

## TEXAS TRANSPORTATION COMMISSION

ALL Counties

### MINUTE ORDER

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ALL Districts

Section 49-p, Article III, of the Texas Constitution (constitutional provision) provides that, to provide funding for highway improvement projects, the legislature by general law may authorize the Texas Transportation Commission (commission) or its successor to issue general obligation bonds of the State of Texas in an aggregate amount not to exceed \$5 billion and enter into related credit agreements.

Pursuant to the constitutional provision, the Texas Legislature enacted Transportation Code, §222.004, the enabling legislation for general obligation bonds, notes and other public securities that may be issued by the commission to fund highway improvement projects (Proposition 12 bonds), and authorized the issuance of the first \$2 billion in Proposition 12 bonds. Of the initial authorization, almost \$1 billion in principal and premium amount of Proposition 12 bonds were issued in 2010.

In 2011, the 82<sup>nd</sup> Legislature, Regular Session, authorized the issuance of the unissued remainder of the \$5 billion in bonds stated in the constitutional provision. For FY 2012-2013, the legislature specified that bond proceeds of \$3 billion of the \$5 billion in authorized Proposition 12 bonds are to be used to fund projects that will relieve congestion, enhance bridge and roadway safety, and connect the state's population centers. The legislature directed that the \$3 billion in Proposition 12 bond proceeds reserved for these purposes be allocated as follows: \$300 million to acquire right of way, conduct feasibility studies and project planning, and outsource engineering work on the most congested highways, \$600 million to fund metropolitan and urban mobility projects, \$1.4 billion to fund rehabilitation and safety projects, \$500 million to fund bridge projects, and \$200 million for statewide connectivity projects.

In cooperation with the state's transportation partners, the Texas Department of Transportation (department) developed a funding allocation summary of the proceeds of \$3 billion of Proposition 12 bonds to satisfy the legislature's direction and allocation to the specific purposes and uses.

Projects funded through Category 3 (Non-Traditional Fund Sources) of the department's Unified Transportation Program (UTP) are selected by the commission. However, in order to provide maximum flexibility in the use of the legislatively directed funds, certain projects meeting the specific legislative requirements will not be listed in the UTP and will be selected at the discretion of the districts and the MPOs, subject to a determination by the department that the projects and costs are eligible for funding from the proceeds of tax-exempt bonds issued by the commission.

IT IS THEREFORE ORDERED by the commission that the highway improvement projects and work to be performed in connection with highway improvement activities satisfying the specific purposes directed by the 82<sup>nd</sup> Legislature, as allocated in Exhibit A, are approved for funding with the proceeds of \$3 billion of the \$5 billion of authorized Proposition 12 bonds.

TEXAS TRANSPORTATION COMMISSION

ALL Counties

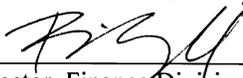
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IT IS FURTHER ORDERED that the executive director or his designee is authorized to proceed in the most feasible manner to ensure that obligation of funds is assigned to the appropriate project for project development, and that the chief financial officer or his designee is authorized and directed to review the planned uses of Proposition 12 bond proceeds prior to expenditure of funds to ensure compliance with the requirements for the use of proceeds of tax-exempt bonds. Any adjustment of funds between fiscal years, districts, MPOs, strategies (ROW, highway design, construction and consultants) and/or projects is subject to analysis and approval by the chief financial officer or his designee to ensure sufficient debt service is available prior to the movement of any funds and that such adjustment complies with the requirements for use of proceeds of the tax-exempt Proposition 12 bonds. Projects that are selected are authorized with CONSTRUCT authority without the need for further approval by the commission.

Submitted and reviewed by:

  
\_\_\_\_\_  
Director, Finance Division

Recommended by:

