

Texas Department of Transportation

DEWITT C. GREER STATE HIGHWAY BLDG. • 125 E. 11TH STREET • AUSTIN, TEXAS 78701-2483 • (512) 463-8585

December 21, 2007

The Honorable Kirk Watson
Texas Senate
P.O. Box 12068
Austin, Texas 78711

Dear Senator Watson:

I appreciate your efforts as the chairman of the Capital Area Metropolitan Planning Organization (CAMPO) to improve mobility in Central Texas. You showed tremendous leadership in securing approval of the Transportation Improvement Program (TIP). However, as you note in your letter, the state's cash flow projections are such that we cannot follow through with implementation of the TIP in the timeframe you and we prefer. Please allow me to elaborate.

During the past year you and other Metropolitan Planning Organization (MPO) leaders in the state have developed plans based on our forecast of available funds as of January 2007. Since then new laws have been passed at the federal and state level, new forecasts have been issued on the future of the Federal Highway Trust Fund, construction inflation has accelerated and our population has increased beyond previous forecasts which in turn has caused our existing highway system to deteriorate at an ever increasing rate. We now know our forecast of cash flow for the next ten years is inaccurate by more than \$3 billion.

First, let me emphasize that we recognize this occurrence is ill-timed, given the acrimony involved in approving your TIP in October. The Texas Transportation Commission's first public discussion of this matter occurred in May of this year, and they have discussed this matter at each commission meeting for the past eight months. Perhaps we have not been as blunt as we should have been as we began to come to grips with this crisis. For this failure, I accept full responsibility.

In responding to your questions, a simple question and answer format does not convey the whole story. The bottom line is that state transportation planners and MPOs across the state have planned to contract for more projects than the current cash flow projection indicates is feasible. In order to answer your questions as clearly as possible, allow me to take a step back and look at how transportation projects are developed from the time they are conceived to the moment in which the last contractor is paid. My response might seem remedial to you, but as outside parties and the press

THE TEXAS PLAN

REDUCE CONGESTION • ENHANCE SAFETY • EXPAND ECONOMIC OPPORTUNITY • IMPROVE AIR QUALITY
INCREASE THE VALUE OF OUR TRANSPORTATION ASSETS

An Equal Opportunity Employer

are in possession of your letter, I feel it is important that my response be as thorough as possible.

Once a need for a transportation project is identified, the department works with the MPOs to "program" the project. We use the term "program" to describe the process by which MPOs and local TxDOT offices evaluate and approve the project along with other regional priorities and decide if the project should be advanced to the next step. The Texas Transportation Commission has delegated to the MPOs the responsibility to select projects based on an assessment at that time of how much funding will be available over the next several years when the selected projects will be completed and all bills related to the projects will be paid to the various contractors. While an MPO might program a billion dollar project in 2004, it might not go to construction until 2008 and it might not be completed until the end of 2012. As we have seen during the past year a lot can change after the project is programmed but before work starts. This uncertainty is not new to transportation planners.

In 2004, based on the best data available at the time, we informed CAMPO \$720 million would be available from TxDOT between 2005-2015 for new construction. And in fact projects approved by CAMPO have been started resulting in an expenditure or obligation to expend some \$191 million of those funds as of October 2008. The \$720 million forecast represents 9.26 percent of the total funds forecasted to be available for new construction in the all metropolitan areas of the state. The CAMPO share was agreed to during a series of consensus building meetings we hosted in 2002 and 2003.

Based upon our most recent evaluation of available cash flow our *preliminary* forecast for CAMPO would allow for approximately \$443 million for new construction, less the \$191 million expended or obligated to be expended to date. CAMPO is not alone—every corner of the state and every employee of TxDOT have been impacted by our revised estimate of available cash.

At the beginning of this year the commission had in place a plan to meet our transportation needs. We intended to use a combination of pay-as-you-go financing, toll roads, bond funds, and private investment to ensure that resources would be allocated in the most efficient manner. Had circumstances which I will discuss below not occurred, our plan would be intact and CAMPO along with everyone else in the state would be moving forward with transportation projects. Since the beginning of the year several developments have occurred that have caused us to revise our plan to expand highway capacity.

