

PROPOSITION 12 BONDS

DESCRIPTION

The legislature developed a budget which included approval for the department to issue the remaining Proposition 12 General Obligation bonds. The appropriations bill requires that these planned funds be used for five specific transportation programs.

- \$500 million for bridge projects
- \$600 million to be distributed to the 25 Metropolitan Planning Organizations (MPOs).
- \$1.4 billion to be distributed to the 25 TxDOT districts for rehabilitation/safety.
- \$200 million for statewide connectivity.
- \$300 million to be distributed to the four metro regions to address the greatest congestion needs (Austin, Dallas-Fort Worth, Houston, and San Antonio).

Additional funding that is also available includes:

- Approximately \$250 million in Prop. 12 funding from 2009 authorization.
- \$310 million in undistributed Fund 6 dollars from the 2012 UTP.

Transportation partners such as MPOs, Rural Planning Organizations (RPOs), and local elected officials have been brought into the process to assist the department in making the best possible project selections. Webinars were conducted with MPO partners and districts, regions and divisions on July 6 and July 22 to develop business guidelines for the Prop. 12 Program.

PROGRAM DETAIL

These funds will be used to cover all costs associated with any projects that have not already been incurred or otherwise funded, including environmental assessment, design, right of way, consultant costs, construction, construction inspection, and change orders. The five categories designated by the legislature.

- 1) **\$500 million for work to replace or rehabilitate bridges.** As noted above, the funding amounts shown are intended to cover the design, construction and inspection costs for these bridge projects, and may only be spent on federally-eligible bridge costs. If the funds assigned to any bridge are ultimately not needed to pay for these costs, any remaining funds will be assigned to other bridges by the commission. If, on the other hand, additional funds are needed for any of these specific bridges, the commission must decide what source of funds would be used to cover these costs.
- 2) **\$600 million for projects to be selected by the 25 MPOs.** Each MPO will receive a suballocation from this \$600 million and may use it for any eligible project. These funds may be used for on- or off-system work, but may only be used for highway projects. The department will encourage all off-system projects funded with Prop. 12 be used for safety projects or for projects that provide a significant benefit to the state highway system. These funds will be distributed

using the new Category 2 funding formulas and projects will be selected by the MPO policy boards in consultation with the local department staff.

- 3) **\$1.4 billion to be distributed to the 25 TxDOT districts using the Category 1 Rehabilitation formula** (see attached estimated distribution). While these funds will be distributed using the Category 1 formula, they may be used for eligible rehabilitation and safety projects, which may include added capacity projects. The department will work cooperatively with MPOs, RPOs, and other transportation planning partners to identify those projects that are the most beneficial in each district to advance with these funds. Each district engineer will meet with their local MPOs, RPOs, and county judges and commissioners to discuss the use of these funds and to build consensus around which projects to advance.
- 4) **\$200 million to be used on projects addressing statewide connectivity needs.** These projects will be selected by the commission based on the rural connectivity needs in our state. These projects will likely be rural interstate expansions and rehabilitation, or Texas Trunk System improvements.
- 5) **\$300 million to be suballocated to the four largest MPOs in the state** (Austin, Dallas-Fort Worth, Houston and San Antonio – see attached distribution) to be used to develop those projects that will have the greatest impact on reducing congestion in these metropolitan areas. These funds may not be used until the Texas Transportation Institute has prepared and presented a report to the commission identifying those projects in each of these regions. This report is due to the commission no later than September 2012. Once the commission accepts this report, these funds may then be used to advance the preliminary engineering, environmental assessment, design and right of way acquisition on these projects. These funds may not be used to pay for construction of any project.

ISSUES

It is important that every effort be made to let about one-half of the program in each of the next two years. This will require that department staff, working with local transportation partners, present a plan to the commission for consideration and discussion by September. The MPOs will likely need some longer lead times to develop a plan for the use of their portions of the \$600 million being distributed to them. Therefore, it is likely that the projects funded through the Category 1 (\$1.4 billion), rural connectivity (\$200 million), and some of the bridge (\$500 million) components will be the majority of the projects advanced in FY 2012. The MPO projects would be more likely to advance in FY 2013.

REFERENCES

Rider 42, 82nd Texas Legislative Session.

DESIRED RESULTS

The recommended project goals for these funds include:

- Safety Enhancement
- Congestion Relief
- Air Quality Improvement
- System Preservation
- Economic Opportunities

FURTHER ACTIONS

The path forward will include additional discussions with the MPO transportation partners to provide detail about the program and finalize the proposed process. Commission consideration of the proposed projects could then occur in September 2011. Districts have a deadline of September 7 to select and submit projects while MPOs due to their public involvement requirements and policy board rules have until October 5 to submit their lists.

