

These are the minutes of the special meeting of the Texas Transportation Commission, which was held on February 24, 2010, in Austin, Texas. The meeting opened at 1:07 p.m. with the following members present:

**Commission Members:**

Deirdre Delisi	Chair
Ted Houghton	Commissioner
Ned Holmes	Commissioner
Fred Underwood	Commissioner
William Meadows	Commissioner

**Administrative Staff:**

Amadeo Saenz, Jr., Executive Director  
 Bob Jackson, General Counsel  
 Roger Polson, Executive Assistant to the Deputy Executive Director  
 Dee Hernandez, Chief Minute Clerk

A public notice of this workshop containing all items on the proposed agenda was filed in the office of the Secretary of State at 3:58 p.m. on February 16, 2010, as required by Chapter 551, of the Government Code, referred to as “The Open Meetings Act.”

**ITEM 1. SH 161, SOUTHWEST PARKWAY/CHISHOLM TRAIL TOLL PROJECTS**

**a. Dallas, Johnson and Tarrant Counties – Consider the final approval of a request for financing from the North Texas Tollway Authority (NTTA) to pay for eligible costs associated with the development, design, construction, operation, and maintenance of the SH 161 toll project from SH 183 south to I-20, and authorize the executive director to enter into a financial assistance agreement for the SH 161 toll project (MO)**

Commissioner Holmes made a motion, seconded by Commissioner Underwood and the commission approved the following minute order presented by Chief Financial Officer James Bass:

112141  
AEO

The Texas Department of Transportation (department) and the North Texas Tollway Authority (NTTA) have been proceeding with the development of a toll project that will extend SH 161 from SH 183 south to I-20 through the cities of Irving and Grand Prairie (SH 161 Project), and with the development of the SH 121 toll project from the Fort Worth Central Business District at I-30 to US 67 in Johnson County (Southwest

Parkway/Chisholm Trail Project). The SH 161 Project is located within the boundaries of the NTTA, and the SH 161 Project is subject to the market valuation provisions set forth in Transportation Code, §228.0111.

The department and the NTTA have been working together to identify an approach to provide for the funding and development of the SH 161 Project and other transportation improvements within the boundaries of the NTTA and adjacent counties.

The department and the NTTA entered into an Agreement Regarding a Negotiated Value for SH 161 dated April 19, 2008 (Negotiated Value Agreement), pursuant to which the NTTA and the department waived the requirement under Transportation Code, §228.0111 to develop a market valuation for the SH 161 Project and agreed to a negotiated value of \$1.068 billion for the SH 161 Project, with a \$458 million upfront payment (acquisition payment).

Transportation Code, §228.0111(g) grants the NTTA the first option to develop, finance, construct and operate the SH 161 Project, and gives the NTTA six months after the date the negotiated value for the SH 161 Project was mutually approved to decide whether to exercise that option.

The department and the NTTA have negotiated a term sheet for providing financial assistance to the NTTA for the SH 161 Project, for the NTTA delivery of the SH 161 Project, and for the disposition of the Southwest Parkway/Chisholm Trail Project (Term Sheet) by which the department and the NTTA outlined a transaction to, among other things, strengthen the ability of the NTTA to undertake additional projects if the NTTA elects to undertake the SH 161 Project.

Under the Term Sheet, the NTTA would be obligated to design, construct, operate, maintain and finance development of the SH 161 Project in accordance with the Negotiated Value Agreement, except as modified by the Term Sheet (and, pursuant to the Term Sheet, as modified by the project agreement).

The Term Sheet also provides for the NTTA's development of the Southwest Parkway/Chisholm Trail Project as a single project, subject to the NTTA establishing its feasibility and to potential phasing of development. To support the delivery of the Southwest Parkway/Chisholm Trail Project, the department and the NTTA would waive the requirement to develop a market valuation for the southern section of the Southwest Parkway/Chisholm Trail Project (the northern section is exempt from the market valuation requirement), and will cooperatively develop and evaluate strategies to support and accelerate the financial feasibility of the combined project.