Rescissions: Over the last two years, Congress has rescinded \$666 million in future reimbursement of federal motor fuel taxes to support transportation projects in Texas. The current federal transportation appropriations bill includes another \$270 million cut for 2008. And the transportation authorization bill enacted in 2005 includes yet another \$700 million rescission in 2009 for our state.

Appropriations: Another development, about which you have written eloquently, is the amount of money the department was appropriated. TxDOT's appropriation for 2008-2009 was slightly increased from the previous biennium but this increase is simply the appropriation of bond proceeds that are committed to pay for ongoing and approved construction projects. Because these bond proceeds are fully committed to active projects the slight increase in appropriation does not equate to an increase in future projects. In other words, the slight increase in appropriation does not constitute a source of new revenue that will help us address the mobility crises facing the state.

All done, after the legislature finished its work this year, \$1.57 billion of transportation tax revenue will be spent on non-transportation projects. This is a 15 percent increase over the previous biennium before we consider the impact of Rider 19.80 which conditionally appropriated \$300 million, about which I will comment below.

Inflation: Perhaps the most significant factor we face is the declining purchasing power of the State Highway Fund. The loss of purchasing power at the same time revenues decline in proportion to need represents a situation almost impossible to accurately project. Simply put, inflation alone is pushing projects further down the pipeline than what was originally planned as recently as the beginning of the year. According to a September 2007 report of the Federal Highway Administration: "highway construction and maintenance costs nationwide grew approximately three times faster from 2003 through 2006 than their fastest rate during any 3-year period between 1990 and 2003, substantially reducing the purchasing power of highway funds. These increases are largely the result of escalation in the costs of commodities used in highway projects, such as steel and asphalt, and reflect structural, not transitory, economic changes. Consequently, we expect these commodity costs to remain elevated, and possibly continue expanding, in the near term." In Texas, inflation has increased 62 percent over the last five years.

Highway Trust Fund: In addition to rescissions, in the past three months we have learned the Federal Highway Trust Fund is expected to become insolvent in 2009 by \$4 billion. As you can imagine, it is extremely difficult to project how much federal funding of any amount will be available after 2008.

Maintenance: As our population continues to increase faster than anyone believes possible so too does the wear and tear on our existing infrastructure increase faster than we would have imagined only a year ago. Add the impacts of hurricanes, wildfires, freezes, and droughts and it is not hard to understand we have to increase planned maintenance expenditures in 2010 and beyond.

Private Investment: I know this is controversial but the earnest truth is every toll road requires an equity investment along with revenue from toll bonds. In your area, 50 percent of the cost of the Central Texas Toll Project was financed from local, state and federal tax revenue. Knowing that the state simply does not have the free cash flow necessary to duplicate the CTTP Model around the state, we sought to supplement our tax revenue projects with private investment. We believed (and still do) that if the private sector was willing to risk equity to finance a project, that if the public would own a road that might not have otherwise been built, and that if only those who chose to use the road would pay for it, all Texans would benefit from such an arrangement. The passage of SB 792 and the subsequent actions of local and regional toll authorities have effectively imposed a moratorium on such arrangements.

Because of these circumstances, we have taken following actions to ensure we preserve the existing highway system and have sufficient cash flow to pay our bills.

Operating Costs and FTEs: Each TxDOT district and division has been instructed to reduce operating costs by 10 percent. We will impose a hiring freeze to which only the executive director can allow an exception. In fact, we will also look for opportunities to consolidate functions, both in our District Offices and Austin Divisions, in order to generate greater efficiencies and effect cost savings. As bonding authority and comprehensive development agreements allowed our program to expand over the last few years, we must now scale back as our resources diminish.

Construction Projects: After January and continuing for the remainder of the fiscal year 2008, we will not let any new added capacity projects to construction. We expected to let \$4.2 billion in 2008. We have scaled that back to \$3.1 billion. See attachment: "Projects to be Delayed from FY 08 Letting."

Engineering Consultants: It makes little sense to continue designing projects at current levels if we know we will not be able to fund construction of the projects consultants are designing. We have a goal to reduce our expenditures on outside engineering consultants in 2008 from \$439 million to \$250 million. The Austin District's budget went from \$45.3 million to \$19.6 million. The original and revised allocation levels are shown in the attachment: "Professional Services."

