

TEXAS DEPARTMENT OF TRANSPORTATION

DALLAS DISTRICT OFFICE

SH 183 MANAGED LANES PROJECT

SB 1420 COMMITTEE MEETING

3:00 p.m.
Thursday,
February 14, 2013

North Central Texas Council of Governments
Transportation Council Room
616 Six Flags Drive
Arlington, Texas

COMMITTEE MEMBERS:

MICHAEL MORRIS, Chair
ALBERTA BLAIR
RICK GALCERAN
BILL HALE
RAMIRO LOPEZ
GARY McKAMIE
ELIZABETH MOW

TxDOT STAFF:

BRIAN BARTH
JOHN HUDSPETH
KATIE NESS
DAN PEDEN
ED PENSOCK
RANDY REDMOND
RUSSELL ZAPALAC

NTCOG STAFF:

CHAD EDWARDS
JEFF NEAL

COPY

AGENDA OF COMMITTEE

<u>ITEM</u>	<u>PAGE</u>
1. Welcome	3
2. Introductions	4
3. Meeting Protocol and Purpose of Committee	6
4. Review of prior SB 1420 Commission discussions	14
5. Presentation by the Texas Department of Transportation on the requirements of Transportation Code, Section 228.013, and Title 43, Texas Administrative Code, Sections 27.90-27.92	
6. Election of Committee Chair and Vice Chair	12
7. Discussion and possible action on the issuance of the Report of Determinations made by the Committee to the Executive Director of TxDOT regarding the SH 183 Managed Lanes Project in Dallas and Tarrant County	46
8. Adjourn	71

P R O C E E D I N G S

MR. MORRIS: If you are here for the Regional Transportation Council meeting, we thank you very much for your attendance. A car will be auctioned off in the parking lot, shortly. Hurry up and get your tickets for it.

Those of you behind me, I strongly encourage you to take seats on the rows and the seats with the tables. There is plenty of seats down there. We have got all of the seats where our staff sits for the RTC. We have plenty of seats in this side.

Okay. If you are here and you haven't signed in to the meeting, for today, could you raise your hand and we'll -- who is at the sign in table sheet from TxDOT? Could you bring that sign in sheet? Mr. Hale, your seat is right here. And she will bring you that sign in sheet.

MR. HALE: Thank you.

(Simultaneous discussion.)

MR. MORRIS: Are we ready? For the record, my name is Michael Morris. I am the Director of Transportation here at the North Central Texas Council of Governments.

Thank you very much for coming today. We are in a hair of an awkward situation in that last month, we were officially a certain size committee, and we have new

1 folks joining us.

2 And I was the chair of that particular
3 committee, so technically we don't have a chair. But if
4 you are here in the Regional Transportation Council, let
5 me at least get us to the point where we elect a chair, so
6 we can enter into our meeting, so thank you very much for
7 everybody coming.

8 Introductions. Who is -- we have invited our
9 friends in Tarrant County to join us. I believe I was
10 reupped earlier today. I had our legal staff give to your
11 legal staff the resolution that approved me.

12 Alberta, you were --

13 MS. BLAIR: We submitted --

14 MR. MORRIS: Resubmitted. Mr. Hale I think is
15 in. Elizabeth -- I was at the meeting that Elizabeth was
16 reupped by Tollway Authority. The same thing yesterday
17 with the City. And Ramiro is on his way?

18 MS. BLAIR: Yes. He is, and we submitted.

19 MR. MORRIS: And he has been reupped?

20 MS. BLAIR: Yes, sir.

21 MR. McKAMIE: I haven't been shown the
22 handshake or anything.

23 VOICE: You're welcome, Brother.

24 MR. MORRIS: Please deposit whatever payment
25 that comes with that to the appropriate TxDOT source.

1 Thank you very much for taking the time to be with us.
2 Did anyone else join us from our friends NCOG and the NPO
3 and in Tarrant County?

4 MR. REDMOND: No, sir. Tarrant County and the
5 City of Bedford and the City of Fort Worth support the
6 project, but they chose not to participate with this
7 group. They're looking forward to participating with
8 stakeholder groups.

9 MR. MORRIS: Great. Very good. Any other
10 introductions? We don't need to reintroduce all your
11 great hardworking TxDOT team and consultants. I know you
12 have a new -- a relatively new employee that you may want
13 to introduce that we know in our region.

14 MR. REDMOND: Yes. We would like to introduce
15 our new Deputy Director of the Strategic Project Division,
16 Katie Ness, who we are fortunate to have join our team.
17 Also with us is Russell Zapalac, Chief Planning and
18 Projects Officer; and Ed Pensock, our Director of
19 Strategic Projects.

20 I am Randy Redmond, the Director of our
21 Strategic Project Office here in DFW.

22 MR. MORRIS: Randy, thank you very much.
23 Welcome back, Ms. Nees, to the region and to the strong
24 work of the public sector side. Welcome back to the good
25 side of -- let the record show Elizabeth didn't laugh at

1 that joke, because she has a lot of private-sector
2 partners.

3 Anything else on introductions? Does any
4 member wish to recognize --

5 Mr. McKamie, anyone else you want to recognize
6 that is here, or anyone else?

7 (No response.)

8 MR. MORRIS: All right. I think what we need
9 to do is to give us an overview of -- in Item 3 of really
10 what we are here to do and what we are trying to
11 accomplish. Some are at different places. Some have been
12 at all of the meetings; some are new today. So Item
13 number 3 is to get us up to speed.

14 I'm going to request Item number 6, election of
15 officers be moved up after this introduction so we all
16 know what the purpose is. So colleagues, prepare for Item
17 6 after this introduction. So Mr. Redmond, we turn it
18 over to you or one of your colleagues for Item 3.

19 MR. REDMOND: Thank you, Michael. And today's
20 presentation should be a whole lot less brief -- I mean,
21 more brief than what the last one was. We've consolidated
22 it some, because I know you all get tired of hearing the
23 same thing over and over.

24 But the purpose of the meeting, the protocol,
25 as Michael hit on, we need to elect a chair and vice

1 chair, which we will be asking the Committee to do. That
2 will still need approval. The chair and vice Chair will
3 have approve by the Commission, which we have on the
4 February Commission agenda, just to make everything
5 official.

6 The main purpose for the Committee is, for a
7 project with a private entity, has a financial interest in
8 the project's performance. The Committee will determine
9 three things: the distribution of the projects financial
10 risk, the method of financing for the project, and the
11 tolling structure and methodology.

12 We ask a lot more from the Committee, just for
13 input as stakeholders, or we have, through the durations
14 of various projects. But that is the main legislative
15 requirement for the Committee. Following that
16 determination, the Committee prepares a report that goes
17 to the Executive Director.

18 So today's goal is to talk about the
19 termination for the 183 Managed Lanes Project from 121 to
20 Interstate 35E and potentially some connecting facilities,
21 as we will illustrate, that include portions of State
22 Highway 114 and Loop 12.

23 With that, Michael, would you like to --

24 MR. MORRIS: Well, this is very good. If you
25 would put that page back on, if you don't mind, let's go

1 back over the purpose, so we cover this correctly for the
2 report to be sent to the Executive Director.

3 The tolling structure and methodology is de
4 facto already established, since the Regional
5 Transportation Council already has a policy that all
6 tolled Managed Lanes Projects will all operate the same
7 within the region. And just to reiterate, what that means
8 is that when we build frontage roads, those of course are
9 free; meaning they are gas tax supported; there is no
10 toll.

11 Where we have freeway lanes -- because have it
12 be Loop 12 or 114 or 183, we are adding additional
13 capacity and additional lanes to the general-purpose
14 lanes. So there will be no toll introduced on those. So
15 the tolling structure only applies to the express lanes;
16 the lanes generally in the middle or wherever they are,
17 that will be dynamically priced, meaning the price of
18 those lanes changes, given the congestion that is
19 occurring on the frontage roads and on the gas-tax lanes.
20 So this Committee simply de facto reaffirms the regional
21 position. That is already established.

22 MR. REDMOND: On tolling structure.

23 MR. MORRIS: On tolling structure, which would
24 be number three. I very much like the goals of today's
25 meeting, which is what is the project you want us to

1 recommend as part of this, so we very much understand that
2 responsibility.

3 Would you just review for us in easy-to-
4 understand language what is one and what is two? So when
5 we discuss one and two, we know if we are discussing one
6 or two when we are discussing them, for the benefit of
7 everyone that is here, because -- and I don't need a whole
8 bunch on all the different options, but basically remind
9 the Committee what one and two are, so we have a complete
10 report today on our action.

11 MR. REDMOND: And I will hit on that, and I
12 will ask --

13 MR. MORRIS: Randy, restate your name in that
14 response.

15 MR. REDMOND: For the record, my name is Randy
16 Redmond, Director of Strategic Projects in DFW. And I'll
17 hit on that, Michael. And thank you for the expansion of
18 the toll structure and methodology and the regional
19 policy. That was a good discussion.

20 And then I will head on to the distribution of
21 financial risk and the method of financing. And then I
22 will ask Mr. Pensock if he would like to expand on it.

23 In simple terms, in real simple terms, I like
24 to think about it whether the Committee supports us going
25 out to the private industry to look at some sort of

1 concession funding for the project. You could -- the
2 other option is using currently available funds that the
3 region might have available that they might wish to build
4 a different project or a different scope.

5 MR. MORRIS: So in number one, because we are
6 going to be borrowing the money against the revenue stream
7 that is being collected on those express lanes that I
8 talked about in number three, we can elect to either take
9 the risk ourselves, where we go pay those bonds off to
10 build a project, because we're comfortable and understand,
11 as Government, the revenue streams coming in on those
12 express lanes. And therefore, Government is taking the
13 financial risk.

