Texas Department of Transportation (TxDOT) Overview

House Committee on Transportation, 85th Legislature, 2017
## TxDOT Agency Goals

<table>
<thead>
<tr>
<th>Deliver the right projects</th>
<th>Focus on the customer</th>
<th>Foster stewardship</th>
<th>Optimize system performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implement effective planning and forecasting processes that deliver the right projects on-time and on budget</td>
<td>People are at the center of everything we do</td>
<td>Ensure efficient use of state resources</td>
<td>Develop and operate an integrated transportation system that provides reliable and accessible mobility and enables economic growth</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Preserve our assets</th>
<th>Promote safety</th>
<th>Value our employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deliver preventive maintenance for TxDOT's system and capital assets to protect our investments</td>
<td>Champion a culture of safety for drivers, passengers and our employees</td>
<td>Respect and care for the well-being and development of our employees</td>
</tr>
</tbody>
</table>
TxDOT Organization

- **25 TxDOT districts**
  - Plan, design, build, operate and maintain the state road system in the counties in their districts
  - Each led by a professional engineer with a multi-disciplinary staff

- **Divisions**
  - Support the districts, with engineering divisions providing programs, policies, procedures, and guidelines, and with non-engineering divisions providing functional expertise that allows the districts and the engineering divisions to focus on project delivery, operations, and maintenance.
Safety

- **Highway safety efforts**
  - Design and place signs, signals, pavement markings, lighting and intelligent transportation systems aimed at reducing fatalities and injuries from crashes.

- **Crash data**
  - Collect and analyze data; used to plan highway safety and educational programs

- **Driver safety programs**
  - Campaigns geared toward teen drivers, child safety, sober driving, hurricane evacuation and other issues

- **Rail safety programs**
  - Railroad-highway crossings and railroad inspections
The Texas Transportation System

- 195,000 lane miles
- 53,000+ bridges
- 3,400 interstate miles
- 10,000+ miles of rail line
- 515 million miles driven on the state highway system daily
More than Roads and Bridges

- State-owned aircraft fleet
- General aviation airport grants
- Public transportation grants
- Rail planning and safety
- South Orient Railroad in West Texas
- Ferry operations at Galveston and Port Aransas
- Support for the Gulf Intracoastal Waterway
FY 2018-2019 House Bill 1 – Uses of Funding

- Projects begun prior to Biennium: $3.2 B
- Maintain & Replace Existing System: $9.8 B
- Proposition 1 Projects: $2.2 B
- Proposition 7 Projects: $4.4 B
- Pay Back Borrowed Funds: $2.3 B
- New Projects from Traditional Cash: $1 B
- Project Development Costs: $3.9 B
- Other Modes & Services*: $0.6 B
- Administration & Support: $0.5 B
- Toll Subaccount Projects: $0.3 B

Total: $28.2 B

*Other Modes & Services includes Aviation, Public Transportation, Traffic Safety, Travel Information, and Rail.

Totals and percentages may not sum due to rounding.
FY 2018-2019 House Bill 1 – Funding Sources

- Federal Reimbursements: $10.5 B
- State Highway Fund (SHF): $8.6 B
- Proposition 1 Funds: $2.2 B
- Proposition 7 Funds: $5.0 B
- SHF—Surplus/CDA Fees: $0.3 B
- Bond Proceeds: $0.6 B
- Texas Mobility Fund (TMF): $1.0 B
- General Revenue: $0.005 B

Total: $28.2B

Totals and percentages may not sum due to rounding.
# TxDOT Budget Priorities Remaining