Right of Way: Similar to engineering consultants, we do not need to acquire right of way if there is nothing to build on the property. We have a goal to reduce our right of way acquisition budget in 2008 from \$500 million to \$275 million. The Austin District's budget went from \$27.3 million to \$18.2 million. The original and revised allocation to all districts is shown in the attachment: "Revised FY-2008 Strategy 102 Budget Allocations."

As you can see, the Central Texas region is not singled out for project reductions. However, some regions will fare better than others. For instance, SB 792 included a provision to allow the North Texas Tollway Authority the opportunity to leverage its revenue in order to match the offer made by a private company to finance construction of toll lanes on SH 121 in North Texas under a comprehensive development agreement. As a result, the region recently received a payment of \$3.2 billion to spend on mobility projects. Obviously this will offset short term reductions in construction projects in that area of the state.

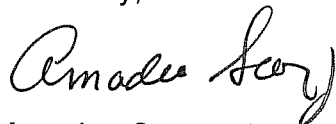
Finally I would like to touch on the contingent appropriation Rider 19.80 providing \$300 million in general revenue to the department. I am extremely grateful to Lieutenant Governor Dewhurst for his advocacy of this appropriation. Behind the leadership of Chairman Ogden and Chairman Carona along with your support and the support of many of your colleagues the appropriation was a remarkable step in the right direction. Chairman Carona has asked us to put together a plan to use the \$300 million to address the difficulties facing CAMPO and other MPOs which are doing everything they can to adopt regional plans under difficult circumstances.

Again, we recognize the struggles you faced in approving the TIP and we are well aware that the decisions we face will not make things any easier. But whether you engaged the citizens of Central Texas in October or at some other date when we had a better understanding of our financial situation, the tough decisions you made were absolutely necessary. And by supplementing state dollars with toll bonds, you are providing the Central Texas region with more certainty in the project-funding process.

Your actions will have a lasting impact on the quality of life, the safety, and the economic prosperity of the citizens you serve. We look forward to continuing to work with you on this matter. If you would like additional information, I would be pleased to

meet with you to discuss this further. You may contact me at (512) 305-9501, or should your staff have any questions, they may contact Patrick Marotta at (512) 305-8983.

Sincerely,

A handwritten signature in black ink that reads "Amadeo Saenz, Jr." in a cursive style.

Amadeo Saenz, Jr., P.E.
Executive Director

Attachments

cc: Texas Transportation Commission
Members, Capital Area Metropolitan Planning Organization