On October 15, 2008, the NTTA's Board of Directors (1) accepted the Term Sheet without qualification or condition, (2) elected to exercise the NTTA's option to develop, finance, construct, and operate the SH 161 Project pursuant to the Negotiated Value Agreement, as modified by the Term Sheet, and (3) authorized the executive director of the NTTA to negotiate with the department the project agreement for the SH 161 Project. The department and the NTTA have entered into the project agreement for the SH 161 Project, effective July 30, 2009.

Transportation Code, §366.301 authorizes the department to provide for or contribute to the payment of costs of financial or engineering and traffic feasibility studies and the design, financing, acquisition, construction, operation, or maintenance of a turnpike project or system by the NTTA on terms agreed to by the department and the NTTA. Transportation Code, §222.103 authorizes the department to participate, by spending money from any available source, in the acquisition, construction, maintenance, or operation of a toll facility of a public or private entity on terms and conditions established by the Texas Transportation Commission (commission).

Pursuant to Transportation Code, §222.103, the commission adopted Title 43, Texas Administrative Code, §27.50-27.58 to prescribe conditions for the commission's financing of a toll facility of a public or private entity (toll equity rules).

In Minute Order 111557, dated October 30, 2008, the commission approved the Term Sheet and, pursuant to the Term Sheet and the requirements of Transportation Code, §222.103 and Title 43, Texas Administrative Code, §27.50-27.58, granted preliminary approval of a toll equity loan in an aggregate amount in nominal dollars not to exceed the facility costs associated with the SH 161 Project over 52 years, under mutually approved projections set forth in the official statement and including a commercially reasonable contingency for design and construction cost overruns, eligible to be paid from the state highway fund under applicable law, and which may only include costs for (1) design and construction, (2) operations and maintenance, (3) major maintenance, (4) capital expenditures, and (5) the acquisition payment.

Subsequent to the adoption of Minute Order 111557, the commission directed department staff to work cooperatively with the staffs of the NTTA and the North Central Texas Council of Governments (NCTCOG) to develop possible alternatives for developing and implementing both the SH 161 Project and the Southwest Parkway/Chisholm Trail Project. The commission and the department support the development of both projects by the NTTA through the use of appropriate funding mechanisms.

In Minute Order 112114, dated January 28, 2010, the commission authorized the executive director of the department to proceed with negotiations with the NTTA and the Regional Transportation Council of the NCTCOG for (1) the development and implementation by the NTTA of the SH 161 Project and the Southwest Parkway/Chisholm Trail Project in a manner that minimizes the risk to the State Highway Fund and (2) financial assistance to the NTTA for the SH 161 Project and the Southwest Parkway/Chisholm Trail Project, subject to the NTTA's compliance with all of the prerequisites for developing those projects and obtaining such financial assistance, including the submittal of one or more requests for financing to the department and required commission approvals.

Minute Order 112114 further provides that, subject to satisfactory completion of negotiations and other prerequisites, the department is authorized and directed to present, for the commission's consideration, minute orders providing for the NTTA's development and implementation of the SH 161 Project and the Southwest Parkway/Chisholm Trail Project, and for providing financial assistance to the NTTA for those projects consistent with the provisions of that order.

In accordance with Section 27.54 of the toll equity rules, negotiations have been completed and the form of the agreed Toll Equity Loan Agreement relating to the SH 161 Project is attached as Exhibit A to this order. The Toll Equity Loan Agreement provides for the establishment of a toll equity loan commitment upon fulfillment of the applicable conditions precedent set forth in the agreement, in a maximum aggregate amount not to exceed \$4,093,677,822.

The department previously conducted environmental studies and analyses of the SH 161 Project, and has secured environmental clearance in the form of a Re-evaluation of the Supplemental Final Environmental Impact Statement for SH 161, which was approved by the Federal Highway Administration on February 29, 2008.

Development of the SH 161 Project is a crucial element in responding to considerable population increases and associated development that has resulted in traffic increases that have created significant congestion in the SH 161 area and across the region. The SH 161 Project is designed to improve the transportation network and level of service in the SH 161 area and region, particularly by serving as a reliever route to SH 360.