<table>
<thead>
<tr>
<th>Rating</th>
<th>Priority Remaining</th>
<th>2018-19 Request</th>
<th>MOF</th>
<th>Capital Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>General Revenue for Prop 12 GO Bond Debt Service in lieu of Prop 7</td>
<td>$ 613,383,709</td>
<td>GR</td>
<td>No</td>
</tr>
<tr>
<td>2</td>
<td>Raise FTE cap from 11,900 to 12,527</td>
<td>$ 78,182,992</td>
<td>SHF</td>
<td>No</td>
</tr>
<tr>
<td>3</td>
<td>Modernize Portfolio, Project and Workflow Management (MPPM) Program</td>
<td>$ 33,479,647</td>
<td>SHF</td>
<td>Yes</td>
</tr>
<tr>
<td>4</td>
<td>Austin Headquarters Consolidation</td>
<td>$ 161,200,000</td>
<td>SHF</td>
<td>Yes</td>
</tr>
<tr>
<td>5</td>
<td>Deferred Maintenance</td>
<td>$ 115,350,000</td>
<td>SHF</td>
<td>Yes</td>
</tr>
<tr>
<td>6</td>
<td>Enterprise Information Management (EIM)</td>
<td>$ 27,638,000</td>
<td>SHF</td>
<td>Yes</td>
</tr>
<tr>
<td>7</td>
<td>Construction of Buildings and Facilities</td>
<td>$ 128,280,000</td>
<td>SHF</td>
<td>Yes</td>
</tr>
<tr>
<td>8</td>
<td>Acquisition of Land and Other Real Property</td>
<td>$ 3,955,000</td>
<td>SHF</td>
<td>Yes</td>
</tr>
<tr>
<td>9</td>
<td>Centralized Accounting and Payroll/Personnel System (CAPPS)</td>
<td>$ 15,394,057</td>
<td>SHF</td>
<td>Yes</td>
</tr>
<tr>
<td>Rating</td>
<td>Priority Remaining</td>
<td>2018-19 Request</td>
<td>MOF</td>
<td>Capital Budget</td>
</tr>
<tr>
<td>--------</td>
<td>-------------------------------------------------------------------------------------</td>
<td>-----------------</td>
<td>-----</td>
<td>----------------</td>
</tr>
<tr>
<td>10</td>
<td>Disabled Veteran Toll Discount Program</td>
<td>$16,600,000</td>
<td>GR</td>
<td>No</td>
</tr>
<tr>
<td>11</td>
<td>Rail - South Orient Railroad (SORR) Rehab - Fort Stockton</td>
<td>$33,000,000</td>
<td>GR</td>
<td>No</td>
</tr>
<tr>
<td>12</td>
<td>Rail - SORR Rehab - Paisano</td>
<td>$7,000,000</td>
<td>GR</td>
<td>No</td>
</tr>
<tr>
<td>13</td>
<td>Rural Public Transit</td>
<td>$7,000,000</td>
<td>GR</td>
<td>No</td>
</tr>
<tr>
<td>14</td>
<td>Ports Capital Program</td>
<td>$132,875,785</td>
<td>GR</td>
<td>No</td>
</tr>
<tr>
<td>15</td>
<td>Rail - Rehab in Northeast Texas Rural Rail Transportation (NETEX) District</td>
<td>$30,000,000</td>
<td>GR</td>
<td>No</td>
</tr>
<tr>
<td>16</td>
<td>Truck Discount Toll Program on SH130 (Seg 1 - 4) &amp; SH45 SE</td>
<td>$48,000,000</td>
<td>GR</td>
<td>No</td>
</tr>
<tr>
<td>17</td>
<td>Rail - Heartland Flyer</td>
<td>$5,000,000</td>
<td>GR</td>
<td>No</td>
</tr>
</tbody>
</table>
Proposition 1 Funding

- 2014 constitutional amendment approved by 80% of voters
- Portion of oil & gas severance tax revenues into the State Highway Fund (SHF)
- May be used for construction, maintenance, rehabilitation, and acquisition of ROW for non-tolled public roadways
- Funding fluctuates year to year because of oil and gas drilling activity:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Actual or Estimated</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$1,740,079,662</td>
</tr>
<tr>
<td>2016</td>
<td>$1,134,668,214</td>
</tr>
<tr>
<td>2017</td>
<td>$439,511,639</td>
</tr>
<tr>
<td>2018*</td>
<td>$563,000,000</td>
</tr>
<tr>
<td>2019*</td>
<td>$739,022,000</td>
</tr>
</tbody>
</table>