PROJECTS TO BE DELAYED FROM FY 08 LETTING
 CATEGORIES 2, 3 AND 4, FEBRUARY THRU AUGUST 2008

District	County	Contract C&S#	Project Number	Hwy No	Limits From	Limits To	Description	Let Date	Est Const Cost
ABELINE	TAYLOR	0908-33-066	STP 2001(870)UM	CS	NORTH ENTRANCE OF DYESS AFB	FM 3438	RECONSTRUCT CITY STREET	07/2008	4,735,000
AUSTIN	WILLIAMSON	0408-01-035	STP ()	SH 195	SH 138	3.4 MI S OF SH 138	WIDEN TO FOUR LANE DIVIDED HIGHWAY	08/2008	36,800,000
AUSTIN	WILLIAMSON	0408-01-038	STP ()	SH 195	5.254 MI S OF SH 138	8.105 MI S OF SH 138	WIDEN TO FOUR LANE DIVIDED HIGHWAY	08/2008	22,400,000
AUSTIN	WILLIAMSON	0408-02-010	STP ()	SH 105	1.05 MI S OF SH 138	IH 35	WIDEN TO FOUR LANE DIVIDED HIGHWAY	08/2008	27,000,000
AUSTIN	WILLIAMSON	0838-01-009	STP ()	SH 195	0.805 MI S OF BELL CO LN	SH 138	WIDEN TO FOUR LANE DIVIDED HIGHWAY	08/2008	27,000,000
BEAUMONT	LIBERTY	0388-01-035	STP ()	SH 146	US 90 IN DAYTON	0.2 MI S OF FM 1413	WIDEN ROADWAY FROM 2 LANES TO 4 LANES	03/2008	12,507,430
CORPUS CHRISTI	NEEGES	0874-06-202	IM 37-2(7B)	IH 37	25 MI EAST OF CARBON PLANT RD.	MCKENZIE RD.	CONSTRUCT NEW DIRECT CONNECTOR AND FRONTAGE ROAD AND MODIFY ENTRANCE AND EXIT RAMP'S PHASE I	03/2008	10,700,000
DALLAS	DALLAS	0353-05-084	IM 200(CR1)	LP 12	W. LAWTHER DRIVE	EAST OF GOFORTH DRIVE	RECONSTRUCT AND RAISE SIX LANE ROADWAY IN WHITE ROCK CREEK FLOODPLAIN	03/2008	33,459,070
DALLAS	DALLAS	0919-05-777	CE 918-45-77	VA	CEAR HILL STATE PARK	TALLGRASS PRAIRIE, PERCH POND, LAKE	COMPENSATORY MITIGATION FOR RIPARIAN FORESTS ON SH 181 IN GRAND PRAIRIE & IRVING ENHANCEMENTS TO TPWD PROPERTY	03/2008	460,000
DALLAS	DALLAS	0188-02-018	IND 282-4(2/4)	SP 306	IH 35E	GULDFRANCONETTE STREET	EXTENSION OVER TRINITY AS 6 LANES WITH RAMP TO INDUSTRIAL & OBJECT CONSTRUCTION FROM IH 35E (EXCLUDES TRINITY RIVER WORK)	04/2008	50,000,000
DALLAS	DALLAS	0009-11-210	BOR 2008(855)	IH 30	AT INTERCHANGE WITH PRES GEORGE BUSH TOLLWAY	BUSH TOLLWAY IN GARLAND	CONTRACT INTERCHANGE WITH TOLLWAY (T281)	06/2008	181,000,000
DALLAS	DALLAS	0009-11-214	NH 2008(221)	IH 30	AT INTERCHG PRES. GEORGE BUSH TOLLWAY	IN GARLAND	RIGHT OF WAY ACQUISITION, UTILITY RELOCATION AND RELOCATION ASSISTANCE	06/2008	3,083,873
DALLAS	DALLAS	1088-04-141	STP 2007(555)	IH 30	EAST OF SYLVAN	IH 35E	WIDEN EB BECKLEY OVERPASS AND INTERCHANGE WITH I-30 PHASE 4 OF TRINITY B BRIDGE REPAIRS AND 8 FT WIDENINGS	08/2008	16,185,000