The financial assistance for the SH 161 Project is critical to the NTTA's overall plan of finance. The successful funding of the SH 161 Project will benefit the state and the traveling public and improve the efficiency of the state's transportation system by providing for the timely completion of the SH 161 Project, which will enhance mobility and operational efficiency, decrease congestion, increase safety, increase economic development opportunities, decrease travel time, decrease air pollution, and enhance quality of life in the SH 161 corridor. Without the department's assistance, the timeline to complete the SH 161 Project and realize those benefits could be delayed.

The financial assistance for the SH 161 Project should lower the NTTA's capital costs, which will reduce the amount of equity from the NTTA System that will be necessary to complete the SH 161 Project. This will allow the NTTA to use that equity for other toll projects within its region, such as the Southwest Parkway/Chisholm Trail Project.

The SH 161 Project will expand the availability of funding for transportation projects or reduce direct state costs through the NTTA's issuance of bonds to finance project costs, and the potential payment of certain project expenses by the NTTA System's Capital Improvement Fund. The SH 161 Project and the NTTA are anticipated to have sufficient revenues to assure repayment of any loan from the department.

The SH 161 Project is consistent with the approved Statewide Transportation Plan, the Statewide Transportation Improvement Program, and the approved plan of the NCTCOG, the metropolitan planning organization for the Dallas-Fort Worth region, and will be consistent with the transportation improvement program of the NCTCOG and with the State Implementation Plan.

Based on the above information, the commission has determined that providing financial assistance will prudently provide for the protection of public funds, and the project will provide for all reasonable and feasible measures to avoid, minimize, or mitigate adverse environmental impacts.

NOW, THEREFORE, IT IS DETERMINED that the request for financial assistance submitted by the North Texas Tollway Authority meets the requirements of 43 TAC §27.53 and §27.54 and, in accordance with those provisions, the commission grants final approval of financial assistance for the SH 161 Project in an aggregate amount in nominal dollars not to exceed \$4,093,677,822, and authorizes the executive director of the department to enter into the Toll Equity Loan Agreement relating to the SH 161 Project with the North Texas Tollway Authority, the form of which is attached as Exhibit A to this order, with such changes as the executive director may approve.

IT IS FURTHER ORDERED that the department is authorized and directed to present, for the commission's consideration, minute orders providing for an amendment and supplement to the Toll Equity Loan Agreement to increase the amount of the toll equity loan commitment to include eligible facility costs associated with the Southwest Parkway/Chisholm Trail Project. Such increase may only be for the Southwest Parkway/Chisholm Trail Project, and shall be in accordance with the terms of the minute orders providing for the commission's approval, and as provided in the Toll Equity Loan Agreement and in a supplement to the Toll Equity Loan Agreement or in an amended and restated Toll Equity Loan Agreement, in a form and with such terms and provisions as agreed to by the department and the NTTA.

Note: The commission received comments from Representative Rob Orr; and Johnson County Judge Roger Harmon, and Fort Worth Council Member Jungus Jordan.

**ITEM 2.**

**b. Dallas, Johnson and Tarrant Counties** – Consider the preliminary approval of a request for financing from the North Texas Tollway Authority (NTTA) to pay for eligible costs associated with the development, design, construction, operation, and maintenance of the SH 121 toll project from the Fort Worth Central Business District at I-30 south to US 67 in Cleburne (Southwest Parkway/Chisholm Trail), subject to NTTA establishing the project's feasibility, and authorize the executive director to enter into related agreements (MO)

Commissioner Meadows made a motion, seconded by Commissioner Houghton and the commission approved the following minute order presented by Chief Financial Officer James Bass:

112142  
AEO

The Texas Department of Transportation (department) and the North Texas Tollway Authority (NTTA) have been proceeding with the development of a toll project that will extend SH 161 from SH 183 south to I-20 through the cities of Irving and Grand Prairie (SH 161 Project), and with the development of the SH 121 toll project from the Fort Worth Central Business District at I-30 to US 67 in Johnson County (Southwest Parkway/Chisholm Trail Project).

