Off-System Rail Grade Separation State Fund Program

Program Guide

TxDOT Rail Division

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Texas Department of Transportation

Table of Contents

Texas Off-System Rail Grade Separation State Fund Program 2

1. Program Overview 2
2. Purpose and Need for the Program 3
3. Eligibility and Requirements 3

Eligible Project Sponsors 3

Eligible Projects 4

Allowed and Non-Allowable Costs 4

Non-State Funding Match 4

4. Application Process 5

Preliminary Application 5

Detailed Application 5

5. Application Evaluation 5

Evaluation Process 5

Selection Criteria 6

Project Selection Process 8

Finding of Ineligibility and Request for Reconsideration 8

6. Project Delivery Process and Requirements 9

Project Agreement, Period of Performance, and Project Elimination 9

Inclusion of Selected Projects in Planning Documents 10

Project Development and Letting 10

TxDOT Rail Division Grant Program Contacts 14

Texas Off-System Rail Grade Separation State Fund Program

1. Program Overview

On May 24, 2025, Senate Bill 1555 (SB 1555) (89th Texas State Legislature) was signed into law, establishing the Texas Off-System Rail Grade Separation State Fund Program (Program), authorized under Transportation Code § 471.010. The Program grants financial assistance to eligible governmental entities in Texas for rail grade separation projects that increase public safety, enhance economic development, or reduce traffic. The 89th Texas State Legislature has allocated $250 million to the Program through a supplemental budget appropriation for the 2026-2027 fiscal biennium. The Texas Department of Transportation (TxDOT or the department) will be the administrator of the Program. TxDOT will hold a statewide Call for Projects in November 2025.

The Program will fund project development activities and construction of projects that eliminate one or more existing adjacent at-grade rail-highway crossings or provide a grade-separated pedestrian-rail crossing. The project cannot be located on the state highway system (those roadways under TxDOT jurisdiction). TxDOT's Executive Director (Executive Director) will appoint a Project Evaluation Committee (Committee), consisting of Department staff, to make project selection recommendations. This Call for Projects features an online application process, which is described in this Program guide. The guide also specifies funding requirements, as well as the evaluation and selection processes for this competitive Program. Key dates are summarized in Table 1.

Table 1: Important Dates for TxDOT Rail Grade Separation 2025 Call for Projects

Milestones	Anticipated Date
Advanced Notification of Expected Call for Projects	October 10, 2025
TAC Rules Become Effective	October 15, 2025
Corrected Texas Register Notification	October 24, 2025
Program Webinar	October 28, 2025
Preliminary Application Open	November 3, 2025
Preliminary Application Due	November 14, 2025
Project Evaluation Committee Completes Review-Notifications Sent	No later than November 30, 2025
Detailed Application Open	TBD
Detailed Application Due	TBD
TxDOT Review and Recommendation Completed	TBD
Texas Transportation Commission Award Determination	TBD

At the conclusion of the 2025 Call for Projects' application and competitive evaluation process, applicants will either:

- Be awarded available funding; or
- No longer be considered in this Call for Projects.

2. Purpose and Need for the Program

The Program is established to increase public safety, enhance economic development and reduce traffic by awarding grants to fund:

(1) Rail-roadway grade separation projects that are located at intersections of railroads and roadways that are not part of the state highway system; and
(2) Rail-pedestrian grade separation projects that are located at intersections of railroads and pedestrian crossings.

The Program addresses safety, improves connectivity for local communities, and facilitates efficient movement of people, freight, and emergency response services. This initiative fills a critical funding gap for off-system rail grade separations.

Successful projects will demonstrate a high level of collaboration and community consensus, while directly supporting the following Program goals:

- *Increase public safety* at rail crossings by reducing potential vehicle-train or pedestrian-train conflicts.
- *Enhance economic development* by strengthening connections between neighborhoods, commercial areas, industrial zones, schools, and essential facilities.
- *Reduce traffic congestion* by reducing vehicle idling times and other mobility issues.

