

TEXAS TRANSPORTATION COMMISSION

HARRIS County

MINUTE ORDER

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HOUSTON District

The Texas Department of Transportation (department) is widening FM 1942 from US 90 to Crosby Lynchburg Road, from two to four lanes in Harris County (Project).

The Harris County Municipal Utility District No. 50 (District) applied for a \$500,000 State Infrastructure Bank (SIB) loan to pay for the District's relocation of utility lines necessary for the Project.

Pursuant to Transportation Code, Chapter 222, Subchapter D, the commission adopted Title 43 Texas Administrative Code (TAC) §§6.1-6.45 (SIB rules) to prescribe conditions for the commission's financial assistance from the SIB.

Section 6.32 of the SIB rules allows for final approval by the commission of any SIB loan in the principal amount of \$10 million or less, without first going through the preliminary approval process described in the rules.

The intended use of the financial assistance conforms to the purposes of the SIB. The present and projected financial condition of the SIB is sufficient to cover the requested financial assistance for the project. Under the SIB rules, the executive director or his designee determined that the requirement to submit any information or data that was not submitted by District is waived as permitted by the rules either because the information or data is not relevant or the department already possesses the information or data.

In accordance with 43 TAC §6.32(c), the commission finds that: (1) the project is consistent with the Statewide Long-Range Transportation Plan and the metropolitan transportation plan developed by the applicable metropolitan planning organization; (2) the project is in a Clean Air Act non-attainment area and is consistent with the Statewide Transportation Improvement Program, with the conforming plan and Transportation Improvement Program for the MPO in which the project is located, and with the State Implementation Plan; (3) the project will improve the efficiency of the state's transportation systems; (4) the project will expand the availability of funding for transportation projects or reduce direct state costs; and (5) the application shows that the District is likely to have sufficient revenues to assure repayment of the financial assistance.

In accordance with 43 TAC §6.41, the executive director has negotiated all the terms of an agreement as necessary, to protect the public's safety, and to prudently provide for the protection of public funds while furthering the purposes of the SIB.

The executive director or his designee implemented actions authorized and required by the SIB rules for final approval. The executive director affirms that the necessary social, economic, and environmental impact studies have been completed and approved by the department. The executive director recommends that the commission grant final approval of the District's application for financial assistance from the SIB.

In accordance with 43 TAC §6.32(e), the commission finds that providing financial assistance will protect the public's safety and prudently provide for the protection of public funds, while furthering the purposes of the SIB; and that the Project will provide for all reasonable and feasible measures to avoid, minimize, or mitigate for adverse environmental impacts.

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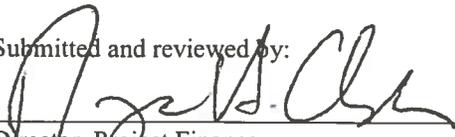
HOUSTON District

IT IS THEREFORE DETERMINED AND ORDERED that the application submitted by the Harris County Municipal Utility District No. 50 for financial assistance in the form of a loan from the SIB meets the applicable requirements of the SIB rules and, in accordance with those provisions, the commission grants final approval of the District's application for a SIB loan in an amount not to exceed \$500,000 for the District's relocation of utility lines necessary for the Project.

IT IS FURTHER ORDERED that the executive director or his designee is directed and authorized to enter into a financial assistance agreement with the District which complies with the SIB rules and which contains the following terms:

1. The loan will be repaid over a period of no more than three years at 1.50 percent interest per annum.
2. The District will pledge as security for the loan its revenues derived from its water, sewer, and sanitation services.

Submitted and reviewed by:



Director, Project Finance,
Debt & Strategic Contracts Division

Recommended by:



Executive Director

114744 OCT 27 '16

Minute
Number

Date
Passed