A portion of the Southwest Parkway/Chisholm Trail Project is located within the boundaries of the NTTA, and the southern section of the Southwest Parkway/Chisholm Trail Project is subject to the market valuation provisions set forth in Transportation Code, §228.0111 (the northern section is exempt from the market valuation requirement). The NTTA is authorized to construct, operate, maintain, expand, or extend the portion of the Southwest Parkway/Chisholm Trail Project extending into Johnson County as it would be a continuation of the NTTA's turnpike project extending from an adjacent county that is part of the NTTA.

The department and the NTTA have been working together to identify an approach to provide for the funding and development of the Southwest Parkway/Chisholm Trail Project and other transportation improvements within the boundaries of the NTTA and adjacent counties. Transportation Code, §228.0111 grants the NTTA the first option to develop, finance, construct and operate the Southwest Parkway/Chisholm Trail Project.

The department and the NTTA have negotiated a term sheet for providing financial assistance to the NTTA for the SH 161 Project, for the NTTA delivery of the SH 161 Project, and for the disposition of the Southwest Parkway/Chisholm Trail Project (Term Sheet) by which the department and the NTTA outlined a transaction to, among other things, strengthen the ability of the NTTA to undertake additional projects if the NTTA elects to undertake the SH 161 Project.

The Term Sheet provides for the NTTA's development of the Southwest Parkway/Chisholm Trail Project as a single project, subject to the NTTA establishing its feasibility and to potential phasing of development. To support the delivery of the Southwest Parkway/Chisholm Trail Project, the department and the NTTA would waive the requirement to develop a market valuation for the southern section of the Southwest Parkway/Chisholm Trail Project, and will cooperatively develop and evaluate strategies to support and accelerate the financial feasibility of the combined project.

On October 15, 2008, the NTTA's Board of Directors (1) accepted the Term Sheet without qualification or condition, (2) elected to exercise the NTTA's option to develop, finance, construct, and operate the SH 161 Project pursuant to the Negotiated Value Agreement, as modified by the Term Sheet, and (3) authorized the executive director of the NTTA to negotiate with the department the project agreement for the SH 161 Project. The department and the NTTA have entered into the project agreement for the SH 161 Project, effective July 30, 2009.

Transportation Code, §366.301 authorizes the department to provide for or contribute to the payment of costs of financial or engineering and traffic feasibility studies and the design, financing, acquisition, construction, operation, or maintenance of a turnpike project or system by the NTTA on terms agreed to by the department and the NTTA. Transportation Code, §222.103 authorizes the department to participate, by spending money from any available source, in the acquisition, construction, maintenance, or operation of a toll facility of a public or private entity on terms and conditions established by the Texas Transportation Commission (commission).

Pursuant to Transportation Code, §222.103, the commission adopted Title 43, Texas Administrative Code, §27.50-27.58 to prescribe conditions for the commission's financing of a toll facility of a public or private entity (toll equity rules).

The commission previously directed department staff to work cooperatively with the staffs of the NTTA and the North Central Texas Council of Governments (NCTCOG) to develop possible alternatives for developing and implementing both the SH 161 Project and the Southwest Parkway/Chisholm Trail Project. The commission and the department support the development of both projects by the NTTA through the use of appropriate funding mechanisms.

The department, the NTTA, and the Regional Transportation Council (RTC) of the NCTCOG have cooperatively engaged in efforts to determine capital cost savings needed to make the Southwest Parkway/Chisholm Trail Project financially feasible. This includes the deferral of some of the direct connect bridges in Section 3B of the project and a reduction in the number of lanes to be constructed in Sections 5 and 6 of the project. This corridor configuration, which balances needed cost reductions with corridor functionality and mobility, has been titled Scenario 1C. The remaining direct connect bridges and additional lanes would be constructed when travel demand warrants.

In Minute Order 112114, dated January 28, 2010, the commission authorized the executive director of the department to proceed with negotiations with the NTTA and the RTC for (1) the development and implementation by the NTTA of the SH 161 Project and the Southwest Parkway/Chisholm Trail Project in a manner that minimizes the risk to the State Highway Fund and (2) financial assistance to the NTTA for the SH 161 Project and the Southwest Parkway/Chisholm Trail Project, subject to the NTTA's compliance with all of the prerequisites for developing those projects and obtaining such financial assistance, including the submittal of one or more requests for financing to the department and required commission approvals.