3. Eligibility and Requirements

The Program is authorized under SB 1555 and operates under rules adopted by the Commission. These rules are outlined in the Texas Administrative Code (TAC) Title 43 Transportation, Part 1 Texas Department of Transportation, Chapter 7 Rail Facilities, Subchapter G, "Off-System Rail Grade Separation State Fund Program".

Eligible Project Sponsors

The project sponsor must be the political subdivision of the state (e.g., counties, cities, special districts, and school districts) that has jurisdiction over the project's location, authority to undertake the project, and authority to enter into an agreement with TxDOT. Entities without jurisdiction but with maintenance responsibility for the project location are not eligible to serve as the sole project sponsor; however, they are encouraged to co-sponsor the application or provide supporting documentation. There is no limit to the number of applications that project sponsors can submit for this Program Call for Projects.

Eligible Projects

Projects eligible to receive funding through the Program must meet the following criteria:

- Be a grade separation structure that will either eliminate one or more adjacent at-grade rail-roadway crossings or provide a grade-separated pedestrian-rail crossing;
- Be located on a public road that is off-system (not under TxDOT jurisdiction);
- Increase public safety, enhance economic development, or reduce traffic; and
- Have independent utility, meaning they constitute a logical, self-contained unit of work that can be constructed as an independent project, whether proposed on its own or as part of a larger transportation project.

The crossing may involve either freight or passenger rail.

Allowed and Non-Allowable Costs

The project scope can include associated road realignment, and pedestrian and bicyclist infrastructure as part of the grade separation. Program funding is subject to the Texas Grant Management Standards established by the Comptroller under Government Code, Chapter 783.

Program funding may be used for the following:

- Planning, detailed design activities including preparation of construction plans, environmental, right of way (ROW) acquisition, and utility adjustment.
- Project construction

Program funding may not be used for:

- Any project costs incurred prior to selection, execution of a local agreement, and authorization from TxDOT to proceed.
- Items for rail capacity improvements or the addition of mass transit infrastructure.

A project may include elements that are not eligible for Program funding. However, funds used for those ineligible elements do not qualify as matching funds.

Non-State Funding Match

As required in Texas Administrative Code 7.124, a Non-State Funding Match of at least 10 percent of the total project costs must be provided by a source other than state funding as matching funds. The minimum local match requirement is waived for projects located in economically disadvantaged counties, in accordance with Transportation Code §222.053. The project sponsor must provide the funding match within 90 days of the award or prior to execution of the grant agreement, whichever occurs first. The participating railroad must share in the project cost consistent with 23 C.F.R. §646.210 and may count toward the overall non-state funding match requirement. The funding match must be cash provided by or through the project sponsor. The value of donated services will not be accepted as a funding match but may be used to reduce the overall cost of the project.

Projects selected by the Commission must include up to a 15 percent TxDOT administrative fee (based on the total estimated project cost) to cover the department's direct costs for administration and

oversight. Applicants are required to include this fee in their grant request budget so that the total project cost, including the administrative fee, is reflected at the time of application. The fee will also be carried forward into the grant agreement. Project costs incurred before TxDOT selection, agreement execution, and authorization to proceed are not eligible as non-state matching funds.

4. Application Process

This Program Call for Projects features an online application process (**Table 1**). This process is designed to enhance the quality of project applications and foster communication between project sponsors and TxDOT Rail Division staff during the application process. To support application development, TxDOT will provide the following technical assistance resources:

- **Webinar**: In October 2025, prior to the Call for Projects, TxDOT will host a virtual workshop to educate project sponsors about eligibility and the application process.
- **Technical Support**: Project sponsors can request individual technical support from the TxDOT Rail Division points of contact noted at the end of this Program guide under "TxDOT Rail Division Program Contacts".

Preliminary Application

The Preliminary Application is designed to capture high-level project details, enabling the Committee to assess funding eligibility, challenges encountered by the community by the rail grade crossing, benefits created by the proposed project, and initial project readiness, including railroad coordination. After the preliminary application review, the Committee will notify all project sponsors if they are selected to continue into the detailed application process for Program funding. Projects will be selected to move to the detailed application process based on impacts for public safety, traffic reduction and economic development benefit along with initial project readiness.