FORT WORTH	TARRANT	0608-02-084	STP	UH	ON ROSEDALE ST FROM RIVERBIDE DR	US 387 IN FORT WORTH	WIDEN FOUR LANE TO SIX LANE DIVIDED	04/2008	2,022,536
HOUSTON	MONTGOMERY	0177-05-103	NH ()	US 59	3.40 MI N. OF NORTH PARK DRIVE	IH 35E	DETENTION PONDS AT BENE BRANCH MAIN LANES, ETC.	03/2008	1,200,000
HOUSTON	MONTGOMERY	0177-05-106	NH ()	US 59	1.0 MI S FM 2030	0.1 MI N OF ROMAN FOREST	ORANGE IMPROVEMENTS FOR WIDEN TO 6 MAIN LANES, ETC.	03/2008	2,114,000
HOUSTON	SALVESTON	0912-7-115	NH ()	VA	FM 818, FM 2094	SH 146	1 DETENTION PONDS	04/2008	431,165
HOUSTON	BRAZORIA	1524-01-041	NH ()	SH 332	0.277 MI N OF THIS WAY STREET	0.185 MI S OF THIS WAY STREET	CONSTRUCT GRADE SEPARATION AND 2 LANE FRONTAGE ROADS	04/2008	16,200,000
HOUSTON	BRAZORIA	1524-01-066	NH ()	SH 332	0.218 MI N OF OAK DRIVE	0.712 MI S OF OAK DRIVE	CONSTRUCT GRADE SEPARATION AND 2 LANE FRONTAGE ROADS	04/2008	18,500,000
HOUSTON	BRAZORIA	1324-01-057	NH ()	SH 332	0.657 MI N OF PLANTATION DR	0.728 MI S OF PLANTATION DR	CONSTRUCT GRADE SEPARATION AND 2 LANE FRONTAGE ROADS	04/2008	10,500,000
HOUSTON	BRAZORIA	1524-01-088	NH ()	SH 332	0.480 MI N OF DIXIE DR	0.487 MI S OF DIXIE DR	CONSTRUCT GRADE SEPARATION AND 2 LANE FRONTAGE ROADS	04/2008	16,600,000
HOUSTON	BRAZORIA	1524-01-089	NH ()	SH 332	0.511 MI N OF MAIN ST	0.389 MI S OF MAIN ST	CONSTRUCT GRADE SEPARATION AND 2 LANE FRONTAGE ROADS	04/2008	13,200,000
HOUSTON	HARRIS	0178-01-026	NH ()	SH 35	0.108 MI N OF BRAZORIA CL AT 896	BRAZORIA CIL	WIDEN TO 6 LANE DIVIDED CURB & GUTTER	05/2008	872,000
HOUSTON	BRAZORIA	0178-02-055	NH ()	SH 35	HARRIS COUNTY LINE	FM 518	WIDEN TO 4 LANE DIVIDED WITH CURB AND GUTTER	05/2008	29,257,000
HOUSTON	HARRIS	3510-05-011	STP R	SH 99	NE OF KINGSLAND BLVD @ GOVERNORS PL	FM 518	NOISE WALL CONTRACT 1	05/2008	382,000
HOUSTON	MONTGOMERY	0177-05-092	NH 2007(711)	US 59	LIBERTY COUNTY LINE	1.0 MI S OF FM 2090	WIDEN TO 6 MAIN LANES, GRADE SEPARATIONS AND RECONSTRUCT SB FR AND SECTIONS OF NB FR	07/2008	45,000,000
HOUSTON	HARRIS	0271-07-284	STP ()	IH 10	200' WEST OF FROSTWOOD DR	1000' EAST OF BUNKER HILL	LANDSCAPE DEVELOPMENT	07/2008	345,000
LAREDO	WEBB	0088-01-052	MIS 2064(307)	US 83	0.02 MI WEST OF MONTERREY ST	0.02 MI WEST OF CEDAR ST	CONSTRUCT RAILROAD GRADE SEPARATION STP AND APPROACHES	03/2008	18,500,000
LAREDO	MAVERICK	9209-14-006	STP 2008(719)	SL 480	0.566 MI NORTH OF FM 1021	0.417 MI SOUTH OF US 277	EAGLE PASS INTERNATIONAL BRIDGE ROADWAY AND CONSTRUCT 4 LANE UNDIVIDED FACILITY	04/2008	11,255,465