Minute Order 112114 further provides that, subject to satisfactory completion of negotiations and other prerequisites, the department is authorized and directed to present, for the commission's consideration, minute orders providing for the NTTA's development and implementation of the SH 161 Project and the Southwest Parkway/Chisholm Trail Project, and for providing financial assistance to the NTTA for those projects consistent with the provisions of that order. Under Minute Order 112114, those minute orders may provide for the preliminary and/or final approval of a toll equity loan for the SH 161 Project and/or the Southwest Parkway/Chisholm Trail Project, but only for both projects if both projects are structured as a single system.

In accordance with 43 TAC §27.53, the NTTA has submitted a request for financial assistance in an aggregate amount in nominal dollars no greater than the facility costs associated with the Southwest Parkway/Chisholm Trail Project, under mutually approved projections and including a commercially reasonable contingency for design and construction cost overruns, eligible to be paid from the state highway fund under applicable law, and which may only include costs for (1) design and construction, (2) operations and maintenance, and (3) major maintenance. The request also includes \$91 million in Proposition 14 bond proceeds that have been identified for the Southwest Parkway/Chisholm Trail Project. Based on estimates of facility costs, the maximum amount of the loan could be up to approximately \$2,366,561,333.

Information and data required by Section 27.53(b) is contained in the request for financial assistance. Supplemental information and data required by Section 27.53(c) is contained in the request for financial assistance or has already been provided to the department.

Section 27.53(d) authorizes the executive director of the department to waive submission of individual items of information or data required by Section 27.53(c) if: (1) the information or data required by this section is not relevant to the project or the financial assistance requested; or (2) the department already possesses information or data in a format that may be substituted for the required information or data.

The department and the NTTA have negotiated an Agreement to Enter into Supplement to Toll Equity Loan Agreement (Agreement), the form of which is attached as Exhibit A to this order. The Agreement provides for the agreement of the department and the NTTA to enter into a supplement to the toll equity loan agreement for the SH 161 Project upon the fulfillment of the conditions precedent set forth in the Agreement, including environmental clearance of the Southwest Parkway/Chisholm Trail Project and the commission's adoption of a minute order approving the execution of the supplement and an increase in the toll equity loan commitment set forth therein. The supplement would amend the toll equity loan agreement to increase the amount of the toll equity loan commitment for the SH 161 Project to provide financial assistance for Scenario 1C of the Southwest Parkway/Chisholm Trail Project. The effect of the supplement is to provide a toll equity loan commitment for a single project comprised of SH 161 and the Scenario 1C configuration of Southwest Parkway/Chisholm Trail.

The department previously conducted environmental studies and analyses of the Southwest Parkway/Chisholm Trail Project, and has secured environmental clearance in the form of a Re-evaluation of the Final Environmental Impact Statement for the portion of the project from I-30 to FM 1171 in Fort Worth, which was approved by the Federal Highway Administration on June 3, 2009. A Finding of No Significant Impact for the section of the project from FM 1171 to US 67 is currently being reevaluated. Information and data relating to any known environmental, social, economic, or cultural resource issue is contained in the environmental documents prepared by the department.

The timely extension of SH 121 south and west from I-30 in Fort Worth to US 67 in Cleburne is a crucial element in the development of the cities of Fort Worth and Cleburne, Johnson and Tarrant counties, and the surrounding region. Development of the Southwest Parkway/Chisholm Trail Project will benefit the region by reducing congestion and improving air quality in those areas.

The financial assistance for the Southwest Parkway/Chisholm Trail Project is critical to the NTTA's overall plan of finance. The successful funding of the Southwest Parkway/Chisholm Trail Project will benefit the state and the traveling public and improve the efficiency of the state's transportation system by providing for the timely completion of the Southwest Parkway/Chisholm Trail Project, which will enhance mobility and operational efficiency, decrease congestion, increase safety, increase economic development opportunities, decrease travel time, decrease air pollution, and enhance quality of life in the SH 121 corridor. Without the department's assistance, the timeline to complete the Southwest Parkway/Chisholm Trail Project and realize those benefits could be delayed.

