

TEXAS TRANSPORTATION COMMISSION

GRAYSON County

MINUTE ORDER

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PARIS District

In Minute Order 109645, dated April 29, 2004, the Texas Transportation Commission (commission) authorized the creation of the Grayson County Regional Mobility Authority (authority), with the boundaries of the authority to be the entire geographic area of Grayson County.

The Texas Department of Transportation (department) and the authority have worked together to identify an approach to pursue the development of certain transportation system improvements within the jurisdictional limits of the authority.

The authority's goals are to improve mobility by providing an extension of the Dallas North Tollway into Grayson County and to provide congestion relief to US 75. This would be accomplished by accelerating the delivery of individual segments and projects with innovative funding and partnerships.

Transportation Code, §370.301 authorizes the department to provide for or contribute to the payment of costs of the design, financing, construction, operation, or maintenance of a turnpike project by a regional mobility authority (RMA) on terms agreed to by the department and the RMA. 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 commission.

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

In accordance with Section 27.53 and 27.54(a) of the toll equity rules, the commission, in Minute Order 111706, dated February 26, 2009, granted preliminary approval of financial assistance in the amount of \$10 million to secure financial advisors and engineering consultants for the development of a turnpike facility from the Collin County line to US 75 north of the city of Denison (project). The request included an estimated \$6.5 million for the purposes of developing preliminary engineering documents, and public outreach and education efforts, and an estimated \$3.5 million for the purposes of financial advisory services, traffic and revenue studies, and project management services. The financial assistance may also be used for necessary or incidental administrative, legal, and other expenses relating to the development, acquisition, construction, maintenance, or operation of the project. The financial assistance was approved in the form of both a grant and a loan.

In accordance with Section 27.54 of the toll equity rules, a financial assistance agreement with the authority that complies with Section 27.55 of those rules has been developed. The agreement shall provide that \$3.5 million of the financial assistance is in the form of a loan, and shall also provide that if the project is not constructed by the authority, all work product prepared by the authority in connection with project shall be transferred to the department, and the transfer of this work product shall constitute repayment of the loan.

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The project will benefit the state and the traveling public and improve the efficiency of the state's transportation system by enhancing mobility and safety within this segment of the state transportation system.

The project is consistent with the approved Statewide Transportation Plan and the Metropolitan Transportation Plan of the Sherman-Denison Metropolitan Planning Organization.

The authority has indicated that they will fund a portion of the costs of developing the proposed project through revenue bond sales, local contributions, and various loans, and will consider public private partnerships and other means of private funding. Accordingly, the project has the potential to expand the availability of funding for transportation projects or reduce direct state costs.

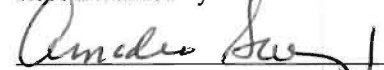
Based on the above information, the commission has determined that providing financial assistance will prudently provide for the protection of public funds, and that, given the level of project development to date, the project will provide for all reasonable and feasible measures to avoid, minimize,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

NOW, THEREFORE, IT IS DETERMINED that the request for financial assistance submitted by the Grayson County Regional Mobility Authority meets the applicable requirements of 43 TAC §27.53 and §27.54(a) and, in accordance with those provisions, the commission grants final approval of the request for financial assistance in the total amount of \$10 million, with \$6.5 million to be provided as an in-kind grant to the authority in the form of preliminary engineering documents, and public outreach and education efforts, and \$3.5 million, in the form of a loan, to be used to fund the costs of financial advisory services, traffic and revenue studies, and project management services, including the costs of necessary administrative, legal, engineering, and other services associated with the development of the project, and authorizes the executive director to enter into a financial assistance agreement with the Grayson Regional Mobility Authority.

Submitted and reviewed by:


Director, Texas Turnpike Authority Division

Recommended by:


Executive Director

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Minute
Number

Date
Passed