Detailed Application

If the proposed project is selected by the Committee for further evaluation, project sponsors will then complete a Detailed Application. The Detailed Application requests additional details, including, but not limited to, project complexity, project costs, letters of support, a conceptual layout or design plan if applicable, and letters of financial commitment toward a non-State match.

A complete application must be received by the Department no later than the deadline published in the Texas Register. Applications that are incomplete or missing any required items will not be considered for funding. The Department may request supplemental information as needed to conduct project screening and evaluation.

5. Application Evaluation

Evaluation Process

The executive director of the Department will appoint a project evaluation committee consisting of Department staff to make recommendations for the selection of projects funded under the Program. The Committee will screen the applications to determine whether the project is eligible for funding under the Program, is consistent with applicable federal and state law, and meets technical standards established by applicable law and accepted professional practice. The Committee will evaluate each eligible project based on public safety, economic development enhancement, traffic reduction, and other considerations as defined in this document.

Selection Criteria

The evaluation process will consider the potential benefits to the community of each eligible project. The information below is a general summary of the criterion used by the Committee:

Preliminary Application General Evaluation Criteria

- How will the project benefit the community by addressing the challenges the community is facing regarding the rail crossing? Explain its importance to the community and demonstrate its alignment with the Program's goals in safety, mobility, and economic development.
- Have you begun coordinating this proposed project with the railroad company/entity in the project area? Does the railroad company support this project?
- Will the project require major utility relocations (high voltage power transmission lines, high pressure gas lines, water/wastewater lines, major fiber optic networks)? Will the project require acquisition of right-of-way or an easement, or relocation?
- What is the current status of the project in terms of planning and design? Have any studies, preliminary engineering, or design work been completed**?**

Detailed Application General Evaluation Criteria

- How will the project increase public safety (crash history, other documented safety concerns, and how project addresses these concerns)?
    - For rail–pedestrian grade separation projects, the focus will be on how existing and/or planned land uses and developments—such as schools, parks, and grocery stores—may generate pedestrian activity and increase risk exposure in the area, and how the project addresses these safety concerns.
- How will the project reduce traffic (average annual daily traffic, number of blocked crossing reports, mobility issues)?
    - For rail–pedestrian grade separation projects, the focus will be on average daily pedestrian and bicyclist users, and on how the project addresses mobility challenges or reduces barriers for people who walk or bike.
- How will the project enhance economic development (population and employment density, low-income population, access to major destinations or essential facilities, supports growth and development, improve connectivity for local populations)?
    - For rail–pedestrian grade separation projects, the focus will be on how the project supports access to major destinations or essential facilities—such as schools and parks—for people who walk or bike.

- What is the project's complexity, including environmental impacts, constructability and feasibility, and overall shovel-readiness?
- Community support documentation, including but not limited to railroads, elected officials/agencies, and impacted property owners.
- What level of local financial commitment or resources are available to support the project?
- Does the project eliminate multiple grade crossings, providing significant safety and mobility benefits?

Table 2 outlines the criteria categories and measures that will be used to evaluate all eligible projects in the Detailed Application process. It provides a description of each evaluation criterion and a list of measures for each category.

Table 3 provides the category weights by project category. In their applications, project sponsors will address these criteria by responding to targeted questions designed to evaluate specific aspects of their projects.

