

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) UPDATE
Roadway and Bridge Program

Background

Under the provisions of the ARRA signed by the President on February 17, 2009, the State of Texas received a \$2.25 billion allocation for Roadways and Bridges with a \$150 million allocation for the Houston metropolitan planning organization (MPO). Subsequently, at its February meeting, the Transportation Policy Council approved a program of projects for the MPO allocation and gave its concurrence to a program of projects for statewide funding and selection by the Texas Transportation Commission. The TPC also approved a list of contingency projects for both the MPO and statewide lists should additional funding become available or one or more selected projects experience delays preventing the use of ARRA funds.

In the past two months, the TPC has approved ARRA funding for projects on both the State and the MPO contingency lists due to cost under-runs on projects that have been let to contract and the removal of SH 99, Segment E, from the list of funded projects.

Current Situation

At its October meeting the TPC approved a list of local rehabilitation and maintenance projects for inclusion on the MPO contingency list. The 39 projects were approved in rank order and totaled \$64 million. The TPC added the Clinton Drive rehabilitation project as the first priority on the local rehabilitation and maintenance list bringing the total to \$69 million. Clinton Drive is a priority due to the urgency of the PM_{2.5} designation discussed at the October TPC meeting.

The most recent estimate of available funding for the local rehabilitation projects, after Clinton Drive is funded, is \$15.47 million. TxDOT – Houston District hosted a meeting at its office on November 10, 2009 to discuss with local sponsors the requirements and timeline for submitting projects for funding consideration. In order to ensure timely environmental clearance, design plans TxDOT established a December 1, 2009 submittal deadline. All transportation funds from the ARRA must be obligated by March 1, 2009, however, the Federal Highway Administration has indicated that it will allow underruns from projects let between December and March to be used to obligate additional projects from the State and MPO contingency lists.

Action Requested

For information only

Status of Local Maintenance Projects

Attached is the most recent list of the ARRA MPO off-system contingency projects. Based upon this list, TxDOT is currently processing 24 projects (down through number 25 on this list) for a March 2010 letting. With the estimates provided to date, TxDOT is projecting these projects to cost approximately \$15.4 million, effectively utilizing all of the available \$15.47 million funding. These estimates may be further refined as these projects proceed through the review process. The projects that are being processed for letting include plans from the City of Houston, City of Cleveland, City of Galveston, City of Pasadena, Harris County, Montgomery County, and Fort Bend County.

TxDOT received plans for 32 of the 39 contingency projects with an estimated cost of \$25,980,136. Those that were not received included the following:

#17 City of Houston on Broadway – TxDOT was notified by the City that this work was already completed on another contract and can be cancelled.

#28 Brazoria County on Downing Street - TxDOT was notified by the County that the proposed work did not meet program criteria and was not submitted.

#29 City of Cleveland on Wells Road - TxDOT was notified that the City determined that the project limits for this job went outside of the City limits and therefore, this project needs to be cancelled.

#35 and #36 Montgomery County on Grogans Mill - TxDOT was notified by the County that the project as proposed did not meet the criteria to allow for a March letting, however, they are continuing with the project development process and would like to submit this project for a future letting if funds become available.

#37 City of Pasadena on Pasadena Blvd. - TxDOT was notified that the City is still actively pursuing plan development on this project and would like to submit the project for a future letting if funds become available.

#39 Harris County on War Memorial Dr. - The County is still pursuing project development and would like to submit the project for a future letting if funds become available.

If the above projects come in at their allotted construction estimates, the overall projected cost of these projects will be reduced from \$68.989 million to \$42.086 million. With the \$15.4 million that will let in March, this will leave approximately \$26.6 million in available potential projects. It should also be noted in the attached table that construction estimates for both the City of Houston and the City of Cleveland exceeded their original estimated costs, and therefore, they will need to pay additional funds up-front in order to let their projects.