District	County	Contract CSJ	Project Number	Hwy No	Limits From	Limits To	Description	Let Date	Est Const Cost	CSH 1	CSH 2	CSH 3	CSH 4	
LAREDO	MAVERICK	0289-14-007	STP 2008(716)	SL 400	0.432 MI NORTH OF US 277	0.320 MI SOUTH OF US 57	FOR THE CONSTRUCTION OF A 2 LANE UNDIVIDED FACILITY.	04/2008	12,545,622	\$	\$	\$	\$	
LAREDO	MAVERICK	0289-14-013	STP 2008(716)	SL 400	EAGLE PASS INTERSECTION BRIDGE II	0.542 MI SOUTH OF FM 1021	FOR THE CONSTRUCTION OF A 2 LANE UNDIVIDED FACILITY	04/2008	24,210,600	\$	\$	\$	\$	
LAREDO	MAVERICK	0289-14-016	STP 2008(716)	SL 400	0.542 MI SOUTH OF FM 1021	0.555 MI NORTH OF FM 1021	FOR THE CONSTRUCTION OF AN INTERCHANGE	04/2008	11,650,718	\$	\$	\$	\$	
LAREDO	MAVERICK	0289-14-018	STP 2008(716)	SL 400	0.417 MI SOUTH OF US 277	0.492 MI NORTH OF US 277	FOR THE CONSTRUCTION OF AN INTERCHANGE FACILITY	04/2008	12,988,173	\$	\$	\$	\$	
LAREDO	WEBB	0086-14-026	8068 2004(867)	LP 20	0.4 MI SOUTH OF SH 350/FP 20 INT	0.9 MI NORTH OF SH 350/FP 20 INT	CONSTRUCT FOUR LANE DIVIDED OVERPASS AT SAN PABLO RAILROAD	05/2008	22,701,476	\$	\$	\$	\$	
LUFKIN	SAN JACINTO	0177-07-053	STP 2008(716ES)	US 59	AT LIPPER IN SHEPHERD		CONSTRUCT FOUR LANE DIVIDED OVERPASS AT SAN PABLO RAILROAD	09/2008	46,678,290	\$	\$	\$	\$	
ODESSA	MIDLAND	0005-15-002	IM ()	IH 20	EAST BI 20-E	WEST 2 MI	AN INTERCHANGE FACILITY (LP 350/FP 130)	04/2008	24,153,505	\$	\$	\$	\$	
ODESSA	MIDLAND	1188-02-057	STP ()	LP 250	CR 1135	0.1 MI S OF BI 20-E	AN INTERCHANGE FACILITY (LP 250 / BI 20-E)	04/2008	18,719,303	\$	\$	\$	\$	
PHARR	STARR	0036-06-029	NH 2008(037)	US 83	ON GARCIA IN ROMA, FR FM 650	GONZALES AVENUE	CONSTRUCT 44' (ONE WAY) AND 84' (TWO WAY) C & G	02/2008	2,577,281	\$	\$	\$	\$	
PHARR	STARR	0036-07-033	NH 2008(037)	US 83	ON GARCIA IN ROMA, FR GONZALES	ARRIYO ROMA	CONSTRUCT 44' CURB AND GUTTER (ONE WAY) (REALIGNMENT OF US 83)	02/2008	3,067,105	\$	\$	\$	\$	
PHARR	HIDALGO	1894-01-057	CBI ()	SP 115	FM 1016		WIDEN TO 6 LANE DIVIDED	07/2008	13,400,000	\$	\$	\$	\$	
PHARR	ZAPATA	0036-04-025	NH ()	US 83	3.75 MI S OF FM 3169	SP 241 / OSP 115 IN HIDALGO	WIDEN FROM 2 LANE RURAL TO 4 LANE DIVIDED	08/2008	11,250,000	\$	\$	\$	\$	
PHARR	ZAPATA	0036-04-048	NH ()	US 83	350' S. OF TEPOZAN CRAUS RD INT	JUST S. OF MONTERREY LANE	WIDEN FROM 2 LANE RURAL TO 4 LANE DIVIDED	08/2008	11,800,000	\$	\$	\$	\$	
SAN ANGELO	TOM GREEN	0264-07-020	HF ()	SL 308	2.929 MILES NORTH OF US 87	5.177 MI NORTH OF US 87	CONSTRUCT MAIN LANES & INTERCHANGE AND REPLACE BRIDGE	09/2008	20,000,000	\$	\$	\$	\$	
SAN ANTONIO	COMAL	0115-02-029	PTF ()	SH 106	0.25 MI W OF RANGE RD.	KERLICK LANE	EXPAND ROADWAY FROM 2 TO 4 LANES W/ C/LT. LOCATION	05/2008	65,816,000	\$	\$	\$	\$	
SAN ANTONIO	COMAL	203-00-009	STP ()	FM 1044	IH 359 RUECKLE RD	GUADALUPE COUNTY LINE	CONSTRUCT 2 LANE ROADWAY ON NEW LOCATION	05/2008	2,000,000	\$	\$	\$	\$	
SAN ANTONIO	GUADALUPE	203-02-013	C 203-24-13	FM 1044	COMAL COUNTY LINE	EXISTING FM 1044/WEILL ROAD	CONSTRUCT 2 LANE ROADWAY ON NEW LOCATION	05/2008	4,000,000	\$	\$	\$	\$	
TYLER	SMITH	3487-22-207	STP	LP 49	0.254 MI W OF FM 756, NE	0.255 MI W OF FM 110	CONSTRUCT 2 LNS CONTROLLED ACCESS TOLL FACILITY (TOLL)	03/2008	20,000,000	\$	\$	\$	\$	
TYLER	ANDERSON	0570-05-031	NH ()	LP 256	US 79 IN PALESTINE, SE & S	US 84	RECONSTRUCT AS 4-LANE DIVIDED RURAL WITH RAISED MEDIAN	03/2008	9,400,000	\$	\$	\$	\$	
TYLER	GREGG	2842-01-041	HF ()	LP 281	.86 MI S OF SH 300(SHOPPER DR) N/NE	US 259 IN LONGVIEW	RECONSTRUCT AS 6-LN URBAN HIGHWAY WITH RAISED MEDIAN	03/2008	28,270,000	\$	\$	\$	\$	
WACO	BELL	0185-01-020	NH ()	US 150	TEMPLE SOUTH CITY LIMIT	2.0 MI S OF FM 436 IN HEIDENHEIMER	WIDEN ROADWAY TO FOUR LANES WITH DEPRESSIONED MEDIAN	05/2008	44,959,507	\$	\$	\$	\$	
WACO	BELL	0185-01-026	NH	US 189	SH 95 IN TEMPLE	TEMPLE SOUTH CI	WIDEN ROADWAY TO FOUR LANES WITH DEPRESSIONED MEDIAN	05/2008	4,570,003	\$	\$	\$	\$	
WACO	MCLENNAN	0163-01-056	NH	SH 31	SH 31 & US 64 W/E	HILL CI	WIDEN FROM TWO LANE TO FOUR LANE DIVIDED	05/2008	38,000,000	\$	\$	\$	\$	
WACO	HILL	0163-02-024	NH ()	SH 31	MCLENNAN CO LN	CR 3344	WIDEN FROM TWO LANE TO FOUR LANE DIVIDED	06/2008	36,000,000	\$	\$	\$	\$	
WACO	MCLENNAN	0049-01-073	NH	SH 6	0.8 MI N OF FM 1860 IN RIESEL	FALLS CI	CONSTRUCT MAIN LANES AND INTERCHANGE AT FM 1860	07/2008	14,100,000	\$	\$	\$	\$	
November 2007										Est Const Cost	Local	CSH 2	CSH 3	CSH 4
										\$ 1,187,163,091	\$ 27,711,941	\$ 40,108,416	\$ 12,104,789	\$ 88,131,641
										Category 2, 3 & 4 Total = \$ 1,042,143,746				