14 Or in number one, we can elect as Government to
15 say, we would like to ask the State to develop some sort
16 of concession with a private-sector company for them to
17 build our frontage roads; have them build our gas tax
18 lanes; have them build our express lanes; have them take
19 the revenue or use the revenue that is collected on the
20 toll facilities, and that they take the financial risk
21 associated with it, which would be identical to how, if we
22 do transfer that risk -- this Committee does -- it would
23 be identical to how North Tarrant Express is currently
24 being funded to its west and LBJ is currently being funded
25 to its northeast.

1 MR. REDMOND: Yes, sir.

2 MR. MORRIS: Or we could do what the 1420
3 Committee did on 35E north of LBJ, and say we would like
4 to retain the risk, and ask the State to hire a company to
5 design and build that particular project. So we have
6 examples of different ways in the region to do such
7 things.

8 MR. REDMOND: Exactly.

9 MR. MORRIS: And then the method of financing
10 the project would be -- obviously if it's a design-build,
11 it therefore has a different financing method. Or if it's
12 a concession, it de facto has a different financing
13 method.

14 So I think for the benefit of the Committee,
15 what is the transportation project which is the goals of
16 today's meeting. And then do we wish to take -- we as
17 Government, which we all are -- do we wish to take the
18 financial risk, representing our governments here today.

19 So I would add under the goals, it is the
20 project and it's, do we take the risk or not. And if we
21 answer those two questions, we would be -- and we reaffirm
22 the already existing regional position. I just want to
23 make sure we would be answering, then, one, two and three
24 on this first page.

25 MR. REDMOND: Yes, sir.

1 MR. MORRIS: You don't need anything else from
2 the Committee?

3 MR. REDMOND: No, sir.

4 MALE VOICE: A chair and a vice Chair, and --

5 MR. MORRIS: Well, we are going to get to that.
6 Hopefully we have new news on some of them. So what is
7 the project, and do we wish to take the risk are the
8 important points our members and our audience need to
9 understand today. Okay?

10 MR. REDMOND: Yes, sir.

11 MR. MORRIS: Okay. I would like to move on to
12 Item 6 on the agenda. State law requires a chairperson
13 and a vice chairperson to be nominated from the group that
14 is recognized by TxDOT as official participants in the
15 study.

16 And that recommendation, Item 6, will go to the
17 Commission for approval. So I open it up to our members
18 what you would like to do?

19 MS. BLAIR: I take --

20 MR. MORRIS: We are not recognizing Alberta.
21 Is there anyone else who would like to --

22 MS. BLAIR: I take a motion to nominate Michael
23 Morris as our chair for this Committee.

24 MR. GALCERAN: Second.

25 MR. MORRIS: We have a motion by Alberta. We

1 have a second by Rick. We will take them one at a time.
2 You heard the motion. All of those in favor, indicate by
3 saying aye.

4 (Chorus of ayes.)

5 MR. MORRIS: All those opposed, the same sign.

6 (No response.)

7 MR. MORRIS: Okay. We have a chairperson. I
8 now need a vice chairperson to be recommended to the
9 Commission.

10 MR. LOPEZ: I make a motion that Alberta Blair
11 be the vice chair.

12 MR. MORRIS: Do we have any other -- I should
13 have asked that earlier. Do we have any other
14 nominations?

15 (No response.)

16 MR. MORRIS: Seeing none other, we have Alberta
17 being recommended as the vice chair of the Committee. All
18 of those --

19 MS. MOW: Second.

20 MR. MORRIS: Second. Thank you, Elizabeth.

21 We have a second. All of those in favor,
22 indicate by saying aye.

23 (Chorus of ayes.)

24 MR. MORRIS: All of those opposed, the same
25 sign.

1 (No response.)

2 MR. MORRIS: Okay. We have a chairperson and a
3 vice chairperson.

4 MS. BLAIR: I'm off the record. I can now get
5 your water for you.

6 MR. MORRIS: No, you don't get my water. I get
7 my own water. I now turn the agenda over to the vice
8 chairman.

9 (General laughter.)

10 MR. MORRIS: We now are on to Item 4. I remind
11 the Committee, what is the transportation project and
12 where do you wish to assign the risk?

13 Mr. Redmond, I think, are you going to walk us
14 through your latest thinking and where the Committee has
15 been in the past and questions asked over the last two or
16 three meetings, and try to bring us forward with regard to
17 these projects?

18 MR. REDMOND: I will. And I am going to be
19 real brief about the previous Committee and the previous
20 project, because we have a new project and a new
21 Committee.

22 But basically the previous project was, State
23 Highway 183 from 35 East to 161. A committee was formed.
24 The Committee met once and acted to move forward with a
25 concession-type procurement, or supporting TxDOT with the

1 movement forward of a concession-type procurement. TxDOT
2 moved forward with that. When qual statements were
3 submitted, we only had one interested proposer at the
4 time.

5 We came back to the Committee in the fall --
6 late fall and early winter, and the Committee had some
7 discussions, asked us to look at various options,
8 including expanding the scope of the project, which is
9 what brought us here today and what expanded the
10 Committee, and we appreciate all the members.

11 So where we are today is our expanded-scope
12 project. We took the 183 project as we had before and
13 looked at ways to attract more proposers and to also
14 maximize the leverage of public funds.

15 We believe that we heard from industry one way
16 to get more interest is look at expanding the scope of the
17 project, along with some other recommendations and
18 comments on how we might want to entertain getting
19 additional players to the table.

20 And we will get to the illustration of the
21 expanded-scope project, on the next slide, but right now,
22 I just want to talk about the action that the Commission
23 took in late January at their January Commission meeting.
24 They recognized this new expanded-scope project; the 183
25 segment of it, which included the traditional 183 in

1 Dallas County, from 35 to 161; also, the 2E segment of the
2 North Tarrant Express that ran from 121 in Tarrant County
3 to 161 and Dallas County.

4 The project recognition by the Commission also
5 included potential connecting facilities that might be
6 beneficial for connectivity or for financing of the
7 project.

8 So this slide illustrates what we have
9 discussed in various meetings: components of both 183,
10 114 and Loop 12 that the previous Committee asked us to
11 evaluate and study. You will see there on 114 that we
12 have two shades of yellow.

13 You will hear us talk about 114 Short, being a
14 component of the expanded-scope project. The darker
15 yellow highlighted section of 114 is a component that was
16 114 Long that we have looked at.

17 The financial viability of building the whole
18 114 or the complete segment of that wasn't as promising as
19 the short, but the reason we have this highlighted is we
20 don't want to take away opportunities that we may have to
21 make some operational improvements along the 114 Long in
22 conjunction with the remainder of the project.

23 MS. MOW: Can I ask some detailed questions
24 about the projects that were added, and the tie in,
25 specifically? Can someone speak to that for me,

1 specifically for 183 as it ties into 35E. And it's
2 interfaced with actually, 183. Is it 35E, or is the
3 Trinity Parkway.

4 What is the true tie-in of that end. And then
5 let's go up to the northwest. And if we are talking 114
6 Short, which I think we have been, does it -- do you tie
7 the managed lanes into the general purpose? Are you going
8 to be providing direct connectors access to the Bush? Do
9 we have any of that detail? I would like to know.

10 MR. MORRIS: Elizabeth, if we could, I think
11 those are two excellent questions. Could I just add in
12 front of it two of the easy questions to set up your
13 harder questions.

14 Let's start on the southwest corner. We are
15 advancing the North Tarrant Express project at 121, so we
16 are advancing whatever the North Tarrant Express was
17 before at that location, and we'll have a seamless
18 transition from the currently constructed project that's
19 going on right now at 121 and 183, and all remaining
20 portions of that interchange and everything to its east
21 will be integrated into the project, as currently
22 contemplated at that location.

23 MR. REDMOND: Yes.

24 MR. MORRIS: Okay. If we go to the north part,
25 which is why we are adding -- sorry -- the northeast part,

1 which is why we are adding the northeast part on Loop 12,
2 we have the LBJ project coming down with express lanes
3 along the Loop 12 corridor, and they're stopping and
4 transitioning there.

5 And then further south you have some portions
6 of the 114 project that was built to aid in the
7 construction of the light rail project. So we are picking
8 up along Loop 12 all of the official pieces of the
9 transportation plan to seamlessly integrate the LBJ
10 project into the 183 project.

11 MR. REDMOND: Yes.

12 MR. MORRIS: Including the portions that have
13 already been built at 114, obviously, to deal with the
14 light rail construction.

15 MR. REDMOND: Yes, sir.

16 MR. MORRIS: Okay. Now let's take the other
17 two questions which Elizabeth has talked about. Let's
18 start at the southeast, I think, is where she -- what is
19 the transition -- what is your contemplated transition at
20 the southeast side of this project and what you're
21 assuming may be occurring there?

22 MR. REDMOND: Yes. And I am going to ask
23 project staff to come up just to talk a little bit about
24 it.

25 Mr. Hudspeth, if you'll make your way up.

1 But without a doubt, we know what exists there
2 today, do there are going to be some operational
3 challenges as we drop traffic out there.

4 MS. MOW: And it is not -- the existing, I
5 think is probably the easiest thing we can deal with, in
6 my opinion. You have Phase One, you have Phase Two, and
7 you have Phase Three. I still don't know where Phase Three
8 is being built in this scenario.

9 But Phase Three ties into the old Pegasus,
10 which ties into the Trinity, which ties into lower
11 Stemmons. I just don't see how it's all fitting together,
12 in these phases.