The financial assistance for the Southwest Parkway/Chisholm Trail Project should lower the NTTA's capital costs, which will reduce the amount of equity from the NTTA System that will be necessary to complete the Southwest Parkway/Chisholm Trail Project. This will allow the NTTA to use that equity to finance both the Southwest Parkway/Chisholm Trail Project and the SH 161 Project. The Southwest Parkway/Chisholm Trail Project will expand the availability of funding for transportation projects or reduce direct state costs through the NTTA's issuance of bonds to finance project costs, and the potential payment of certain project expenses by the NTTA System's Capital Improvement Fund. The Southwest Parkway/Chisholm Trail Project, the NTTA, and the combined project comprised of SH 161 and Southwest Parkway/Chisholm Trail are likely to have sufficient revenues to assure repayment of any loan from the department.

The Southwest Parkway/Chisholm Trail Project is consistent with the approved Statewide Transportation Plan, the Statewide Transportation Improvement Program, and the approved plan of the North Central Texas Council of Governments (NCTCOG), the metropolitan planning organization for the Dallas-Fort Worth region, and will be consistent with the transportation improvement program of the NCTCOG and with the State Implementation Plan.

NOW, THEREFORE, IT IS DETERMINED that the request for financial assistance submitted by the North Texas Tollway Authority meets the requirements of 43 TAC §27.53 and §27.54(a) and, in accordance with those provisions, the commission grants preliminary approval of financial assistance comprised of (a) \$91 million in Proposition 14 bond proceeds that have been identified for the Southwest Parkway/Chisholm Trail Project and (b) an aggregate amount in nominal dollars no greater than the facility costs associated with Scenario 1C of the Southwest Parkway/Chisholm Trail Project, under mutually approved projections and including a commercially reasonable contingency for design and construction cost overruns, eligible to be paid from the state highway fund under applicable law, and which may only include costs for (1) design and construction, (2) operations and maintenance, and (3) major maintenance. The executive director is directed to implement the actions authorized and required by 43 TAC §27.54.

IT IS FURTHER ORDERED that the executive director of the department is authorized to enter into the Agreement to Enter into Supplement to Toll Equity Loan Agreement (Agreement), the form of which is attached as Exhibit A to this order, with such changes as the executive director may approve.

Note: Exhibit A on file with minute order clerk.

**ITEM 3.**

**c. Johnson and Tarrant Counties – Authorize the North Texas Tollway Authority to make improvements to the state highway system in connection with the SH 121 toll project, extending from the Fort Worth Central Business District at I-30 south to US 67 in Cleburne (Southwest Parkway/Chisholm Trail) (MO)**

Commissioner Houghton made a motion, seconded by Commissioner Holmes and the commission approved the following minute order presented by Assistant Executive Director for Engineering Operations John Barton:

112143  
AEO

The Texas Department of Transportation (department) and the North Texas Tollway Authority (NTTA) have been proceeding with the development of the SH 121 toll project from the Fort Worth Central Business District at I-30 to US 67 in Johnson County (Southwest Parkway/Chisholm Trail Project).

A portion of the Southwest Parkway/Chisholm Trail Project is located within the boundaries of the NTTA, and the southern section of the Southwest Parkway/Chisholm Trail Project is subject to the market valuation provisions set forth in Transportation Code, §228.0111. The NTTA is authorized to construct, operate, maintain, expand, or extend the portion of the Southwest Parkway/Chisholm Trail Project extending into Johnson County as it would be a continuation of the NTTA's turnpike project extending from an adjacent county that is part of the NTTA.

The department, the NTTA, and the Regional Transportation Council (RTC) of the North Central Texas Council of Governments (NCTCOG), the metropolitan planning organization designated for the Dallas-Fort Worth metropolitan area, have been working closely together to identify an approach to provide for the funding and development of the Southwest Parkway/Chisholm Trail Project and other transportation improvements within the boundaries of the NTTA.

Transportation Code, §§228.002-228.003 authorize the department to enter into an agreement with a regional tollway authority, including the NTTA, that permits the regional tollway authority to design, develop, finance, construct, maintain, repair, or operate a toll project on the state highway system.