Table 2: Evaluation Criteria

Criteria Category	Criteria Measures	Evaluation Details
Public Safety	Crash count	TxDOT Analysis
Public Safety	Fatality and severe injury count	TxDOT Analysis
Public Safety	Crash rate	TxDOT Analysis
Public Safety	Predicted collisions from FRA Grade Crossing Accident Prediction System	TxDOT Analysis
Public Safety	Documented Safety Issues and Proposed Benefits	Analysis of application response
Traffic Reduction	AADT	TxDOT Analysis
Traffic Reduction	AADT Truck	TxDOT Analysis
Traffic Reduction	Train Volume	TxDOT Analysis
Traffic Reduction	# of Blocked Crossing Reports	TxDOT Analysis
Traffic Reduction	Crossing delay	TxDOT Analysis
Traffic Reduction	Documented mobility issues and proposed benefits	Analysis of application response
Economic Development Enhancement	Population Density	TxDOT Analysis
Economic Development Enhancement	Employment Density	TxDOT Analysis
Economic Development Enhancement	Connectivity to essential facilities, including medical centers, schools, colleges, and social services, as well as access to emergency routes, supporting adjacent land use and overall development potential.	Analysis of application response
Economic Development Enhancement	Average percent low-income	TxDOT Analysis
Project Readiness	Project complexity, constructability/feasibility, shovel readiness	Analysis of application response
Community Support & Planning	Community support	Analysis of application response

Community Support & Planning	**Alignment with local/regional/state planning documents**	**Analysis of application response**
Non-state Match	**Meet Program requirements, partnership with railroads**	**Analysis of application response**
Transformational Elements	**Significant partnerships, significant economic benefits, elimination of multiple at-grade crossings**	**Analysis of application response**

Table 3: Criteria Weights

Criteria Category	Criteria Category Weights
Public Safety	**18%**
Traffic Reduction	**18%**
Economic Development	**18%**
Project Readiness	**18%**
Community Support & Planning	**18%**
Non-state Match	**5%**
Transformational Elements	**5%**

Project Selection Process

The Committee will provide project selection recommendations and supporting documentation to the TxDOT Rail Division Director. The Committee will recommend that at least 10 percent of the total amount available in a Program call go to eligible projects that are located in rural areas (those areas located outside of the US Census Bureau's 2020 census "urbanized area"), unless the Committee determines that there are not sufficient eligible project applications to reach 10 percent of that amount. The TxDOT Rail Division Director will review the recommendations and supporting documentation submitted by the Committee and will provide recommended projects to the TxDOT Executive Director for review and submission to the Commission for consideration and funding determination.

Once the grants are awarded by the Commission, TxDOT will notify the project sponsors of their selection status. Approved projects will be managed by TxDOT through construction then transferred to the project sponsor for maintenance responsibilities.

Finding of Ineligibility and Request for Reconsideration

If a project is found to be ineligible by the Committee, TxDOT will notify the project sponsor with reasons for the determination. Project sponsors can request reconsideration via email or letter. This request must be sent to the TxDOT Rail Division Director. The email or letter must provide the specific reasons that project eligibility should be reconsidered. The email or letter requesting reconsideration must be received by the Director not later than the 15th day after the day that the project sponsor received the Department's notification, as established by the return receipt.

A request for reconsideration must be by email or mailed to the following:

To: TxDOT – Rail Division Director 6230 E Stassney Ln, Austin, Texas 78744

RE: Texas Off-System Rail Grade Separation State Fund Program

Email: RRD_RailPlan@txdot.gov

A response to the request will be provided by the Rail Division Director and will be considered final.

6. Project Delivery Process and Requirements

Project Agreement, Period of Performance, and Project Elimination

Local Government Project Requirements

All project sponsors awarded funding under this Program who propose to manage and perform any work on the project may be required to designate a "Responsible Person in Charge" (RPIC), a "Project Manager" (PM), and a "Qualified" person in accordance with TxDOT's Local Government Project Program (LGPP). Refer to the TxDOT Local Government Projects Toolkit for requirements: https://www.txdot.gov/government/processes-procedures/lgp-toolkit.html.

