

Texas Transportation Commission – Special Meeting

Wednesday, January 5, 2011

On January 5, 2010, the Texas Transportation Commission (TCC) convened to address several items on the agenda on the purview of the Commission. An agenda item of our particular interest included the report on the status of development of the Grand Parkway in the Houston and Beaumont districts. The report detailed various segments of the entire parkway including market valuation and primacy issues.

Mr. John Barton, Assistant Executive Director for Engineering Operations of Texas Department of Transportation (TxDOT), provided a status update on the project that included some highlights:

- Segments A, B, C, H, and I1 are segments that have currently no environmental studies completed on them
- Segment D, E, and a portion of I2 (on the east-side of Houston) are segments that have environmental clearance and design work underway
- Segments F1, F2, and G have environmental clearance, but they currently do not have design activities underway on them
- As of September 2009, 7 counties exercise right to primacy
- *Chambers County* recently rescinded their right
- Segment D currently under development by Fort Bend County
- Segment E currently under development by Harris County
- Montgomery County recently issued an RFP for development of Segment G

Mr. Barton noted that TxDOT Executive Director Amadeo Saenz has been in discussions regarding the possibility of taking advantage of a piece of legislation that was passed in 2007 that will enable the County and the TxDOT to enter into a Corridor project. This legislation will allow for Counties once they receive environmental clearance to have a public process and:

- Have the legal authority to refuse to do a subdivision plat in all or a part of that Corridor, if the subdivision lies within the Corridor alignment; and
- To approve the plat on the condition that the plat specifically stays within that subdivision notice, or the parcels lie within the impact area of the Corridor's alignment, in essence to protect that right of way from further development, until that project was read to acquire rights of way and move forward with construction.

*There is at least one interested county that would like TxDOT to provide this option to them for those segments of the Grand Parkway that already have environmental clearance

Commissioner Ned Holmes asked if the proposal that is likely to go in front of Commissioner's Court in Harris County regarding rescinding primacy on E, F1, and F2 were to happen, would TxDOT move forward on those segments?

Mr. Barton responded that TxDOT would consider exercising the right to move forward on those segments, as they are relatively far along in development. He added, TxDOT could purchase design packages for the needed segments, and have a financial package created to address that issue, if it was the desire of the Commission. And the funding opportunities would be weighed in all the segments within the financial package.

Commissioner Holmes said Harris County is likely to rescind primacy, due to the challenge facing the County expending funds to other Counties that are not Harris. He concluded he understands that Harris County is considering strongly a state-wide agency pursuing the Grand Parkway project.

The Commissioner also noted that Exxon Mobile has the intention of moving their operation on F2, to the west of I-45. While many of the estimated 14-15,000 employees are already in the region, approximately 4,000-4,500 individuals would be from out-of-state employees.

Mr. Barton has staffers working on total project cost estimates and potential revenue estimates for the tolling of those segments, and that analysis and deliverability will be presented to the TTC approximately in February 2011. Segment E has a current construction cost estimate range of \$350,000-400,000 million issued by Harris County, and there are still pieces of rights-of-ways for the full estimate to be determined. TxDOT also plans to look at the tolling revenue bond perspective.

Mr. Barton projects that TxDOT's earliest delivery of the project with funding made available at a normal design big build approach would be August 2011.

The video is archived on the TCC website at:

http://www.dot.state.tx.us/about_us/commission/2011_meetings/media/jan5.htm.

Please contact GHBA - Government Affairs with any questions.

Thank you,