In Minute Order 111557, dated October 30, 2008, the Texas Transportation Commission (commission) approved a term sheet for providing financial assistance to the NTTA for the SH 161 Project, for the NTTA delivery of the SH 161 Project, and for the disposition of the Southwest Parkway/Chisholm Trail Project (Term Sheet) by which the department and the NTTA outlined a transaction to, among other things, strengthen the ability of the NTTA to undertake additional projects if the NTTA elects to undertake the SH 161 Project.

The Term Sheet also provides for the NTTA's development of the Southwest Parkway/Chisholm Trail Project as a single project, subject to the NTTA establishing its feasibility and to potential phasing of development. To support the delivery of the Southwest Parkway/Chisholm Trail Project, the department and the NTTA would waive the requirement to develop a market valuation for the southern section of the Southwest Parkway/Chisholm Trail Project, and will cooperatively develop and evaluate strategies to support and accelerate the financial feasibility of the combined project.

Subsequent to the adoption of Minute Order 111557, the commission directed department staff to work cooperatively with the NTTA and NCTCOG staffs to develop possible alternatives for developing and implementing both the SH 161 Project and the Southwest Parkway/Chisholm Trail Project. The commission and the department support the development of both projects by the NTTA through the use of appropriate funding mechanisms.

In Minute Order 112114, dated January 28, 2010, the commission authorized the executive director of the department to proceed with negotiations with the NTTA and the RTC for (1) the development and implementation by the NTTA of the SH 161 Project and the Southwest Parkway/Chisholm Trail Project in a manner that minimizes the risk to the State Highway Fund and (2) financial assistance to the NTTA for the SH 161 Project and the Southwest Parkway/Chisholm Trail Project, subject to the NTTA's compliance with all of the prerequisites for developing those projects and obtaining such financial assistance, including the submittal of one or more requests for financing to the department and required commission approvals.

Minute Order 112114 further provides that, subject to satisfactory completion of negotiations and other prerequisites, the department is authorized and directed to present, for the commission's consideration, minute orders providing for the NTTA's development and implementation of the SH 161 Project and the Southwest Parkway/Chisholm Trail Project, and for providing financial assistance to the NTTA for those projects consistent with the provisions of that order.

Transportation Code, §201.113(a) authorizes the commission to enter into an agreement with a regional tollway authority under which the regional tollway authority makes improvements to the state highway system. The commission's rules at Title 43, Texas Administrative Code, §27.44 prescribe requirements for commission approval of a regional tollway authority's request to make improvements to the state highway system.

Pursuant to 43 TAC §27.44, the NTTA has submitted a request to the executive director to make improvements to the state highway system in connection with the delivery of the Southwest Parkway/Chisholm Trail Project. The particular improvements and the affected portions of the state highway system will be specified in the project agreement for the Southwest Parkway/Chisholm Trail Project. The NTTA has committed to comply with applicable federal, state, and department requirements in making such improvements.

The commission finds that the NTTA is fully capable of awarding and managing the construction contract for the improvement of the state highway system in a cost effective and timely manner, consistent with applicable federal and state laws and regulations, and finds that the NTTA's improvement of the state highway system will provide for the expeditious completion of a critically needed project within the SH 121 corridor that will relieve traffic congestion on the existing state highway system and improve mobility in Johnson and Tarrant Counties.

IT IS THEREFORE ORDERED by the commission that pursuant to Transportation Code, §201.113 and 43 TAC §27.44, the NTTA is authorized to construct improvements to the state highway system required as part of the Southwest Parkway/Chisholm Trail Project, and the executive director is authorized to enter into a project agreement with the NTTA for the Southwest Parkway/Chisholm Trail Project.

The meeting adjourned at 2:12 p.m.

APPROVED:

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Ted Houghton, Commissioner  
Texas Transportation Commission

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I hereby certify that the above and foregoing pages constitute the full, true and correct record of all proceedings and official records of the Texas Transportation Commission at its special meeting on February 24, 2010 in Austin, Texas.

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Dee Hernandez, Chief Minute Clerk  
Texas Department of Transportation