**Professional Services (Strategy 111)
Revised Allocations for FY 2008**

Dist/Div	FY 08 Initial Allocations	FY 08 Adjusted Allocations as of November 2007
Abilene	\$ 2,320,454	\$ 1,005,453
Amarillo	\$ 4,195,532	\$ 1,817,924
Atlanta	\$ 9,760,000	\$ 4,229,008
Austin	\$ 45,282,863	\$ 19,621,065
Beaumont	\$ 6,478,650	\$ 2,807,199
Brownwood	\$ 1,100,000	\$ 476,630
Bryan	\$ 3,500,000	\$ 1,516,550
Childress	\$ 1,828,392	\$ 792,242
Corpus	\$ 12,745,000	\$ 5,522,409
Dallas	\$ 56,405,000	\$ 24,440,287
El Paso	\$ 22,561,254	\$ 9,775,791
Fort Worth	\$ 20,186,376	\$ 8,746,757
Houston	\$ 60,141,491	\$ 26,059,308
Laredo	\$ 11,957,353	\$ 5,181,121
Lubbock	\$ 4,392,723	\$ 1,903,367
Lufkin	\$ 9,125,000	\$ 3,953,863
Odessa	\$ 3,498,500	\$ 1,515,900
Paris	\$ 4,000,000	\$ 1,733,200
Pharr	\$ 19,928,105	\$ 8,634,848
San Angelo	\$ 750,000	\$ 324,975
San Antonio	\$ 24,999,074	\$ 10,832,099
Tyler	\$ 9,963,000	\$ 4,316,968
Waco	\$ 12,063,099	\$ 5,226,941
Wichita Falls	\$ 6,262,173	\$ 2,713,400
Yoakum	\$ 2,191,068	\$ 949,390
Sub Total	\$ 355,635,107	\$ 154,096,695
BRG	\$ 14,929,231	\$ 14,929,231
CST	\$ 8,901,076	\$ 3,856,836
DES	\$ 5,746,148	\$ 2,489,806
ENV	\$ 24,256,079	\$ 10,510,159
MNT	\$ 1,300,000	\$ 563,290
TTA	\$ 80,745,086	\$ 46,320,846
TRF	\$ 583,483	\$ 252,823
TPP	\$ 6,253,790	\$ 5,290,417
Sub Total	\$ 142,714,893	\$ 84,213,408
Total	\$ 498,350,000	\$ 238,310,103

Revised FY-2008 Strategy 102 Budget Allocations
As of Nov. 8, 2007 with 19% of FY-2008 Lapsed