13 Mr. Hudspeth, can you help me?

14 MR. MORRIS: And for the record, introduce
15 yourself.

16 MR. HUDSPETH: John Hudspeth with TxDOT SPO,
17 DFW SPO. There are a lot of complicated permutations and
18 machinations down in that vicinity, certainly at that
19 merge.

20 We have -- we do consider the impacts of the
21 Trinity being in place and taking some of that as
22 you're -- basically as you're unloading the 183 southeast-
23 bound.

24 MS. MOW: Does it end? And these are -- this
25 is important, because the Pegasus, which -- part of this

1 was Pegasus. What we have added, it lines up where
2 Pegasus --

3 MR. HUDSPETH: The north end of Pegasus.

4 MS. MOW: The north end of Pegasus.

5 MR. HUDSPETH: Right.

6 MS. MOW: And that was all elevated.

7 MR. HUDSPETH: Right.

8 MS. MOW: That is all an elevated section. But
9 183 coming in and Pegasus, where they intersected, 183 is
10 not elevated in this plan that we have in front of us.

11 So Trinity, lower Stemmons, Pegasus was all
12 elevated, and this is not, for the managed lanes, so I
13 don't get how that is going to -- we are designing things
14 that are elevated and --

15 MR. MORRIS: On thing that will help the
16 Committee, what is the eastern limit of that purple? Is
17 that the -- is that where the Trinity project is coming up
18 and touching 183, and you're lane balancing this project
19 and you're assuming the Trinity project to be there to
20 lane balance the Trinity with this particular project?

21 MS. MOW: Correct.

22 MR. MORRIS: Is that limit there the Trinity
23 project touching there, or are you going past that
24 project?

25 MS. MOW: Trinity is a direct connect to emerge

1 at grade.

2 MR. HUDSPETH: It comes in right at the
3 interchange.

4 MR. MORRIS: I am just asking what the limit
5 is. Is that -- would that --

6 MS. MOW: Just northwest of the Trinity tie-in.
7 There is like -- I worry that there is a three-mile
8 island, is my point. Sorry for that. There's a weird
9 thing between this project that used to be Pegasus.

10 MR. MORRIS: Well, we are not going to have a
11 weird thing.

12 MR. HUDSPETH: Pegasus ends --

13 MR. MORRIS: Can you answer or someone answer
14 the question, where is the Trinity project touching that
15 purple line?

16 MR. HUDSPETH: Right at where the purple line
17 ends.

18 MR. MORRIS: Okay. So you are lane balancing
19 the purple line with the benefit of whatever exists on
20 Stemmons today --

21 MR. HUDSPETH: Right.

22 MR. MORRIS: -- plus the Trinity project.

23 MR. HUDSPETH: Yes.

24 MS. MOW: Trinity direct connectors cannot --
25 Trinity direct connectors, as the current environmental

1 stands, will not come down to grade. And you are at -- am
2 I right?

3 I assume that we are not, for this price,
4 building the elevated section. Correct? So your main
5 lane -- or your managed lanes are at grade --

6 MR. HUDSPETH: That's right.

7 MS. MOW: -- at 183.

8 MR. HUDSPETH: Yes. Because we have nothing to
9 connect to until Trinity gets built.

10 MS. MOW: Okay. So I'm wondering -- my
11 question then is -- which I understand -- my question is
12 where is Phase Three? Where is Phase Three, which is an
13 elevated section? Would you agree that Phase Three of
14 183, and then it ties into Pegasus?

15 MR. HUDSPETH: No. The Pegasus ended right
16 there. And there was -- the Pegasus was an environmental
17 assessment that hadn't gotten completed as far as what the
18 exact, actually configuration would be.

19 But what happens on the Pegasus, we are in a
20 trench section and coming to a certain point, and then you
21 can go elevated at this area, if you wanted to. But we
22 haven't -- Pegasus hasn't developed to the point where you
23 actually were going to -- what you had designed in there
24 at this point, and it ended at where this purple starts
25 right there.

1 MS. MOW: I will tell you that we are nearing
2 the completion of the Trinity Parkway. And we have direct
3 connectors -- Lori can correct me if I am wrong -- that
4 fly up and over 183 to an elevated section, and I'm just
5 worried, because we are getting that there is no more
6 Pegasus, so this little area that we need to figure out --
7 if we need to put it in 183, we should put it in 183. We
8 need to put it in --

9 MR. MORRIS: By definition, it's in 183.

10 MR. HUDSPETH: Yes.

11 MR. MORRIS: Because once the Trinity Project
12 comes up, this project has the lane balance with that
13 particular Trinity Project.

14 MR. PENSOCK: Michael, I think that this
15 project could accommodate that elevated flyover connection
16 of Trinity, the parkway. We originally looked at building
17 the Trinity Parkway project as part of this. And the
18 expense of a lot of that elevated causeway just was just
19 something that was hard to make.

20 I apologize. My name's Ed Pensock with TxDOT,
21 for the record. And John and his staff, we've been
22 working on this for quite a long time, and the original
23 out of the chute was to look at including the Trinity
24 Parkway and those elevated flyovers as all part of the
25 project. A lot of expense, a lot of bridge, a lot of

1 structure.

2 And what is intended now is for something that
3 can accommodate that future expansion, but this does not
4 build that Phase Three.

5 MS. MOW: I would like to -- if we could get
6 together, I don't think that -- I want to make sure that
7 we can -- whatever we are environmentally clearing can --
8 will be -- you know, we can somehow figure out a way to
9 link it together, because right now, we are just wondering
10 where Phase Three is in your project. There's a gap and
11 then the Trinity.

12 MR. MORRIS: Could this Committee make a
13 recommendation in the meantime that says something like,
14 we want to ensure that the project that goes forward from
15 this Committee ensures the lane balancing in connection
16 that the Trinity project is integrated, so we don't have
17 any missing gap or lanes that are at the wrong elevation.
18 So when the Trinity project comes into 183 at that purple
19 location, we're assuring the public that those lanes will
20 be integrated and balanced into this particular project.

21 MS. BLAIR: Well, can we say that for basically
22 all of the tie-ins that we are making here -- so in other
23 words, every tie-in that we are making --

24 MR. MORRIS: So far, two are okay.

25 MS. BLAIR: Right.

1 MR. MORRIS: And we'll reaffirm that. We now
2 want to make sure the issue Elizabeth has raised --
3 without us doing the design of it today, those connections
4 have to be made on the purple section of this particular
5 project.

6 MS. MOW: Main lanes and managed lanes.

7 MR. MORRIS: Russell, did you want to say
8 something?

9 MR. ZAPALAC: Sure. I am Russell Zapalac,
10 TxDOT Chief Planning and Projects Officer. Elizabeth,
11 Michael, we are not going to build something out there
12 that creates an issue for another project that's coming in
13 in the future.

14 We will coordinate the design, which at this
15 point, quite frankly, is still schematic in nature. That
16 final design will be coordinated with the stakeholders.
17 We'll work to assure that we are not creating issues for
18 other projects that are in the works.

19 MS. MOW: And we know that. Our purpose is
20 that we're trying to finish up the Trinity document. And
21 we need to make sure that we're --

22 MR. ZAPALAC: As you have more information
23 available -- I mean, this procurement is not going to
24 happen overnight -- we'll be able to take that information
25 and have our concessionaires work it into their designs as

1 they price it up.

2 MR. MORRIS: Mr. Hale.

3 MR. HALE: One of the first questions we need
4 to ask, because we didn't know when the Trinity is going
5 to be built. And so we are where we are here on this one.
6 We don't know yet exactly when the Trinity is going to be
7 built; we are putting that together.

8 MR. MORRIS: But I think, for the purposes of
9 assumption, the assumption should be there is a Trinity;
10 otherwise, the logical termini of this project doesn't
11 make any sense.

12 And the other thing I think you should assume
13 is the improvements on Interstate 35E may not be the
14 improvements that we currently contemplate. So you're
15 keeping those particular elements the same.

16 So I think your two assumptions, if I had to
17 weigh in, I would agree 100 percent with; that you need to
18 interface the Trinity. Even if NTTA doesn't take the
19 Trinity, you need to make that assumption.

20 And you should also make the assumption that we
21 may not be able to have enough money, or Mr. Hale may
22 elect to do something very different on 35E and the
23 Pegasus project, as it moves forward. meaning we may not
24 have much of a problem on 35E there, if we fix the
25 collector-distributor issues going to the Dallas North

1 Toll Road, south of that particular location.

2 But I don't want to micromanage the
3 recommendation. All we're saying is, we need to make the
4 direct -- the lane balancing that has to occur for the
5 Trinity to work effectively needs to be integrated into
6 this project. We're not sending that to the Trinity.
7 Okay.

8 Now let's go up to -- I want to first -- well,
9 let Elizabeth -- she asked first. Elizabeth, do you want
10 to go all the way -- I want to talk about at 161, but why
11 don't you go to the end at the DFW connector.

12 MS. MOW: Well, 114 Short, and the tie-ins to
13 the Bush, what is the plan there? Or is there? Are you
14 leaving that open? What is going to happen?

15 MR. MORRIS: For the benefit of the Committee,
16 114 is a 4-2-2-4 project. It is four freeway lanes in
17 each direction, two express lanes in each direction.

18 That cross-section is the same east of 161 and
19 west of 161. West of there is an existing four-lane
20 southbound and three lanes northbound, which I want to
21 come back to, this notion of some comment about the orange
22 part. But before we do that, what are you contemplating
23 on your project in relation to the 161 project?