Through its LGPP Qualification Program, the department offers a 12-hour course (LGP101) to train and qualify individuals to work on state or federally funded projects. Training is complete when at least one individual who will be working actively and directly on the project successfully completes and receives a certificate for the LGP101 course. The individual who completes this training is designated as the project sponsor's "Qualified" person. The "Qualified" person may be an employee of the local government or an employee of a firm that has been contracted by the local government to perform oversight of the project. The department requires all persons "Qualified" through this program to successfully complete the LGPP qualification course at least once every three years. For local government project guidance and training, visit the department's LGPP website: http://www.txdot.gov/government/programs/local-government-projects.html. It is recommended that the project sponsor's "Qualified" person complete the LGPP training as soon as possible.

Execution of a Local Agreement with the Department

Project sponsors receiving a grant must enter into a local agreement (e.g., Advance Funding Agreement, other grant agreement documentation) with TxDOT and comply with all applicable state procedures. Development of the local agreement can begin immediately after project award.

The agreement shall:

(1) include a commitment from the project sponsor for the required non-state funding, if applicable;
(2) describe the total scope and course of project activities;
(3) state the maximum amount of the Program funding awarded;
(4) designate the Department to manage the project on behalf of the project sponsor in accordance with Transportation Code, §471.010(d); and
(5) outline the responsibilities and duties of the parties to the agreement.

TxDOT will lead the design and construction letting (advertisement for bids and contract management), provide oversight of project development, plan review, and construction, and incur direct state costs associated with these activities. TxDOT will work with project sponsors to estimate the time required to have the project ready for letting, which will be used to establish the year for construction letting.

Applicants are not required to apply for all project development elements that remain for a project. If an application is submitted for construction and earlier development activities are not complete, TxDOT will coordinate with the sponsor to determine the additional development work needed and ensure it is completed prior to construction letting.

Period of Performance End Date

The project should be closed within one year after completion of construction and final acceptance by TxDOT, including receipt and acceptance of all required project closeout documentation, in accordance with the Local Government Projects Policy Manual. Closeout documentation may include final invoices, financial reconciliation, as-built plans, property or right-of-way certification records (if applicable), and any other documents required to demonstrate that all project costs and contractual obligations have been satisfied.

Project Elimination

TxDOT's Executive Director may eliminate all or a part of a project from participation in the Program if:

- The project sponsor fails to meet requirements established in the Department's rules;
- Implementation of the project would involve a significant deviation from the scope of work in the approved nomination package;
- The project sponsor withdraws from participation in the project;
- The agreement required under 43 TAC Section §7.132 (relating to Project Implementation) is not executed within one year after the date that the project was approved by the Commission; or
- Construction has not been initiated within three years after Commission approval of the project.

Inclusion of Selected Projects in Planning Documents

Projects within a Metropolitan Planning Organization (MPO) Boundary

If a project selected by the Commission is to be implemented in a metropolitan area, TxDOT will request that the Metropolitan Planning Organization (MPO) for that area immediately begin the process required to include the selected project in its Transportation Improvement Program (TIP) as appropriate. Each MPO is required by federal law to develop a TIP, which is a list of upcoming transportation projects—covering a period of at least four years. It is the project sponsor's responsibility to make sure the project is included in the MPO's local TIP. Early coordination with the MPO is strongly recommended.

Project Development and Letting

TxDOT will be responsible for project development, including detailed design and letting for construction. Projects must be developed as described in the 2025 Application and approved by the Commission. Any change to the scope of work specified in the selected nomination package must have the advance written approval of the Executive Director. All projects shall be developed in compliance with the Department's current standards and specifications. If project design has already been initiated or completed prior to grant award and does not conform to TxDOT standards, TxDOT will require a review of the design. The District will be responsible for revising plans, specifications, and estimates as necessary to bring the

project into compliance with TxDOT design standards and specifications. Costs associated with revising or redoing design work to meet TxDOT standards are not eligible for reimbursement with state Program funds but may count toward the sponsor's non-state funding match if incurred after agreement execution and authorization to proceed.