District ID	Original Budget Allocation on Sept. 1, 2007					Revised Budget Allocation on Nov. 8, 2007		
	No. Location	Original Budget Allocation	As a % of Original District Budgets	Life to Date Spent in \$ through 11/8/07	Life to Date Spent as a % through 11/8/07	Revised Budget Allocation	As a % of Revised District Budgets	Remaining Balances as of 11/8/07
1	PAR	11,900,000	2.8822%	1,250,321	10.51%	7,926,117	2.8822%	6,675,796
2	FTW	37,874,200	9.1733%	4,674,969	12.34%	25,226,499	9.1733%	20,551,530
3	WFS	2,695,682	0.6529%	58,509	2.17%	1,795,487	0.6529%	1,736,978
4	AMA	2,045,000	0.4953%	0	0.00%	1,362,093	0.4953%	1,362,093
5	LBB	3,051,080	0.7390%	142,098	4.66%	2,032,203	0.7390%	1,890,105
6	ODA	5,624,298	1.3622%	157,951	2.81%	3,746,121	1.3622%	3,588,170
7	SJT	3,945,000	0.9555%	72,426	1.84%	2,627,608	0.9555%	2,555,182
8	ABL	571,000	0.1383%	4,445	0.78%	380,320	0.1383%	375,875
9	WAC	44,468,000	10.7703%	1,936,137	4.35%	29,618,367	10.7703%	27,682,230
10	TYL	12,251,000	2.9672%	1,441,080	11.76%	8,159,904	2.9672%	6,718,824
11	LFK	7,854,000	1.9023%	1,769,638	22.53%	5,231,237	1.9023%	3,461,599
12	HOU	70,873,513	17.1658%	6,470,064	9.13%	47,206,029	17.1658%	40,735,965
13	YKM	4,309,000	1.0437%	1,335,611	31.00%	2,870,054	1.0437%	1,534,443
14	AUS	27,294,000	6.6107%	4,932,176	18.07%	18,179,448	6.6107%	13,247,272
15	SAT	21,350,000	5.1710%	6,001,796	28.11%	14,220,386	5.1710%	8,218,590
16	GRP	4,550,000	1.1020%	315,415	6.93%	3,030,574	1.1020%	2,715,159
17	BRY	14,395,000	3.4865%	297,842	2.07%	9,587,937	3.4865%	9,290,095
18	DAL	54,035,000	13.0875%	11,937,457	22.09%	35,990,565	13.0875%	24,053,108
19	ATL	8,904,361	2.1567%	252,181	2.83%	5,930,841	2.1567%	5,678,660
20	BMT	6,695,000	1.6216%	465,583	6.95%	4,459,273	1.6216%	3,993,690
21	PHR	29,580,000	7.1644%	2,567,661	8.68%	19,702,062	7.1644%	17,134,401
22	LRD	23,603,165	5.7168%	2,209,513	9.36%	15,721,130	5.7168%	13,511,617
23	BWD	3,102,000	0.7513%	634,666	20.46%	2,066,119	0.7513%	1,431,453
24	EFP	11,145,266	2.6994%	194,866	1.75%	7,423,419	2.6994%	7,228,553
25	CHS	760,000	0.1841%	47,117	6.28%	506,206	0.1841%	458,489
43	FIN	26,083,529	18.2137%	7,224,992	27.70%	26,083,529	100%	\$225,829,878
55	ROW	1,000,000	0.6983%	228	0.02%	1,000,000	3.1637%	18,888,537
86	LTA	3,500,000	2.4440%	32,471	0.93%	3,500,000	11.0730%	999,772
88	BRG	25,000	0.0175%	0	0.00%	25,000	0.0791%	3,467,529
99	STWD Contingency	112,599,435	78.6265%	0	0.00%	1,000,000	3.1637%	1,000,000
Divisions		\$1,432,071,964	100%	\$17,297,690	6.07%	\$31,608,529	100%	\$24,350,939
Total Strategy 102		\$556,083,529	100%	\$56,428,112	10.15%	\$306,608,529	100%	\$250,180,417

Results
 \$137,875,565 reduction in District Strategy 102 Allocation
 \$111,599,435 reduction in Division Strategy 102 Allocation
 \$249,475,000 reduction in Total Strategy 102 Allocation