24 MR. HUDSPETH: On 114, the one plus one does
25 not contemplate direct connects from the managed lanes.

1 We get ingress and egress via slip ramps. It's the
2 interim condition.

3 I don't -- I am not sure if there's ever direct
4 connects between managed and PGBT. I think it is all in
5 the ultimate --

6 MS. MOW: But it is at least not in Phases One
7 and Two.

8 MR. HUDSPETH: It is not in Phases One or Two.

9 MS. MOW: Okay.

10 MR. MORRIS: So people traveling up 114 will go
11 to the free lanes, like they do now --

12 MR. HUDSPETH: Right.

13 MR. MORRIS: -- to get on and off 161.

14 MR. HUDSPETH: That is correct.

15 MS. MOW: Could Phase Three -- and where do the
16 direct connectors lie? Anybody? Does anyone know what
17 project that one is?

18 MR. HALE: I would suggest that's after this
19 project. We have only gone to Phase One and Phase Two.

20 MS. MOW: But is it in three? Or is it in a
21 project?

22 MR. HALE: No. It is not in a project yet.
23 But it is not a project where that's in there --

24 MR. HUDSPETH: You are talking about a managed
25 lane to main lane direct connectors or just direct

1 connectors --

2 MS. MOW: Those columns that are built, that
3 are out there, that were, you know, in consideration of
4 the future flyovers. I didn't know where those
5 projects -- what environmental or was that the plan?

6 MR. MORRIS: I am going to call up someone who
7 maybe put them in.

8 Mr. Lopez, do you want --

9 MR. LOPEZ: Well, I just wanted to piggyback on
10 Elizabeth's point, in that those direct connect runs are
11 critical. They need to be, and they are critical to the
12 urban center, because this is where this is at, in Las
13 Colinas. So whether it is now or Phase Three, whatever,
14 we need to visit that.

15 MR. MORRIS: Ramiro, would you read your name
16 in for the record?

17 MR. LOPEZ: Sure. Ramiro Lopez, with the City
18 of Irving.

19 MR. MORRIS: Thank you. Does TxDOT, Brian, or
20 any of you guys, want to weigh in on the columns that are
21 currently out there today? Do you want to comment
22 anything about those columns and what they may or may not
23 be able to be used for in the future?

24 MR. BARTH: Well, those columns were built when
25 NTTA was building 161 through there, and the idea was that

1 you get them built for the future interchange while you
2 had the space to do that. I don't remember if that
3 interchange is part of the ultimate 114 interchange or --

4 MS. MOW: That's really my question, is it part
5 of --

6 MR. BARTH: We think it is.

7 MS. MOW: Okay. We would just like to know.

8 MR. MORRIS: Let me -- Brian, did you put your
9 name in for the record?

10 MR. BARTH: Brian Barth, TxDOT Fort Worth.
11 B-A-R-T-H.

12 MR. MORRIS: Jeff Neal from COG staff, do you
13 recall if, in our Transportation Plan if -- in our
14 Transportation Plan. And before you answer it, read your
15 name into the record, so I don't get thrown off of this
16 Committee, and you can use this microphone here or there.

17 You have one there. Okay. Do you recall if,
18 in our Transportation Plan, we have direct connections
19 from the managed lane of 114 onto or off of 161?

20 MR. NEAL: Yes, Michael. My name is Jeff Neal.
21 I am with North Central Texas Council of Governments
22 staff. No. Actually we don't have direct connectors
23 between the 114 managed lanes and 161.

24 MR. MORRIS: Okay. In our current plan.

25 MR. NEAL: In our current plan. Yes.

1 MR. MORRIS: So therefore it looks like your
2 recommendations at that location will not have those in --
3 you weren't contemplating putting them in at this time,
4 but right now you couldn't put them in, until and if the
5 Regional Transportation Council changes that plan.

6 So Chad Edwards, you have a homework assignment
7 to go visit the North Texas Tollway Authority with Jeff
8 Neal and have that conversation, since you are currently
9 updating the Transportation Plan. And you may want to
10 make sure the City of Irving sits in on that meeting as
11 part of that conversation.

12 So that would permit possibly -- because we are
13 adding 1114 to the Transportation Plan, because it was
14 previously cleared -- we didn't have the money; we now
15 seem to have the money, so 114 is going back in, so let's
16 make sure we put 114 in correctly, given the input the
17 public and/or our member city and toll authority is
18 interested in. Okay.

19 Are there any other questions where the yellow
20 meets the brown?

21 (No response.)

22 MR. MORRIS: Sorry. Is that burnt orange?

23 VOICE: It is.

24 MR. MORRIS: It looks a little yellow for
25 burnt orange, at least UT burnt orange.

1 All right. Let's go to the end. Well, let me
2 ask my question, because it impacts the end. We clearly
3 have to lane balance. You see a theme here. We have to
4 lane balance the yellow and the burnt orange at 161.

5 So, Mr. Hale, I think you -- last month you
6 raised this question, and your staff has raised the
7 question between meetings. What are we doing, where a
8 4-2-2-4, four lanes on each side and a potential four-lane
9 express lane is now touching existing 403?

10 You can maybe get away on the southbound
11 direction dropping lanes in through a slip ramp or
12 something, because you definitely will move traffic to 161
13 in the southbound direction.

14 But I think your point, Bill, on the northbound
15 direction you won't be able to lane balance a 4-2-2-4 to
16 an existing three-lane facility, because even though
17 almost all trips I make go up 161, down 114 -- because we
18 have meetings all of the time in Las Colinas, and I'm
19 rarely on that other piece -- that doesn't mean there is a
20 whole bunch of people not coming around the DFW connector
21 going to Las Colinas.

22 And more importantly, in the PM-peak northbound
23 direction, we don't want to have a built-in congestion
24 point. So could we describe -- what is your intention in
25 this plan? Your intention isn't to necessarily go

1 4-2-2-4. Right?

2 MR. REDMOND: To the --

3 MR. MORRIS: West. West of 161.

4 MR. REDMOND: West of 161. We want to look at
5 operational improvements. That could be as simple as one
6 additional managed lane, one managed lane built in the
7 median there, that could be done at reasonable cost but
8 yet still providing some congestion relief.

9 MR. MORRIS: So the wording I am going to
10 suggest is -- because I don't think we want to tie the
11 hands of the part the private sector could do, and I don't
12 know where the rest of this Committee is.

13 If in fact you could do the 4-2-2-4, that might
14 be the best way to do the lane balancing, because
15 remember, west of there, you have a DFW connector, and you
16 don't want to create a bottleneck with the DFW connector
17 there that is currently under construction.

18 So maybe we could say something like -- just
19 like we came up with those words, that we're assuming you
20 are lane balancing correctly the Trinity project into
21 this, can we say something like, we clearly expect you to
22 build the recommendations in the plan on 114 Short, the
23 part east, and we want to give the flexibility to the
24 private sector to look at operational improvements and
25 other ways to not create a bottleneck between the

1 improvements at 161 and the improvements at the DFW
2 connector?

3 I think that the tone of those words -- I don't
4 want to get too much into the semantics. The tone of
5 those words are, if we're adding revenue faster than
6 costs, then we certainly should be considering it.

7 If in fact we're adding costs faster than
8 revenue, and we lose the whole private sector again on
9 this project, we don't want to come back a third -- well,
10 this is our third try. We don't want to come back a
11 fourth try to try to get this across the goal line.

12 So I believe we have to give some flexibility
13 to the private sector that if they can add revenue faster
14 than cost, that is the best way to lane balance it,
15 because you are implementing the plan.

16 If we are adding cost faster than revenue, then
17 you may want to develop an interim solution of some kind
18 to either add some revenue and/or make sure we're not
19 adding -- as Elizabeth is stating, let's not add any
20 congestion bottleneck elements to the recommendation that
21 the Committee is trying to make.

22 Do you follow? Now, we haven't voted on that
23 yet, but do you at least follow that thought?

24 MR. PENSOCK: And, Michael, that is dead on
25 correct. And to be honest with you, as we were doing the

1 what-if scenarios on adding pieces of project to this, we
2 had thought about that; we had done some rough pencil
3 numbers.

4 And adding the whole 114 long we estimated was
5 probably going to require about another \$150 million in
6 subsidy. And that went along with about another -- if I
7 remember the numbers correctly, like 6- or \$700 million in
8 costs.

9 MR. MORRIS: So your point is, you might be
10 adding cost faster than revenue --

11 MR. PENSOCK: Well, might be. But we want to
12 throw that out to the private sector.

13 MR. MORRIS: And let's see what they do?

14 MR. PENSOCK: Right.

15 MR. MORRIS: But on the other side of the coin,
16 we don't want the private sector to say, well, look, we're
17 washing our hands. Notice the dramatic pose.

18 MR. PENSOCK: Right.

19 MR. MORRIS: You don't have to add dramatic
20 pose to the record. We don't want them to have some
21 built-in truncation at 161 and we don't lane balance this
22 correctly. So we are not sitting on a problem that we are
23 currently sitting on on 161 in the free section between
24 the two toll roads.

25 Okay. And obviously you have the record if the

1 Committee votes on it, so you can integrate that spirit
2 into what it is we are trying to do. And I think that was
3 the point that Bill Hale raised at the last meeting.

4 MR. HALE: That's correct.

5 MR. MORRIS: And, Mussah, for the record, that
6 is the point you raised with me in a meeting a week or so
7 ago. Mussah from TxDOT. Okay.

8 We've asked a few questions at this point. Mr.
9 Redmond, I think we turn it back over to you to continue
10 the presentation.

11 Elizabeth, do you have any more questions at
12 this point?

13 MS. MOW: No.

14 MR. MORRIS: Okay. I see your light on.

15 Mr. Redmond.

16 MR. REDMOND: Thank you. Good discussion. The
17 next slide kind of talks about the phased approach for
18 183. As we discuss 114 and Loop 12, we always realize
19 that there is still some legislative authority that's
20 lacking and move forward with those. I think Mr. Pensock
21 will hit on that in a couple of slides.

