

## OPTIONS FOR 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 specific bridge projects
- \$600 million to be distributed to the 25 MPOs.
- \$1400 million 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 (AUS, DFW, HOU, and SAT).

Additional funding that is also available includes:

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

Transportation partners such as MPOs, RPOs, and local elected officials will be brought into the process to assist the department in making the best possible project selections.

### 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 a list of specific bridges (see attached list of 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 Metropolitan Planning Organizations (MPOs) (see attached breakdown by MPO). Each MPO will receive a sub-allocation 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 MPOs 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, these funds may be used for eligible rehabilitation and safety projects, which may include added capacity projects. The department will work cooperatively with MPOs, Rural Planning Organizations (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 sub-allocated 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 our 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 then be more likely to advance in FY 2013.

## REFERENCES

Rider 42, 82<sup>nd</sup> 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**

On June 13, 2011, the department's administration met with the MPOs and department districts. The focus of this meeting was the need to maintain maximum program flexibility, allow for strategic partnerships, and focus on existing program and project goals.

The path forward will include additional discussions with the MPO transportation partners to provide detail about the program and finalize the proposed process. The final proposed process is tentatively scheduled to be presented to the commission in July 2011. Commission consideration of the initial list of proposed projects could then occur in September 2011.

The MPOs are expected to select their projects following the current public involvement process. The districts are already meeting with local transportation partners (MPOs, RPOs, and local elected officials). The department districts will also host a series of local public meetings.

## \$3.0 Billion Propostion 12 GO Bond Distribution <sup>1</sup>

District	\$300 PE & ROW for Top 20	\$600 Metro & Urban Mobility	\$1,400 Rehab & Safety	\$500 Major 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	80.000		136.154
Brownwood			17.798			17.798
Bryan		4.637	39.453			44.090
Childress			22.721	8.500		31.221
Corpus Christi		14.005	64.852			78.857
Dallas ***	81.941	124.911	133.985	320.500		661.337
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	43.000		500.081
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	44.000		109.203
Pharr		29.410	58.024			87.434
San Angelo		1.996	17.400	4.000		23.396
San Antonio	33.740	51.433	93.652			178.825
Tyler		8.836	32.556			41.392
Waco		13.636	51.036		200.000	264.672
Wichita Falls		2.576	23.998			26.574
Yoakum		2.466	40.885			43.351
<b>Total *</b>	<b>300.000</b>	<b>600.000</b>	<b>1,400.000</b>	<b>500.000</b>	<b>200.000</b>	<b>3,000.000</b>

\* 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 eligible for use in the Dallas, Fort Worth and Paris Districts.

### Major Bridge Projects in Texas

District	County	Feature Crossed	Facility Carried	Cost
^ Dallas	Dallas	Trinity River	IH 30	136.500
^ Dallas	Dallas	Trinity River and Brazos Street	IH 35E SB & NB	79.000
Beaumont	Orange	Neches River	IH 10	80.000
^ Houston	Harris	IH 10	Elysian Street	43.000
Paris	Hunt	Lake Tawakoni	SH 276	44.000
^ Dallas	Dallas	IH 30, US 75 & DART	IH 345 SB & NB	105.000
San Angelo	Tom Green	US 277	US 67 SB & NB	4.000
Childress	Knox	Brazos River	SH 6	4.000
Childress	Collingsworth	Red River	SH 203	4.500
Unidentified				
<b>Total</b>				<b>500.000</b>

^ Projects on or related to Top 100 Congested Roadway Segments

<sup>1</sup> As of June 30, 2011; Preliminary, Subject to Revision.

## Proposition 12 Priorities & Partnerships

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John A. Barton, P.E.

June 30, 2011  
Texas Transportation Commission Meeting



## Rider 42 – General Provisions

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- Allocated remaining \$3 billion
- Specified use to address 5 issues
- Intent rider to increase lettings over the next two fiscal years



## Rider 42 – Specific Program Areas

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- \$300 M to four metro regions to address greatest congestion problems
- \$600 M distributed to 25 MPOs
- \$500 M for specific bridges



## Rider 42 – Specific Program Areas

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- \$200 M for statewide connectivity
- \$1400 M distributed to TxDOT's 25 districts



## Additional Funding Available

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- Approximately \$250 M of Prop 12 funds from 2009 authorization
- \$310 M of undistributed Fund 6 from 2012 UTP



## Priorities

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- June 13, 2011 meeting with MPOs and Districts
  - Maintain maximum flexibility
  - Allow for strategic partnerships
  - Focus on existing goals
- Additional meetings needed to discuss other available funds



## Recommended Project Goals

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- Enhance Safety
- Congestion Relief
- Improve Air Quality
- System Preservation
- Economic Opportunities



## The Proposed Process

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- MPOs to select projects following current public involvement process
- TxDOT Districts to meet with local partners (MPOs, RPOs, local elected officials)
- TxDOT Districts will also host local public meetings



## The Path Forward

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- Hold additional TxDOT/MPO meeting
- Finalize proposed process with partners
- Present final proposed process to Commission in July 2011
- Commission approval of initial list of proposed projects in September 2011



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## Questions and Comments