Environmental Documentation

Some project characteristics have the potential to create environmental impacts and may require environmental mitigation, coordination, and/or permitting. Examples of site characteristics that may require additional evaluation (and associated costs) for environmental issues include projects located:

- In publicly owned parks, recreation areas, wildlife/waterfowl refuges
- In or near publicly/privately owned historical/archeological sites
- Within or around properties listed or eligible for listing on the National Register of Historic Places
- Within range and/or potential habitat of state or federally protected species
- On land with likely possibility of encountering hazardous materials
- In areas requiring placement of fill in wetlands/waters of the U.S.
- In the Edwards Aquifer Recharge/Contributing Zones
- In the Coastal Management Zone
- In new right-of-way or previously undisturbed right-of-way

If the project is selected for a grant, the TxDOT's District Office Environmental Coordinator will work with the project sponsor to determine the appropriate environmental documentation requirements for the specific project. The project sponsor's role would be limited to providing necessary information and coordination as requested by TxDOT to support compliance with the Program's environmental requirements. This will significantly facilitate the development and approval of environmental analysis, agency coordination, and documentation required by the Program.

Projects involving federal funds shall comply with the National Environmental Policy Act (NEPA) and all other applicable federal environmental regulations. The Department, acting as the federal lead agency or through its delegated authority, shall determine the level of environmental review required (e.g., Categorical Exclusion, Environmental Assessment, or Environmental Impact Statement). All federally funded projects must receive environmental clearance from the Federal Highway Administration (FHWA) or the Federal Railroad Administration (FRA), as applicable, prior to construction letting.

Regardless of funding source, projects may also require permits, consultations, or approvals under state and local environmental laws and regulations, including but not limited to air quality, water quality, floodplain, wetlands, and historic preservation. The Department and/or project sponsor shall coordinate with the appropriate regulatory agencies to ensure all required environmental compliance, permitting, and consultation requirements are met before construction.

Public Involvement

An appropriate level of public involvement is required for each project approved under the Call for Projects. Public involvement activities could include public information meetings, fact sheets, and media releases and would be led by the local TxDOT district office where the project is located.

Right-of-Way (ROW)

The project sponsor is responsible for acquiring an interest in property necessary for the proposed project and/or proving current ownership of lands within existing roadway ROW that are to be incorporated in the proposed project. Proposed improvements may be located on property owned by the project sponsor (off-system).

If the proposed project is located on existing roadways, ROW maps are to be submitted with the detailed application along with deeds and official public records supporting ownership rights. If a project is proposed on land owned by the project sponsor, deed records showing ownership must be submitted to TxDOT for proof of ownership within the application.

The requirement to comply with the Uniform Relocation Assistance and Real Property Acquisition Act applies to projects using federal funds. For projects not involving federal funding, property acquisition and relocation must still comply with applicable Texas laws, including the Texas Property Code and any local ordinances governing real property acquisition, easements, or relocations. Regardless of funding source, the project sponsor should provide documentation of property owner support, including willingness to transfer any required property interests, to facilitate project delivery and ensure compliance with state and local requirements.

Exhibits submitted to show property location must contain details that make property easily identifiable. Where property is to be acquired for a project seeking award of funds through Call for Projects, the exercise of eminent domain or condemnation is not allowed for that acquisition.

Each TxDOT district office has a Right of Way Project Delivery Section or is supported by a regional Right of Way Project Delivery Office, which can assist project sponsors awarded a grant under this Program in navigating ROW acquisition and documentation requirements.

Utility Adjustments

The project sponsor shall identify all utilities located within the proposed project limits and shall be responsible for coordinating with utility owners to determine necessary adjustments or relocations. All utility adjustments must comply with applicable state and federal requirements, including TxDOT's Utility Accommodation Rules.

Utility adjustments shall be completed in advance of construction letting, unless otherwise approved by the Department. Costs associated with utility adjustments shall be addressed in the executed local agreement and are eligible for reimbursement or cost participation in accordance with applicable law. Documentation of completed or planned adjustments must be submitted to TxDOT prior to construction letting.