Discussions with MPOs, RPOs, elected officials and districts have identified I-35 through central Texas, Ports to Plains, I-69 and Super 2 designs on trunk system rural arterials as good candidates for statewide corridor funding consideration. The department proposes to have projects identified and selected for statewide corridor funding by September 7.

A proposed project list from districts and MPOs will be presented to the commission in September. A complete list of MPO projects will be submitted at the October commission meeting. Remaining project considerations can be presented to the commission for approval at the November 17 meeting, if necessary.

The districts are already meeting with local transportation partners (MPOs, RPOs, and local elected officials). The department and our MPO partners are fully engaged in the project selection process for Prop. 12. The department districts will also host a local public meeting in coordination with regional public meetings.

\$3.0 Billion Propostion 12 GO Bond Distribution

District	\$300 PE & ROW for Top 20	\$600 Metro & Urban Mobility	\$1,400 Rehab & Safety	\$500 Bridges	\$200 Statewide Connectivity	\$3,000 Total
Abilene		3.644	38.736			42.380
Amarillo		4.773	57.089			61.862
Atlanta		2.016	27.339			29.355
Austin	31.281	47.685	91.322			170.288
Beaumont **		11.305	44.849			56.154
Brownwood			17.798			17.798
Bryan		4.637	39.453			44.090
Childress			22.721			22.721
Corpus Christi		14.005	64.852			78.857
Dallas ***	81.941	124.911	133.985			340.837
El Paso		21.193	37.124			58.317
Fort Worth ***	36.814	56.119	102.189			195.122
Houston **	116.224	177.172	163.685			457.081
Laredo		4.301	38.100			42.401
Lubbock		8.201	73.400			81.601
Lufkin			33.547			33.547
Odessa		6.291	34.452			40.743
Paris		3.396	61.807			65.203
Pharr		29.410	58.024			87.434
San Angelo		1.996	17.400			19.396
San Antonio	33.740	51.433	93.652			178.825
Tyler		8.836	32.556			41.392
Waco		13.636	51.036			64.672
Wichita Falls		2.576	23.998			26.574
Yoakum		2.466	40.885			43.351
Statewide				500.000	200.000	700.000
Total *	300.000	600.000	1,400.000	500.000	200.000	3,000.000

* Columns may not add due to rounding

** The H-GAC MPO Allocations are eligible for use in the Houston and Beaumont Districts.

*** The NCTCOG MPO Allocations are typically split 69% to the Dallas District and 31% to the Fort Worth District.

Bridge Projects in Texas

County	Feature Crossed	Facility Carried	Cost
Dallas	Trinity River	IH 30	
Dallas	Trinity River and Brazos Street	IH 35E SB & NB	
Orange	Neches River	IH 10	
Harris	IH 10	Elysian Street	
Hunt	Lake Tawakoni	SH 276	
Dallas	IH 30, US 75 & DART	IH 345 SB & NB	
Tom Green	US 277	US 67 SB & NB	
Knox	Brazos River	SH 6	
Collingsworth	Red River	SH 203	
		Total	500.000

\$600M Prop 12 distributed to 25 MPOs			
TMA Name	TMA \$	Non-TMA Name (District)	Non-TMA \$
		ABILENE (ABL)	3.644
		AMARILLO (AMA)	4.773
		TEXARKANA (ATL)	2.020
CAMPO	47.684		
		SETRPC (BMT)	11.304
		BRYAN-COLLEGE STATION (BRY)	4.637
CORPUS CHRISTI	14.003		
NCTCOG	181.029	HARLINGEN/SAN BENITO (PHR)	3.665
EL PASO	21.195	BROWNSVILLE (PHR)	4.464
HGAC	177.176		
		LAREDO (LRD)	4.301
LUBBOCK	8.201		
		MIDLAND-ODESSA (ODA)	6.290
		SHERMAN-DENISON (PAR)	3.396
HIDALGO CO.	21.280	SAN ANGELO (SJT)	1.995
		LONGVIEW (TYL)	3.491
SAN ANTONIO-BEXAR CO.	51.432	TYLER (TYL)	5.344
		KILLEEN/TEMPLE (WAC)	7.192
		WACO (WAC)	6.444
		WICHITA FALLS (WFS)	2.577
		VICTORIA (YKM)	2.466
NA	\$ 522.00	NA	\$ 78.00
\$		600.00	