22 But 183, as we currently envision it right now
23 and as it is currently drafted to go out with the RFQ, is
24 we are looking at one managed lane in each direction from
25 35E to 121. It's going to reconstruct portions of the

1 general-purpose lanes, but no additional general-purpose
2 capacity. And it reconstructs some frontage roads, and
3 enhances local connectivity.

4 Not all of the frontage roads throughout the
5 whole corridor will be reconstructed, because over in
6 portions of the western end of our new project, we can
7 add some managed lanes without having to reconstruct some
8 of the frontage roads from Phase One. So there's portions
9 of the project that we'll reconstruct frontage roads, and
10 portions we don't.

11 But Phase Two is when we come back in and we
12 add the additional managed lane in each direction and then
13 some additional reconstruction of general-purpose lanes.

14 One element that we are listening to the
15 industry about that we are evaluating in detail is
16 enhancements to our contract selection for the early
17 delivery of that additional managed lane, as we evaluate
18 our proposals, so that may be discussions. We are
19 doing -- we have heard the community.

20 We know that our partners would like to see as
21 much capacity out there as we can with Phase One. So
22 we're evaluating opportunities and listening to our
23 industry partners to see if there is opportunities to
24 deliver some of those extra capacity early.

25 Phase Three is the ultimate configuration,

1 which adds some additional general-purpose lane capacity.
2 It adds an additional managed lane.

3 It goes at a three-plus-three over in Tarrant
4 County. The ultimate has a three-plus-three over there
5 and then does some additional clean up work and frontage
6 road improvements.

7 MR. MORRIS: Any questions on this page?

8 (No response.)

9 MR. MORRIS: Okay.

10 MR. REDMOND: With that, I would like to turn
11 it over to Mr. Pensock and let him discuss the remaining
12 couple of slides.

13 MR. PENSOCK: Thanks, Randy. Ed Pensock with
14 TxDOT Strategic Projects Division. And this is a pretty
15 complicated little corner of the world.

16 Our discussion earlier, Elizabeth's questions,
17 Michael, your questions, kind of do a pretty good job of
18 demonstrating. Again, the goal of this project --

19 MR. MORRIS: When you come north out of Austin,
20 you get to be more sophisticated in this part of the
21 state. So welcome to --

22 MR. PENSOCK: Well, it certainly is, I'm sure,
23 more sophisticated; it's certainly more complicated.

24 MR. MORRIS: Well, we bring a level of being
25 complicated as well. Right. We take complicated as a

1 nice thing.

2 MR. PENSOCK: It is a term of endearment; it
3 is. And again, our goal on this has always been to expand
4 the managed-lane system, because you guys have done a
5 tremendous job in fostering a managed-lane system, and
6 this is an important link.

7 You all have been out ahead of certainly our
8 authority on some of this with the 114 and the Loop 12
9 leg. We certainly have clear legislative authority to do
10 a concession on the SH 183 legs, from 121 all of the way
11 to 35E. We are certainly looking at expanding that
12 legislative authority to add the 114 and the Loop 12.

13 We haven't run into any hurdles or any
14 problems. It has been more of a, well, hurry up and get
15 it done, than a what are you trying to do; are you trying
16 to pull something over on us?

17 So again, we have heard nothing but very strong
18 encouragement on the need for expanding our authority and
19 this project, because it does all tie together. And it's
20 real easy to stop construction and do nothing but move the
21 congestion point and the bottleneck, you know, a mile up
22 the road.

23 MR. MORRIS: One of the things we will do to
24 help you -- because I agree; we can reduce some of this
25 complexity.

1 And I was speaking to Rider Scott earlier
2 today, between meetings. Whatever the recommendation that
3 comes out of this Committee, we are going to put this in
4 rows in a table, these segments. And then in those
5 columns, we are going to have -- you know, is the
6 environmental impact study approved? And the answer for
7 all of these will be yes.

8 MR. PENSOCK: Uh-huh.

9 MR. MORRIS: Is it in the Transportation Plan,
10 at this particular point in time? Some is, and some
11 isn't.

12 MR. PENSOCK: Some not. Right.

13 MR. MORRIS: But we have been in public meeting
14 all week to add the other components of this particular
15 plan. And it's critical that we make a recommendation
16 today, because the ship is leaving tomorrow on coding all
17 of these particular networks into that Transportation
18 Plan.

19 We do have legislative authority on 183. And
20 at this particular point, we have legislative authority on
21 the North Tarrant Express. But in a few years, we will
22 have legislative authority on 183, and we may lose our
23 legislative authority on the North Tarrant Express because
24 it was grandfathered in, I think, 2015.

25 MR. PENSOCK: Uh-huh.

1 MR. MORRIS: And we do not have legislative
2 authority on short Loop 12 and 114.

3 MR. PENSOCK: Correct.

4 MR. MORRIS: So we are putting that into a
5 table. So if you would send to me any of the columns you
6 would need to know: EIS or not, planned or not, or when
7 in the plan; does it have legislative authority or not, or
8 when do you think we may get legislative authority, I
9 would like to put a check mark in each of the places that
10 has authority. And where it doesn't have authority, I
11 would like to put in a date on what our expectation is.
12 And I would like you to tell us what other rows of
13 information you need to know, anyone in the audience.

14 That will reduce the complexity. So when this
15 one piece of paper is handed to someone, it is a total
16 team, all integrated, multiphased set of authorities that
17 are being communicated with each other. So at the end of
18 two months or three months or six months, all of those to-
19 do items, some above our pay grade, will be fully
20 implemented, so it's a clear message to the private
21 sector, that this region isn't complex, but communicates
22 as a team, developing an integrated element. And there is
23 a guidebook that has how those elements -- at this
24 particular point, it would be hard for them to follow,
25 but, you know, in two weeks, that table may be able to be

1 integrated into your materials. So we could hand it to
2 any of our people, and we all know what and who is working
3 on what.

4 So we pledge to do that for you. And anyone
5 call tell us what rows of information you need to know and
6 we'll put that into this table so it isn't complex.

7 MS. BLAIR: Not to make this more complicated.
8 If we are going to do that, in the sense of we do have
9 legislative authority on certain pieces, if we have these
10 other pieces that we don't have that authority on, would
11 that basically tie some of what we are doing here down,
12 until we get that?

13 MR. MORRIS: I don't think so, because what we
14 are going to try to -- and one of this needs to be what
15 did the 1420 Committee recommend, so that needs to be a
16 column.

17 What we are doing is, we believe we are going
18 to be sending a strong message to the Legislature to get
19 them to move this calendar, this session to do parts so
20 you know, we would be putting, end of May as their
21 deadline, or something.

22 MS. BLAIR: So our recommendation would include
23 basically, with substitute --

24 MR. MORRIS: We include the whole thing, and
25 then tell people, yes, some rows of this, probably 183 in

1 Irving and in Tarrant County, we are done, done, probably.
2 But other parts aren't.

3 MR. PENSOCK: Right.

4 MR. MORRIS: But you already sent that
5 procurement out. And it's not moving in the west, and it
6 didn't move in the east. So we are adding other
7 components of it, because we think a larger project will
8 get more competitive opportunity.

9 But don't be worried, private sector. You have
10 a road map to follow our commitment to bring those other
11 items. And then we thought at one time you'd get into
12 some trouble sending out a concession on non-legislatively
13 approved segments. But by communicating it this way,
14 you're not trying to get out in front of your Legislature
15 but show you are operating in good faith and that you will
16 have to -- if they don't approve it, bring it back. But
17 if not, we are operating in good faith, working with you,
18 just like we are operating in good faith with the public
19 and the RTC in moving ahead on a project that isn't yet
20 put back into the Transportation Plan.

21 MR. PENSOCK: And your idea for a matrix to-do
22 list is an outstanding way to communicate those needs and
23 something we will put together with you and your folks.

24 MR. MORRIS: So anyone in the room, if you
25 have, what you think the rows are -- what do the 1420

1 Committee say? Where is the EIS approval? Is this in the
2 regional plan or not. Where do we have legislative
3 authority?

4 Whatever else you want, let's put it in a
5 table, and we are all using the same table.

6 MR. PENSOCK: Right.

7 MR. MORRIS: Okay.

8 MR. PENSOCK: Right. Expanding on that
9 thought, some of the things we know are critical on the
10 matrix and we think are very important to show all third
11 parties that the region and the state are moving together,
12 some of the other bullet items we have listed on this
13 slide. You know, the primacy question; having NTTA look
14 at the 114 and Loop 12 projects, and relinquish primacy to
15 TxDOT is --

16 MR. MORRIS: So primacy will be on the table.

17 MR. PENSOCK: Primacy will certainly be on that
18 matrix table. And primacy -- relinquishing by NTTA and
19 acceptance by TxDOT would certainly be on that table.

20 What you have touched on certainly is also
21 tremendously important, is the plan, the 2013 plan
22 amendments, working with the Council of Governments. What
23 you are doing right now -- your ship is sailing this
24 week -- is that will show our federal FHWA partners, and
25 our elected leaders and private industry that the region

1 is together and behind this, is adding these components to
2 the plan and then coordinating all necessary environment
3 permits and approvals with FHWA and other resource
4 agencies.

5 So we'll put those items on our matrix, check
6 off the ones that we have completed, put an anticipated
7 date on the ones that we are working on. And actually we
8 think that's going to be a very positive story.

9 MR. MORRIS: And I am going to add that if
10 someone is keeping track of these notes, when we get to a
11 motion -- because we are going to forget them all -- I am
12 going to ask that that table be done in time to be
13 included potentially as an appendix to your concession
14 materials, so that seamlessness is communicated to our
15 industry and that we all be held accountable to the
16 schedule we put in there for those other elements. Okay.