*Comptroller’s Biennial Revenue Estimate (BRE)
Proposition 7 Funding

- 2015 constitutional amendment passed by 83% of voters
- Portion of general sales tax and motor vehicle sales tax revenues into the SHF
- Estimated revenue:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Comptroller's BRE</th>
<th>HB1/SB1</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>$2,205,400,000</td>
<td>$2,500,000,000</td>
</tr>
<tr>
<td>2019</td>
<td>$2,500,000,000</td>
<td>$2,500,000,000</td>
</tr>
</tbody>
</table>

- Base bills SB1/HB1 appropriate $613M of Prop 7 funds over the biennium to pay for debt service traditionally paid out of GR
- Legislature may reduce appropriations by up to 50 percent in any given year by a two-thirds vote in both chambers
Full-Time Equivalents (FTE) Allocation

- **Current FTE allocation:** 11,900

- **FTE Request for FY 2018-19:** 12,527 (627 above FY 2016-17 limitation)
  - 627 additional FTEs listed below by position type:
    - 220 construction engineering and inspection (CEI) positions in rural districts
    - 104 project managers
    - 95 portfolio managers
    - 55 utility coordinators and technicians
    - 50 contract managers
    - 45 engineering division positions (PE Procurement, Environmental, Design, and Bridge)
    - 40 construction record keepers/auditors and technicians
    - 18 supporting division positions (HR, Purchasing, Accounts Payable)
Unified Transportation Program (UTP)

- 10-year plan for transportation projects statewide
- Developed with input from regional transportation groups (e.g. MPOs) and the public
- 2017 UTP includes approximately $70 billion in total funding ($38 billion in new funding)
  - Largest project program in TxDOT’s history
  - Based on current projections
- Funding allocated through 12 categories
## Funding Sources in the 2017 UTP

<table>
<thead>
<tr>
<th>FUNDING SOURCE</th>
<th>Estimated 2017 UTP Funding (FY 2017 – FY 2026) (in billions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposition 1</td>
<td>$ 6.9</td>
</tr>
<tr>
<td>Proposition 7</td>
<td>21.8</td>
</tr>
<tr>
<td>State Highway Fund “Diversions”</td>
<td>5.9</td>
</tr>
<tr>
<td>Federal FAST Act*</td>
<td>25.9</td>
</tr>
<tr>
<td>Other Funding Sources</td>
<td>9.7</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$ 70.2</strong></td>
</tr>
</tbody>
</table>

*Assumes FAST Act funding levels are continued beyond FY 2020.
<table>
<thead>
<tr>
<th>UNIFIED TRANSPORTATION PROGRAM FUNDING CATEGORY</th>
<th>2017 UTP FUNDING (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category 1 – Preventative Maintenance &amp; Rehabilitation</td>
<td>$ 13,782</td>
</tr>
<tr>
<td>Category 2 – Metropolitan &amp; Urban Corridor Projects</td>
<td>12,537</td>
</tr>
<tr>
<td>Category 3 – Non-Traditional Funding</td>
<td>4,572</td>
</tr>
<tr>
<td>Category 4 – Connectivity Corridor (Urban and Rural)</td>
<td>11,630</td>
</tr>
<tr>
<td>Category 5 – Congestion Mitigation/Air Quality (3 MPOs)</td>
<td>2,169</td>
</tr>
<tr>
<td>Category 6 – Bridge Programs</td>
<td>3,223</td>
</tr>
<tr>
<td>Category 7 – Metropolitan Mobility &amp; Rehabilitation (Large MPOs)</td>
<td>4,241</td>
</tr>
<tr>
<td>Category 8 – Safety Programs</td>
<td>3,178</td>
</tr>
<tr>
<td>Category 9 – Transportation Alternatives Program</td>
<td>500</td>
</tr>
<tr>
<td>Category 10 – Special Federal Programs</td>
<td>557</td>
</tr>
<tr>
<td>Category 11 – District Discretionary</td>
<td>3,979</td>
</tr>
<tr>
<td>Category 12 – Strategic Priority Projects</td>
<td>9,828</td>
</tr>
<tr>
<td>TOTAL UTP FUNDING: CATEGORIES 1-12</td>
<td>$ 70,196</td>
</tr>
</tbody>
</table>
August 2016: Texas Transportation Commission approves 2017 UTP