Build America, Buy America (BABA) Compliance

All projects awarded under this Program that include federal funding must comply with the Build America, Buy America Act (Pub. L. 117-58, §§ 70901–70953). The project sponsor must ensure that all iron, steel, manufactured products, and construction materials used in the project are produced in the United States or meet applicable domestic content percentage requirements. These requirements may

be modified only if a waiver has been granted by the U.S. Department of Transportation. Documentation demonstrating compliance with BABA requirements must be submitted prior to construction letting and will be subject to Department review and verification. Projects not meeting BABA compliance requirements shall not advance to letting.

For projects funded entirely with state or local resources, federal BABA requirements do not apply. However, Texas law (Texas Government Code § 2252.202 and 1 Tex. Admin. Code § 391.243) requires that iron or steel products used in state-funded infrastructure projects be produced, manufactured, and fabricated in the United States. Project sponsors must provide documentation of domestic sourcing in accordance with Texas law and applicable Department procedures to facilitate project delivery.

Railroad Impacts and Coordination

Advanced railroad coordination is strongly recommended and may be essential for funding consideration. Obtaining railroad approval can impact project readiness if the project construction is occurring within a railroad ROW. Coordination with a railroad is a requirement for all projects that are within 50 feet of railroad right-of-way (including grade-separated crossings) and/or all projects that begin or end within 500 feet from an at-grade highway-rail crossing to ensure traffic control and construction do not interfere with an active crossing.

The Preliminary Application will have a question for the project sponsor asking if they have begun coordinating with the railroad. Projects with completed railroad coordination documentation or written agreements in place demonstrate a stronger level of project readiness, and these documents should be attached, if available, in the Detailed Application for those selected project sponsors.

Cost can vary depending on railroad owner and elements of a project, so it is important to communicate with the railroad early to understand the full magnitude of associated costs. Additionally, the railroad may require a fee to conduct plan reviews in advance of issuing an agreement. If the project sponsor has not been in contact with the affected railroad regarding the proposed project, then the project may not be ready for funding consideration. Any railroad fees, including plan review or administrative fees, should be included in the project budget submitted with the application to ensure accurate cost estimation and funding allocation.

Construction Letting by the Department

The Department shall advertise and let all projects for construction. Prior to advertising, the project sponsor shall provide to the Department any outstanding local match and 100 percent of any cost overages identified.

Contractor for Construction

For projects using federal funds, the construction contractor shall be selected by TxDOT through competitive bidding in accordance with 23 C.F.R. Part 635. The contract shall be awarded to the lowest responsive and responsible bidder.

For projects funded entirely with state or local resources, TxDOT will select the construction contractor in accordance with Texas procurement laws and Department procedures, which may include competitive bidding or other applicable contracting methods.

Scope Modifications

Projects must be developed as described in the application and approved by the Commission. Any change to the scope of work specified in the application package and approved by the Commission must have advance written approval.

Cost Overrun

Any cost overruns for the project will be the responsibility of the project sponsor.

Project Inspection and Acceptance

The Department shall conduct inspections and shall have sole authority to provide final acceptance of projects administered under this Program. The Department may, at its discretion, utilize consultant Construction, Engineering, and Inspection (CEI) services in lieu of Department staff for inspection and acceptance activities. Consultant CEI services shall be procured by the Department in accordance with applicable state and federal procurement requirements.

Costs associated with consultant CEI shall be funded by the project sponsor at a minimum of 10 percent, the same percentage split as the construction cost. Such costs are eligible project expenses under the Program and shall be covered in accordance with the terms of the executed local agreement. The project sponsor shall remain responsible for providing any required local match for CEI costs in the same proportion as applies to construction costs, as specified in the executed agreement.

Maintenance and Operation

For projects funded through this state Program, the project sponsor will assume responsibility for maintenance and operation upon completion of construction. Each project must be maintained for its useful life and remain dedicated to the public purpose for which it was approved, in accordance with the terms of the Advance Funding Agreement.

Reporting Requirements

Annually, the department will submit a report to the commission on the project nominations and projects approved for funding.

TxDOT Rail Division Grant Program Contacts

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