17 MR. PENSOCK: All right.

18 MR. MORRIS: Any other questions on your
19 homework? We are going to have to, before we leave today,
20 pick a sort of map of projects.

21 We have some elements of policy that we're
22 trying to keep track of that is part of the communication
23 of that, and then this item is going to walk us into,
24 well, how are we going to finance it as we get to our
25 second responsibility today?

1 MR. PENSOCK: Yes, sir. Exactly right. And
2 again, you've seen this slide before. And it is our
3 estimates of the uses of funds, the needs of the project,
4 and the level of resources that are going to be needed to
5 deliver the project.

6 And again, what we have been most specifically
7 talking about is the bottom row, which is the SH 183,
8 North Tarrant Express 2E, SH 114 Short, and Loop 12
9 project, with our estimates of what Phase One and Phase
10 Two costs are -- and Phase One and Phase Two are as Randy
11 defined earlier -- and our estimates of what the revenue
12 forecasts and what the debt requirements would be to fund
13 Phase One and Phase Two.

14 And our estimate is about -- almost a billion
15 and a half dollars in debt support for TxDOT to do this as
16 a design-build publicly financed project.

17 We think that with about a \$550 million subsidy
18 and a 50-year revenue-generating revenue life window on
19 the project, as opposed to a 30-year bond life on the
20 project, we think that a subsidy of about \$550 million
21 would be necessary for a concession project.

22 And that's an important point; that as a
23 concession project, this will be very similar to the LBJ
24 project and to the North Tarrant Express projects that are
25 ongoing, but they will require a public subsidy to make

1 the concessions pencil out. They're capital intensive
2 projects, and unfortunately the managed-lane generating
3 revenue won't alone carry the complete projects.

4 So that is our summary to date. We certainly
5 are open and will work with the private sector on things
6 like how short is 114, how long is 114. If we can collect
7 revenue -- if we can chase revenue faster than we can
8 chase costs, then you know, the private sector will be
9 very forthcoming about those kinds of things.

10 They are really good at telling you if the
11 thing's going to be worthwhile and viable. Then they are
12 usually head over heels in support of it, and that is
13 where we want to get, is engaged in those conversations
14 with the private sector, with the industry, so that we can
15 be moving these things along.

16 MR. MORRIS: What was it -- two quick questions
17 to help me. Maybe the nomenclature, because this looks a
18 lot -- I didn't bring my presentation from last month.
19 You still have 114 Short on this row.

20 MR. PENSOCK: Yes, sir.

21 MR. MORRIS: And you are probably looking at
22 some additional costs and revenues west of 161.

23 MR. PENSOCK: Yes, sir.

24 MR. MORRIS: So you may want to say 114 Short-
25 plus, or something --

1 MR. PENSOCK: Okay.

2 MR. MORRIS: -- to indicate that appropriate --

3 MR. PENSOCK: Yes. Lane balances and
4 transitions --

5 MR. MORRIS: With a footnote that covers
6 whatever we read into the record earlier.

7 MR. PENSOCK: Uh-huh.

8 MR. MORRIS: And then I just want to focus on
9 these costs, just so I understand it. So Phase One, I'm
10 on the last row, just for simplicity. Phase One costs
11 \$1.3 billion, and there is an additional cost of \$600
12 million to do Phase Two. And if you do Phase One and
13 Phase Two, you add those two numbers together.

14 Now, if you do them both at the same time,
15 there may be some cost savings, or so and so forth, but
16 this is assuming you do them as two different phases.
17 Right?

18 MR. PENSOCK: Yes, sir.

19 MR. MORRIS: Okay. And then on the revenue
20 side, let's look at the concession column. \$557 million.
21 This is money that is anticipated that our newest member
22 would pay -- right? -- as a member of the Committee.

23 (General laughter.)

24 MR. MORRIS: This is money that is intended
25 to come from --

1 MR. PENSOCK: Small bills.

2 MR. MORRIS: This is money that's intended to
3 come from TxDOT as part of this.

4 And the part I can't remember is the RTC,
5 Irving, a few different programs, We have put in about
6 \$200 million so far, into the project. Parts of this
7 project we wanted to get to construction right away, So we
8 are building noise walls and frontage roads by the park
9 and --

10 MR. PENSOCK: Uh-huh. And buying right-of-way.

11 MR. MORRIS: And buying right-of-way. So it is
12 an unfair question, because I don't know today exactly
13 where we are, other than we were so anxious to move
14 forward, here's money, and let's get some stuff done so we
15 can at least reduce the cost to the concessionaire if it
16 is a concession.

17 Is this 557 additional money on top of what
18 we've already put in?

19 MR. PENSOCK: Yes, sir.

20 MR. MORRIS: Okay. So I would like there to be
21 a footnote somewhere recognizing that some folks in this
22 room have already put in a couple of hundred million
23 dollars of revenue. So people don't misunderstand, is
24 this 357 of new money.

25 So this is 557 of new money on top of the \$200

1 million. And the costs that you have here, you are
2 subtracting those costs, I hope, from the parts we are
3 already paying for and building, like the right-of-way or
4 the noise wall or the frontage road. Right?

5 MR. PENSOCK: Right.

6 MR. MORRIS: So these are delta costs and delta
7 revenues --

8 MR. PENSOCK: Right.

9 MR. MORRIS: -- is the interpretation of that.
10 Is that fair?

11 MR. PENSOCK: That is correct.

12 MR. MORRIS: Okay. Elizabeth, you have the
13 floor.

14 MS. MOW: Thank you, Michael. In this project,
15 when you talk about Phase One and Phase Two being,
16 combined, approximately \$2 billion, are you saying that
17 for the two projects, all that would be needed in a
18 concession is 550, or would there be additional funding
19 needed for Phase Two? That total?

20 MR. PENSOCK: Our estimate is that we would
21 need \$550 million for Phase One and Phase Two.

22 MS. MOW: Okay. And my question is really --
23 these numbers are so substantially different, the public
24 versus the private, and the assumptions used to get that,
25 can you tell me, just in general, really everybody, why

1 such a huge difference and financial gap, than when we do
2 it, as opposed to the private industry?

3 MR. PENSOCK: Probably the single biggest
4 disparity when you look at it from the public sector
5 versus the private sector is that we look at everything in
6 a 30- to 35-year bond life.

7 And we sign concession deals that are 52 years
8 long; statutorily limited to 52 years. We don't like
9 signing 50-year deals, multi-generational 50-year deals.
10 But these are expensive big projects.

11 MS. MOW: These are only deals you sign with
12 me, so I'll remember that.

13 MR. PENSOCK: But the reality is that in the
14 world of public- and private-sector partnerships that many
15 governmental entities do 99-year deals because these are
16 so expensive, and take so much up-front capital, intense
17 investment that they take a while to realize a rate of
18 return.

19 MR. MORRIS: So the answer to Elizabeth's
20 question would be to build either -- and this is one of
21 the things we have to answer today -- to either build a
22 design-build or concession, the cost side is the same,
23 because you have got to go build a project. So the
24 difference here is the revenue side. Because these
25 revenues probably increase over time, as this region

1 approaches seven, eight, nine, ten million persons, the
2 demand for being on the express lane increases over time,
3 so you probably have increasing revenues over time.

4 So if you take a 30- or 35-year slice in the
5 design-build, you get to sum up those revenues. If you
6 take the 52-year slice, you get to use the last 20 years
7 of revenues, and the odds are, those revenues are higher
8 than the first.

9 MR. PENSOCK: Odds are they're substantially
10 higher. That's right.

11 MR. MORRIS: So doing the math quickly, there
12 is \$900 million of revenue. I know this is a
13 simplification. There's at least \$900 million of revenue
14 anticipated in the last 20 years of the project, the last
15 whatever 52 minus 35 is.

16 MR. PENSOCK: Yes.

17 MR. MORRIS: There is about \$900 million there.
18 And I know it is not quite that simple, but that shows
19 you the magnitude of the need this region is going to
20 have, which is why we are so desperate, trying to get
21 these projects implemented through whatever tools we can,
22 because we know that demand is going to be. That demand
23 has been on 183 for 30 freaking years.

24 MR. PENSOCK: Yes.

25 MR. MORRIS: We are trying to fix this. I

1 can't retire until 183 goes to construction.

2 MR. PENSOCK: That's why we are in such a big
3 hurry, not that we want you to go anywhere, just to give
4 you options.

5 (General laughter.)

6 MR. MORRIS: Ed, I've read some of your emails.
7 You're anxious for me to go.

8 MR. PENSOCK: We just want to give you options,
9 Mr. Morris.

10 MS. MOW: I have a follow-up question.

11 MR. MORRIS: Elizabeth, you have the floor.

12 MS. MOW: That being said, these are
13 projections, and we respect the work that has been done.
14 But what happens if the bids come in and there isn't
15 enough money, this 550 isn't enough? What happens? Do
16 you start -- what is our Plan B? What is our Plan C?
17 This is the third time at it.

18 MR. PENSOCK: And good questions. And --

19 MR. MORRIS: And I want to review these times.
20 We were out here ten years ago, and the concession got
21 pulled. And we were out here six months ago, and it got
22 pulled. I don't want to confuse those times. Now we are
23 here this third time. We've got to get this guy across
24 the -- so how do we respond?

25 MS. MOW: If it costs more, where does the

1 money come from?