February 2017: 2017 UTP update presented to the public

March 2017: Commission votes to approve 2017 UTP update

December 2016: Commission holds workshop on 2017 UTP update

February 2017: 2017 UTP update presented to legislators and staff
House Bill 20 Implementation

- Commission allocated funding to 2017 UTP categories using performance-based criteria
  - Amounts determined by projected investment levels needed to reach Commission-defined performance targets

- Commission adopted TAC rule amendments in December 2016 requiring performance-based planning processes

- TxDOT continues outreach and coordination with planning organizations and stakeholder groups to select projects for future UTP updates
Texas Freight Mobility Plan (2016)
- Identifies Texas’ freight transportation challenges and outlines policies and investment strategies needed to address them
- Recommends 1,225 projects across all modes with a combined cost of $49B
- Developed with Freight Advisory Committee
- Update to be completed by end of 2017 in compliance with federal FAST Act

Freight Mobility Plan Projects
Total Estimated Cost by Type

- Highway $36.6B (74%)
- Border/Port of Entry $6.2B (13%)
- Port & Waterway $3.0B (6%)
- Air $2.8B (6%)
- Rail $0.5B (1%)
Texas Sea Ports

- Eleven deep-draft commercial ports
- Ten shallow-draft and recreational/fishing ports
- Three Texas ports – Houston, Beaumont and Corpus Christi – rank among the top 10 U.S. ports by tonnage
Gulf Intracoastal Waterway (GIWW)

- **Texas portion of the GIWW** covers **379 miles** along the Gulf Coast from the Sabine River to the Brownsville Ship Channel

- As the **non-federal sponsor for the GIWW**, TxDOT is responsible for acquisition of areas for dredged material disposal

- In June 2016, the Texas portion of the GIWW received the **Marine Highway (M-69)** designation
  - Projects that enable freight to be shifted to the waterway and relieve roadway congestion are eligible for Marine Highway Project funding
South Orient Railroad – Rehabilitation

- TxDOT rehabilitation began in 2009 to increase speed and overcome deferred maintenance
  - $34.2M in combined federal, state, local, and private (Texas Pacifico) funds

- Freight influx from shale boom
  - Customer count increased from 8 to 24
  - Carload count increased 15-fold from average of 2,035 over 2001-2009 to 30,565 in 2016

**SORR Annual Carloads per Year**

![SORR Annual Carloads per Year graph](image-url)
April 2016: Sunset staff kick-off meeting with TxDOT

Spring–Summer 2016: Sunset staff meetings with Commission, divisions, and districts

Nov. 2016: Sunset Commission issues staff report on TxDOT

Dec. 9, 2016: Sunset Commission holds initial hearing on staff report with TxDOT and public testimony

Nov. 30, 2016: TxDOT submits response to Sunset staff report

Jan. 11, 2017: Sunset Commission holds second hearing and approves final recommendations
30 adopted management items (non-statutory)
- Implementation: 2 completed; 23 in progress; and 5 not yet begun

19 adopted statutory changes, including:
- Continue TxDOT for 12 years
- Adoption of one set of transportation planning goals
- Link Unified Transportation Program (UTP) decisions to planning goals
- Improve Project Tracker system
- Adopt rules on stronger contract remedies in traditional, low bid contracts