. MEADOWS: Second.

15                  MR. HOUGHTON: All in favor?

16                  (A chorus of ayes.)

17                  MR. HOUGHTON: Thanks, Jim.

18                  MR. WILSON: The next items are the award of  
19 contracts for maintenance and department building  
20 construction and highway construction contracts. The  
21 Construction Division Deputy Director Darren Hazlett will  
22 present these minute orders. Item 14a.

23                  MR. HAZLETT: Good morning, commissioners. For  
24 the record, I'm Darren Hazlett, deputy director of the  
25 Construction Division.

1           Item 14a is for the consideration of the award  
2 or rejection of Highway Maintenance and Department  
3 Building Construction contracts let on February 7 and 8 of  
4 2012. We present 34 contracts today. The average number  
5 of bidders was 5.53; the low bid value was \$23,361,824.91;  
6 we had an overall underrun of 2.38 percent.

7           Staff recommends award of all the maintenance  
8 projects with the exception of the following: Pecos  
9 County project number PBM623619001. The project received  
10 five bids. The low bidder was 49.64 percent, or  
11 \$250,500.21 over the engineer's estimate. The project is  
12 for removal and replacement of bridge-class culverts.  
13 After reviewing the bids, it's apparent that the unit  
14 price on the smaller quantities was greatly underestimated  
15 which resulted in an overrun to the project. We believe  
16 it's in the best interest of the department to redesign  
17 and re-let the project at a later date, therefore, we  
18 recommend rejection of this particular one.

19           MR. HOUGHTON: Questions? Motion?

20           MR. AUSTIN: So moved.

21           MR. MEADOWS: Second.

22           MR. HOUGHTON: All in favor?

23           (A chorus of ayes.)

24           MR. WILSON: Darren, please proceed with item  
25 14b.

1 MR. HAZLETT: Item 14b is for the consideration  
2 of the award or rejection of Highway and Transportation  
3 Enhancement Building Construction contracts let on  
4 February 7 and 8 of 2012. We present 60 projects today.  
5 The average number of bidders was 4.83; the low bid value  
6 was \$155,629,094.54; the awards were split as \$406,328.75  
7 one project in mobility, and \$155,222,785.79, 59 projects  
8 in preservation; we had an overall underrun of 9.06  
9 percent.

10 Staff recommends award of all projects with the  
11 exception of the following: Ochletree County project  
12 number STP2011(262)TE. The project received ten bids.  
13 The low bidder was 28.01 percent, or \$294,910.20 over the  
14 engineer's estimate. This is an enhancement project  
15 involving third-party funding provided by the City of  
16 Perryton.

17 We have communicated with the City of Perryton  
18 to get a determination as to whether they wish to proceed  
19 by funding the overage and awarding the contract. The  
20 city has indicated that this decision requires them to  
21 meet. Their next meeting date is scheduled after our  
22 commission meeting. Therefore, we recommend that the  
23 decision to award or reject this project be deferred to a  
24 later date.

25 MR. HOUGHTON: Questions? Is there a motion?

1 MR. AUSTIN: So moved.

2 MR. MEADOWS: Second.

3 MR. HOUGHTON: All in favor?

4 (A chorus of ayes.)

5 MR. WILSON: Thanks, Darren.

6 That brings us to item 15, Eminent Domain  
7 Proceedings. John Campbell, director of the Right of Way  
8 Division, will present this minute order.

9 MR. CAMPBELL: Good morning. For the record,  
10 my name is John Campbell, director of the Right of Way  
11 Division.

12 I'd like to present for your consideration this  
13 morning item 15 which authorizes filing of condemnation  
14 proceedings necessary to progress the acquisition of three  
15 noncontrolled and twelve controlled access parcels by  
16 exercise of the power of eminent domain, for a total of 15  
17 parcels this month.

18 Staff recommends your approval.

19 MR. AUSTIN: I move that the Texas  
20 Transportation Commission authorize the Texas Department  
21 of Transportation to use the power of eminent domain to  
22 acquire the properties described in the minute order set  
23 forth in the agenda for the current month for  
24 construction, reconstruction, maintenance, widening,  
25 straightening or extending the highway facilities listed

1 in the minute order as a part of the state highway system,  
2 and that the first record vote applies to all units of  
3 property to be condemned.

4 MR. MEADOWS: Second.

5 MR. HOUGHTON: All in favor?

6 (A chorus of ayes.)

7 MR. WILSON: Item 16 contains the routine  
8 minute orders, including donations, right of way  
9 dispositions and donations, highway designations, release  
10 of access rights, finance reports, and the establishment  
11 of speed zones.

12 Department staff recommends the adoption of all  
13 of these items and we'll be happy to explain any of these  
14 individual items as needed.

15 MR. HOUGHTON: Motion?

16 MR. AUSTIN: So moved.

17 MR. MEADOWS: Second.

18 MR. HOUGHTON: All in favor?

19 (A chorus of ayes.)

20 MR. HOUGHTON: We have a little bit of  
21 housekeeping. I did not read into the record those who  
22 did not want to publicly comment but on the card regarding  
23 item number 3 which was the Rider 42, we had: Glenn  
24 Gadbois, the executive director of the Downtown Austin  
25 Transportation Management Association; John Langmore; and

1 we had Tom Griebel from Pape-Dawson Engineers; Robert  
2 Spillar, City of Austin; Maureen McCoy, a director of  
3 CAMPO; Gary Schatz, City of Austin; Don Dixon from San  
4 Antonio. And those are in the record for item 3.

5 Are there any other people that would like to  
6 speak in open session?

7 MR. WILSON: No.

8 MR. HOUGHTON: Seeing none, any other items  
9 before the commission?

10 MR. AUSTIN: Mr. Chairman, I am so proud to  
11 carry this big book back with me.

12 (General laughter.)

13 MR. HOUGHTON: I hope it doesn't cause you a  
14 hernia, I really do, the amount of paper in there,  
15 unbelievable.

16 If there's no items to come before the  
17 commission, is there a motion to adjourn?

18 MR. AUSTIN: So moved.

19 MR. MEADOWS: Second.

20 MR. HOUGHTON: All in favor?

21 MR. HOUGHTON: We are so adjourned at 10:49  
22 a.m.

23 (Whereupon, at 10:49 a.m., the meeting was  
24 concluded.)

25