2 MR. PENSOCK: The first place we look is
3 lowering the cost side of it. The first thing we look at
4 is what managed lane to managed lane -- or what-managed
5 lane direct connections might be able to be taken out of
6 Phase One and Phase Two and put into Phase Three; what
7 parts of the project can we look at building back or
8 scaling back. The second thing we look at is our risk
9 share, is our risk balance with the private sector
10 appropriate. A lot of what will happen when they price
11 this is how much risk that they have to take. So you
12 know, good questions. And we have been down that road
13 with both the North Tarrant Express project and with the
14 DFW connector project.

15 MR. MORRIS: You also ask partners to help take
16 the financial risk, as you did on LBJ. And it worked in
17 our favor.

18 MR. PENSOCK: Uh-huh.

19 MR. MORRIS: The RTC had to put up 100 or \$200
20 million, thinking it was going to come in over, and it
21 didn't.

22 MR. PENSOCK: Exactly.

23 MR. MORRIS: We got some financial risk, a much
24 smaller amount, on 35W, because we want to make sure these
25 projects get across the goal line.

1 MR. PENSOCK: Yes, sir.

2 MR. MORRIS: So I agree that you would probably
3 start on the cost side, but at some point, you have got to
4 see who can pass the hat on the revenue side.

5 MR. PENSOCK: Exactly. Yes, sir.

6 MS. MOW: One more question.

7 MR. MORRIS: Of course. You can have as many
8 as you want.

9 MS. MOW: Where is Phase Three in this plan?

10 MR. PENSOCK: I believe Phase Three is in the
11 out years of your metropolitan Transportation Plan. Is
12 that 2035?

13 MS. MOW: Will it be in the procurement?

14 MR. PENSOCK: There are requirements that the
15 procurement address everything that is in the
16 environmental document and in the Transportation Plan.

17 To get your environmental documents clear, you
18 have to have it in your Transportation Plan. And there
19 are requirements that that Phase Three has to be addressed
20 in the procurement.

21 Will we have a price from a concessionaire that
22 is binding, that in 2035, they will come in and build
23 Phase Three. No, ma'am, we will not. No one can give you
24 a price today that they are going to hold until 2035.

25 MR. MORRIS: But it is possible, you could have

1 a concession person come in and say, we would like to do
2 these parts of Phase Three, and, you know, you
3 misunderstood these parts of Phase Two. And there may be
4 a hybrid of some kind that comes in.

5 So the expectation is no one in this room
6 should expect Phase Three to be built. But you have the
7 flexibility in the procurement process to maybe -- and I
8 hope we give the private sector, because they have a lot
9 of imagination that we don't want to restrict -- they may
10 be able to bring in some parts that add revenue faster
11 than costs.

12 MR. PENSOCK: Michael, that is exactly right.

13 MR. MORRIS: Okay.

14 MR. PENSOCK: The whole process is predicated
15 on trying to give those kinds of options.

16 MR. MORRIS: So Elizabeth's point is important.
17 No one in this room should expect a huge miracle out of
18 this. Yet on the other hand, until we get the right
19 balance of projects to the private sector, we don't know.

20 We have got to get at least two private-sector
21 companies interested, in order to have that competitive
22 capability. I have got that right?

23 MR. PENSOCK: Yes, sir.

24 MR. MORRIS: Ramiro?

25 MR. LOPEZ: Well, what I wanted to do is to

1 make sure that it's real clear, because we have been -- in
2 our discussions with City Council and others, that it
3 was -- Phase Three was 2035. And there was really some
4 discussion that it wasn't, but clearly, it is.

5 And so there is some concern there. And I
6 truly appreciate your remarks about leaving this thing --
7 or ensuring that the concessionaires understand that
8 there -- the opportunity -- we would like them to take the
9 opportunity to look and see if they can be so creative to
10 bring in Phase Three also. So I appreciate all of those
11 remarks.

12 MR. MORRIS: And I don't think --

13 MR. LOPEZ: What?

14 MR. MORRIS: Let's make sure another one of our
15 five or six remarks, we're not doing any of the Committee
16 that restricts the ability of the private sector to bring
17 imagination to Phase Three as part of the process.

18 Rick, did you have -- you didn't have
19 anything. Okay. Next time you won't sit next to
20 Elizabeth.

21 MS. MOW: I will be all by myself.

22 MR. MORRIS: Okay. Do you wish to cover
23 anything else?

24 MR. PENSOCK: Very quickly.

25 MR. MORRIS: On number five?

1 MR. PENSOCK: Nothing on the estimated
2 financing summary side. We do just wish to quickly talk
3 to you about what our thoughts are on a procurement time
4 line. And as we sit here today, we are currently
5 scheduled to issue an RFQ next week if this Committee so
6 chooses to go forward with that.

7 We would hope that we would see NTTA primacy.
8 And within the next 30 to 60 days, plan revisions in the
9 next 30 to 60 days. As we stand here today, we're looking
10 at having qualification statements due in May.

11 I would like to footnote that by saying that we
12 need to engage the private sector and get their input on
13 that. If our schedule says that qualification statements
14 are due in May, and that schedule doesn't allow anybody to
15 turn in a qualification statement, we'll probably extend
16 that deadline to accommodate what industry demands will
17 be.

18 What is the dynamic there? The fact is that
19 these are -- this is a \$2 billion deal that requires
20 financing, designing, constructing, operating and
21 maintaining; requires a fair amount of -- a lot of work to
22 put teams together. A lot of work for companies, private
23 industry to do due diligence.

24 The minute we issue an RFQ, somebody somewhere
25 is spending money on this, and that's why we take that

1 responsibility very seriously, because we don't try to get
2 the private sector to spend money contemplating these
3 things. That is not worthwhile.

4 So teaming requirements are pretty complicated
5 for the private sector, allowing them enough opportunity
6 to do their due diligence, to understand the project, to
7 ask good questions about the project, to get a handle on
8 the cost side and the revenue side is kind of where this
9 goes, and allowing them to have an opportunity to engage
10 TxDOT and the public sector and ask questions about risk
11 balance and about risk share.

12 So those are the kinds of things that drive the
13 schedule. Moving on, we would hope that in the summer,
14 our legislative authority would be -- questions would be
15 answered. And as such, we think it's realistic to have
16 proposals due in early 2014 and have conditional award in
17 early 2014.

18 MS. MOW: Michael, I would like to --

19 MR. MORRIS: Can I mention one thing first?

20 MS. MOW: Yes. Go ahead.

21 MR. MORRIS: You started to build what this
22 matrix is that we talked about earlier. You have here,
23 where is primacy. Let's all work hard -- and I am really
24 pointing to my staff here -- to put this table together.
25 So when you send this out, maybe next week, we already

1 have this table in there.

2 MR. PENSOCK: Uh-huh.

3 MR. MORRIS: It is not going to be that hard.
4 I think we could fill it out tomorrow maybe. Let's --

5 MR. PENSOCK: I think most of it is already
6 filled out.

7 MR. MORRIS: Yes. Let's find out what those
8 five or six concerns the private sector or the Commission
9 or our elected officials may have. And then let's pencil
10 in when those dates are. And let's take this complexity
11 out of any conversation the private sector may have.

12 Ms. Mow, you have the floor.

13 MS. MOW: I am in complete support of holding
14 the draft RFP until we are certain that we have
15 legislative authority to advance this project, for the
16 sake of the private industry, and then not spending a
17 bunch of money in this and getting discouraged with us and
18 the decisions we make.

19 MR. PENSOCK: That is dead on. Putting a team
20 together initially and preparing a qualification statement
21 is one level of complexity and expense.

22 MS. MOW: Right.

23 MR. PENSOCK: Putting a detailed proposal
24 together is a very different level.

25 MS. MOW: Millions of dollars have been spent

1 on this.

2 MR. PENSOCK: Right.

3 MR. MORRIS: Is there an opportunity? This is
4 the group of people that are above our pay grade on this
5 legislative part.

6 There's two parts of legislation. And it is
7 sort of like typically approved by the end of May; often
8 goes into effect at the end September. And oh my gosh,
9 wouldn't it be really good if we did this, and maybe take
10 a two thirds vote or something.

11 Is there anyone looking at an opportunity of
12 introducing a bill -- I'm talking about at TxDOT; I have
13 other people in this room that are working on bills to be
14 introduced -- that would get this earlier implementation
15 date to send a signal that this region is serious about
16 it; get it approved on April 3 or on April 17?

17 Is there -- can you say if anyone in TxDOT is
18 thinking of getting that earlier implementation date as
19 part of this? We have a strong correlation here. We have
20 a very strong, active, high ranking -- at least a member
21 in the House, whose district is -- I don't know. I
22 haven't looked at it recently -- but I think is highly
23 correlated to these particular locations, where that might
24 be a great opportunity of building this partnership
25 horizontally and vertically, in what we are all trying to

1 do in our region.

2 MR. ZAPALAC: Russell Zapalac. Michael, that
3 is a great idea. The legislation that hopefully will be
4 introduced soon on the whole CDAs does not have -- it
5 packages all of the potential CDAs in the state together.

6 Representative Harper Brown has tweaked the 183
7 side of that a little bit. There is nothing that says
8 that she could not, would not tweak it a little bit more
9 to include something like that.

10 MR. MORRIS: Yes. I -- as an engineer and a
11 public sector employee, I don't get to weigh in on such
12 things, but I can at least communicate to you a desire in
13 our region to do such a thing.

14 Mr. Hale.

15 MR. HALE: I was just thinking we had some
16 experience with some folks that have worked. Rider Scott
17 is here. I wondered if he knew anything about -- MR.
18 MORRIS: Well, I would rather he not weigh in, because we
19 are going to use him very strategically. And if he weighs
20 in and gives his trade secrets away, then that might give
21 away some of our ability to -- but if he wishes to --
22 you're more than welcome to, but I don't want you to --

23 MR. SCOTT: I will abide by the Chairman's
24 wishes.

25 MR. MORRIS: A first. Rider Scott indicated

1 something that has never happened before.