  
\_\_\_\_\_  
Interim Executive Director

**112823 SEP 29 11**

Minute  
Number

Date  
Passed

# EXHIBIT A

<b>Category 3: Non-Traditionally Funded Transportation Projects Proposition 12 Bonds Program 2 Funding Allocation Summary</b>							
Rehabilitation & Safety Project Statewide Distribution by DISTRICT	Allocation	FY 2012	FY 2013	Metropolitan & Urban Mobility Project Distribution by MPO (DISTRICT)	Allocation	FY 2012	FY 2013
ABILENE	\$ 38.736	\$ -	\$ 38.736	^ CAMPO (AUS)	\$ 47.684	\$ 2.744	\$ 44.940
AMARILLO	57.089	34.202	22.887	^ CORPUS CHRISTI MPO (CRP)	14.003	-	14.003
ATLANTA	27.339	21.861	5.478	^ EL PASO MPO (ELP)	21.195	19.195	2.000
AUSTIN	91.322	-	91.322	^ HGAC (HOU)	177.176	79.899	97.277
BEAUMONT	44.849	-	44.849	^ HIDALGO CO. MPO (PHR)	21.280	2.032	19.248
BROWNWOOD	17.798	14.453	3.345	^ LUBBOCK MPO (LBB)	8.201	8.201	-
BRYAN	39.453	22.154	17.299	^ NCTCOG (DFW)	181.029	93.926	87.103
CHILDRESS	22.721	22.721	-	^ SAN ANTONIO-BEXAR CO. MPO (SAT)	51.432	27.491	23.941
CORPUS CHRISTI	64.852	13.611	51.241	# ABILENE MPO (ABL)	3.644	3.644	-
DALLAS/FORT WORTH	236.174	162.650	73.524	# AMARILLO MPO (AMA)	4.773	-	4.773
EL PASO	37.124	11.924	25.200	# BROWNSVILLE MPO (PHR)	4.464	-	4.464
HOUSTON	163.685	135.226	28.459	# BRYAN-COLLEGE STATION MPO (BRY)	4.637	-	4.637
LAREDO	38.100	9.034	29.066	# HARLINGEN/SAN BENITO MPO (PHR)	3.665	3.665	-
LUBBOCK	73.400	30.800	42.600	# KILLEEN/TEMPLE MPO (WAC)	7.192	7.192	-
LUFKIN	33.547	23.406	10.141	# LAREDO MPO (LRD)	4.301	-	4.301
ODESSA	34.452	25.894	8.558	# LONGVIEW MPO (TYL)	3.491	-	3.491
PARIS	61.807	28.831	32.976	# MIDLAND-ODESSA MPO (ODA)	6.290	6.290	-
PHARR	58.024	40.906	17.118	# SAN ANGELO MPO (SJT)	1.996	-	1.996
SAN ANGELO	17.401	17.401	-	# SETRPC (BMT)	11.304	-	11.304
SAN ANTONIO	93.652	48.898	44.754	# SHERMAN-DENISON MPO (PAR)	3.396	-	3.396
TYLER	32.556	14.522	18.034	# TEXARKANA MPO (ATL)	2.016	2.016	-
WACO	51.036	24.950	26.086	# TYLER MPO (TYL)	5.344	-	5.344
WICHITA FALLS	23.998	13.347	10.651	# VICTORIA MPO (YKM)	2.466	-	2.466
YOAKUM	40.885	29.054	11.831	# WACO MPO (WAC)	6.444	2.199	4.245
				# WICHITA FALLS (WFS)	2.577	0.421	2.156
<b>DISTRICT SUBTOTAL</b>	<b>\$ 1,400.000</b>	<b>\$ 745.845</b>	<b>\$ 654.155</b>	<b>MPO SUBTOTAL</b>	<b>\$ 600.000</b>	<b>\$ 258.915</b>	<b>\$ 341.085</b>

	Allocation	FY 2012	FY 2013
District Subtotal	\$ 1,400.000	\$ 745.845	\$ 654.155
MPO Subtotal	600.000	258.915	341.085
Connectivity ~	200.000	200.000	-
Bridge	500.000	56.500	443.500
Congested Highways*	300.000	75.000	225.000
<b>Proposition 12 Total</b>	<b>\$ 3,000.000</b>	<b>\$ 1,336.260</b>	<b>\$ 1,663.740</b>

^ - TMAs

# - Non-TMAs

\* - Congested Highways dollars consist of ROW Acquisitions, Feasibility Studies, and Planning & Outsource Engineering for Most Congested Highways.

-- IH 35 Temple Expansion Project (CSJs 0015-14-091 and 0015-14-102)

**Notes:**

13% of Metropolitan & Urban Mobility Project Distribution by MPO Total \$600M allocated to Non-TMAs = \$78M

87% of Metropolitan & Urban Mobility Project Distribution by MPO Total \$600M allocated to TMAs = \$522M

Amounts shown above are total project costs.

Projects will be selected at the discretion of the respective District and MPO. Once projects are selected, the funds will be distributed to the appropriate district/MPO by fiscal year. Any adjustment of funds between fiscal years, districts, MPOs, strategies (ROW, highway design, maintenance, construction, & consultants), and/or projects is subject to analysis and approval by the chief financial officer or his designee to ensure sufficient debt service is available prior to the movement of any funds.