2 MR. PENSOCK: And, Michael, TxDOT has very
3 little authority to, you know --

4 MR. MORRIS: I understand. Well, how about
5 this. Irving is here. I communicated, I think, some
6 interest with regard to that. Maybe somehow it could
7 drift back through Irving.

8 MR. PENSOCK: That is a good way of opening up
9 this opportunity.

10 MR. LOPEZ: They always manage to drift.

11 MR. MORRIS: Could you maybe get word to --

12 MR. LOPEZ: We're notorious for drifting.

13 (General laughter.)

14 MR. LOPEZ: Yes, sir. I hear you.

15 MR. MORRIS: Okay. Thank you.

16 MR. LOPEZ: We also have --

17 MR. MORRIS: Well, we have person here who
18 served on the Regional Transportation Council who would
19 love to see this get across who maybe is communicating to
20 her right now on this subject. So, Mr. Stopfer, thank you
21 for coming today. I think the point has been made.

22 Anything else on the schedule, other than, I
23 would like to see us put the table in the material that
24 goes out next week. And I am speaking to my staff who is
25 here. Okay.

1 I guess we are on to the action of the
2 particular Committee. I just want to hold off for a
3 second and open it up for any -- opportunity for anyone
4 here who wishes to comment before we debate or discuss our
5 particular action. So does anyone here -- you are welcome
6 to come up to the table.

7 (No response.)

8 MR. MORRIS: Does anyone here like to weigh in
9 or make a comment before our Committee takes up action? I
10 would like to do it at the beginning part so we get the
11 benefit of anything anyone has to say.

12 (No response.)

13 MR. MORRIS: Let the record show no one is
14 drifting up and asking questions or comments.

15 Okay. Members of the Committee, you've heard
16 the report from TxDOT. You have heard four or five of
17 these principles we have had to date.

18 I would like to chart to go back to the money
19 part, first. And then I would like the chart to go back
20 to the math. I am seeing a row that says, why don't we go
21 build the biggest project we can get. Let's send a
22 message to TxDOT, we would be honored if you could put
23 \$557 million in our region. I don't think I can ask TxDOT
24 to put \$1.4 billion in our particular region.

25 We have -- we as a region have transferred the

1 risk to the neighboring parts, to the north and west. So
2 I see an opportunity for a concession to maybe have a
3 four-to-one leverage. TxDOT puts in 557; RTC and others
4 have put in about 200. That's about 700 million. It
5 leverages more than a \$2 billion project. So it is almost
6 three or four to one with regard to that particular
7 commitment.

8 If any member of the Committee likes another
9 option on there, let's come back to it. And then on the
10 map, if we could go to the map.

11 MS. MOW: Weren't we going to add some notes to
12 this as well?

13 MR. MORRIS: Yes.

14 MS. MOW: Okay.

15 MR. MORRIS: And then on the map, we have
16 been -- the previous Committee has been adding other
17 parts. I think we talked very much about what the purple
18 means, what the yellow means, and what the brown means
19 with regard to these particular limits.

20 So I turn it over to the Committee for
21 questions or comments. We have to weigh in on the map
22 part; that's one homework assignment, and we have to weigh
23 in on the funding part. So does anybody have any comments
24 or questions or thoughts or motions?

25 (No response.)

1 MR. MORRIS: I am not going to try to attempt
2 to recap the three or four or five points we made along
3 the way but ask that to be part of our motion.

4 Since we are transcribing the meeting, we
5 should be able to pick up pretty precisely what those
6 particular elements are, if it is part of the motion that
7 we have.

8 Any comments or questions?

9 (No response.)

10 MR. MORRIS: Do I have a motion?

11 (No response.)

12 MR. MORRIS: I would like to make a motion. I
13 would like to move that let's go back to the financial.
14 Whoever is doing the slides is doing a terrific job. I
15 don't know where that's occurring. I know it's not Bill
16 Hale.

17 (General laughter.)

18 MR. MORRIS: I'd like to make a recommendation
19 that we adjust the third row to be 114 Short-plus, with a
20 footnote that talks about maybe we could build a whole
21 4-2-2-4 or have some operational component. I would like
22 there a page -- Elizabeth started us down a path on
23 clarification on some of these operational elements. I
24 would like that element to be added, recommending that we
25 do a concession, respectfully requesting \$557 million from

1 the State, and that we do it on the map that is listed on
2 the Map one, whoever is doing the maps. Go back to the
3 maps. That map with the nomenclature that we talked about
4 earlier.

5 And I include in the motion that we recommit to
6 the already-existing tolling structure for managed lanes
7 that is used on all toll road projects in the region, is
8 the motion that I make.

9 Do I have a second, or a comment on that?

10 MS. BLAIR: I'll go ahead and second. I just
11 wanted to make sure you had everything clarified.

12 MR. MORRIS: So I have a motion and a second.
13 There were three or four comments along the way for
14 clarification. Does TxDOT -- we'll get those as part of
15 it.

16 So the motion and the second before you is the
17 concession for the larger project, with the regional
18 tolling structure with those elements, to make sure we are
19 transitioning correctly in Tarrant County, as we
20 previously committed to.

21 Do the members of the Committee understand the
22 motion that has been made and seconded? -- me as the
23 motioner and Alberta as the second.

24 (No response.)

25 MR. MORRIS: All right. All of those in favor,

1 indicate by saying aye.

2 (Chorus of ayes.)

3 MR. MORRIS: All those opposed, the same sign.

4 (No response.)

5 MR. MORRIS: The 1420 Committee recommends to
6 the Executive Director of TxDOT these recommendations.

7 Do I have a motion to adjourn?

8 MS. MOW: I will make that motion.

9 MR. MORRIS: Ms. Mow always makes that motion
10 to adjourn.

11 MR. ZAPALAC: Michael?

12 MR. MORRIS: Yes, sir. Before we get a second
13 on that.

14 MR. ZAPALAC: There is a form that needs to be
15 signed by the Committee members, and I believe -- is it in
16 the packet?

17 VOICE: Yes.

18 MR. ZAPALAC: It is in the packet.

19 MR. MORRIS: Okay. Could you turn to a
20 particular page? I apologize. For the record, that was
21 Russell. What page are we --

22 MR. ZAPALAC: It's near the back.

23 MR. MORRIS: I'm the back page.

24 MS. MOW: No, we're at the back. We don't have
25 it.

1 MR. ZAPALAC: It looks like that (indicating).

2 MR. MORRIS: Sorry. I have another packet.

3 It's this?

4 MR. ZAPALAC: Yes, sir.

5 MR. MORRIS: Okay. So one of these needs to
6 serve as the signature -- as the original.

7 MR. ZAPALAC: Yes, sir.

8 MR. MORRIS: Is General Counsel here today?

9 Okay.

10 Madam Lawyer, if I take this, this will serve
11 as the original, and we can all sign this particular page?

12 VOICE: That will work.

13 MR. MORRIS: That will work. Okay. Before we
14 ask for an adjournment, let's pass this around, because --
15 go ahead, Bill.

16 (Pause.)

17 MR. MORRIS: Russell, I'm sorry. I didn't pick
18 up on that sooner, so I apologize for that.

19 Gary, why don't you go back and tell everyone
20 in the west you went and got \$557 million today.

21 MR. MCKAMIE: No problem. I hope you
22 appreciate all my input.

23 MR. MORRIS: I do.

24 You can pass it that way, I think.

25 MR. ZAPALAC: Michael, we will see that all of

1 the members get copies.

2 MR. MORRIS: Yes. Would you send us a copy for
3 our records? Appreciate it. And send us a copy of the
4 report that you send to the Executive Director as well.

5 Do we know when that report is going to the --
6 does that go in this month? Well, I don't guess you don't
7 have to take a report to the Executive Director at the
8 Commission meeting, do you?

9 MR. PENSOCK: The report does not have to be
10 presented or approved by the Commission. It is an
11 Executive Director delegated --

12 MR. MORRIS: Could you try to have some part of
13 the agenda reflect what this Committee has done so the
14 record at the Commission knows we took action today?

15 MR. PENSOCK: Without question, on the 28th of
16 February, the Commission will act to approve the chair and
17 the vice chair, and it will be included in the discussion.
18 Yes, sir.

19 MR. MORRIS: I wonder what happens to our
20 project if they don't approve the chair and the vice
21 chair.

22 MR. PENSOCK: We get to start all over.

23 MR. MORRIS: Okay. We have a motion from
24 Elizabeth to adjourn.

25 MS. BLAIR: Second.

1 MR. MORRIS: Second from Alberta. All of those
2 in favor, indicate by saying aye.

3 (Chorus of ayes.)

4 MR. MORRIS: All opposed, the same sign.

5 (No response.)

6 MR. MORRIS: We are adjourned. I believe for
7 now we stand in recess as a Committee until asked by the
8 State to come back. Thank you.

9 (Whereupon, at 4:35 p.m., the meeting was
10 concluded.)

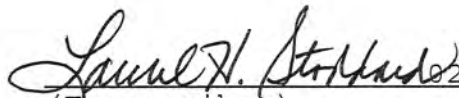
C E R T I F I C A T E

MEETING OF: SB 1420 Committee

LOCATION: Arlington, Texas

DATE: February 14, 2013

I do hereby certify that the foregoing pages, numbers 1 through 72, inclusive, are the true, accurate, and complete transcript prepared from the verbal recording made by electronic recording by Barbara Wall before the Texas Department of Transportation.

2/21/2013
(Transcriber) (Date)

On the Record Reporting
3636 Executive Ctr Dr., G-22
Austin, Texas 78731