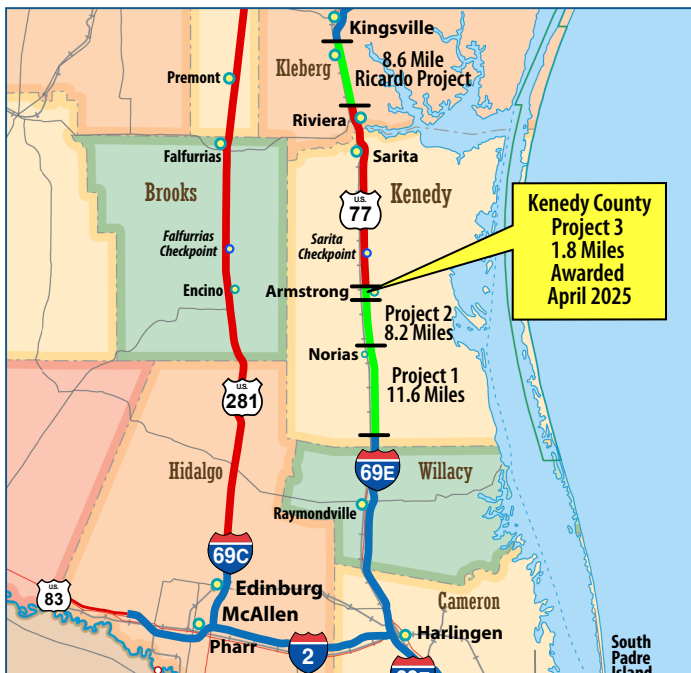


May 8, 2025

WASHINGTON REPORT – The current federal surface transportation authorization bill, the 2021 IIJA, expires next year. House and Senate committees recently started working on reauthorization proposals, including how to fund the Highway Trust Fund as fuel tax buying power continues to decline. The I-69 Alliance responded to a House committee request for suggested policy changes that might be considered in the next transportation bill. Our comments included creating a program specifically dealing with funding future interstate highways on a formula basis. We also proposed reducing the number of competitive grant programs in favor of formula funding and providing state DOTs flexibility to spend federal freight funding on all projects in a state's freight plan.

THIRD KENEDY COUNTY CONTRACT – The goal of completing interstate highway lanes across the 46 miles of coastal ranchlands in Kenedy County is another step closer. The Transportation Commission has awarded a \$61 million contract to upgrade 1.8 miles of US 77 near the Armstrong Post Office



to interstate standards. The winning bid came in 15% under estimate. It is the third I-69E project now under contract in the county, projects which together represent 21.6 miles and a combined contract cost of \$379 million. Projects crossing all of Kenedy County will eventually include new grade-separated overpasses with retaining walls at 13 locations, 16 wildlife crossing structures and 9 ocelot crossing structures. I-69E follows the Union Pacific Railroad in Kenedy County and passes through the Kenedy Ranch, East Ranch, Armstrong Ranch and the King Ranch Norias Division.

FOLLOWING THE LEGISLATURE – The Legislature is in the final month of the 2025 session and we are just a week away from a series of deadlines that will effectively stop consideration of many of the thousands of bills that were filed. The first deadline comes May 12, the last day House committees can vote out House bills. A conference committee is working on SB 1, the two-year budget bill which includes \$40 billion for transportation. The House Appropriations Committee this week passed out two proposed constitutional amendments that would dedicate a share of oil and gas severance taxes to address infrastructure needs in counties where oil and gas production is concentrated. As proposed neither would impact highway funding from Prop 1.



ORANGE BARRELS – There are more and more construction zones across Texas with \$60 billion in TxDOT highway projects now under contract. Road construction inflation slowed to a 4.6% annual rate in March. The department reports getting more quality bids and in April bids averaged 16% below estimates.

TRINITY RIVER CROSSING – Right-of-way acquisition and utility relocation work has begun on a six-mile section of US 59 in San Jacinto County. The estimated \$279 million project includes the Trinity River crossing between Shepherd and Goodrich. The project, scheduled for letting in 2029, will connect to the Shepherd Relief Route which was completed a decade ago and will extend I-69 into Polk County.

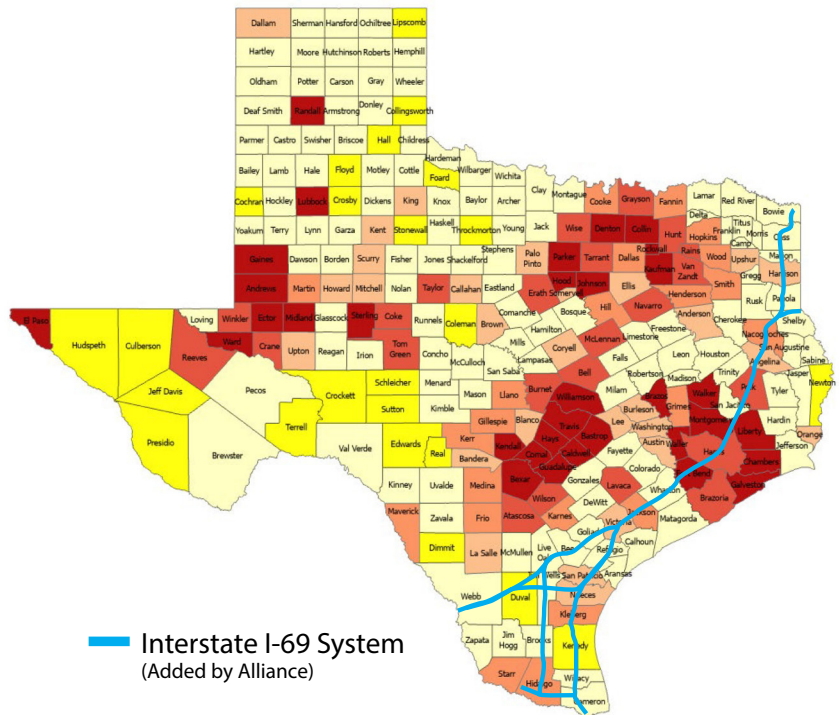
HOUSTON PROJECT PUBLIC MEETING – TxDOT will hold a virtual and in person public meeting at 5 p.m. May 13 to review proposed design changes in the planned replacement of the I-69 interchange northeast of downtown Houston with I-10 and the future realigned I-45. The project, known as Segment 3C-2, could go to construction in the next two years and has an estimated cost of more than \$2.5 billion. The in-person meeting will be at Houston's Wortham Theater, 501 Texas Ave.

I-69 AND GRAND PARKWAY – The SH 99 Grand Parkway is a 180-mile tollway that will eventually encircle Houston (map Page 2). Sections are now complete northwest and northeast of the city, currently terminating at I-69 between Sugar Land and Rosenberg. In April the Transportation Commission agreed to move forward with another 15-mile section connecting I-45 South and Alvin. Future segments will connect Alvin to I-69 South. Commissioner Alvin New pointed out the significance of completing the parkway and I-69. The result will provide a southern route for freight traffic flowing between the Texas border and the Port of Houston, providing an alternate route that will not require trucks to travel through central Houston.

Projected Percent Population Change, Texas Counties, 2020-2060

Projected Percent Change 2020-2060

- -74.4% - -40%
- -39.9% - 0%
- 0.1% - 10%
- 10.1% - 25%
- 25.1% - 50%
- 50.1% - 311.9%

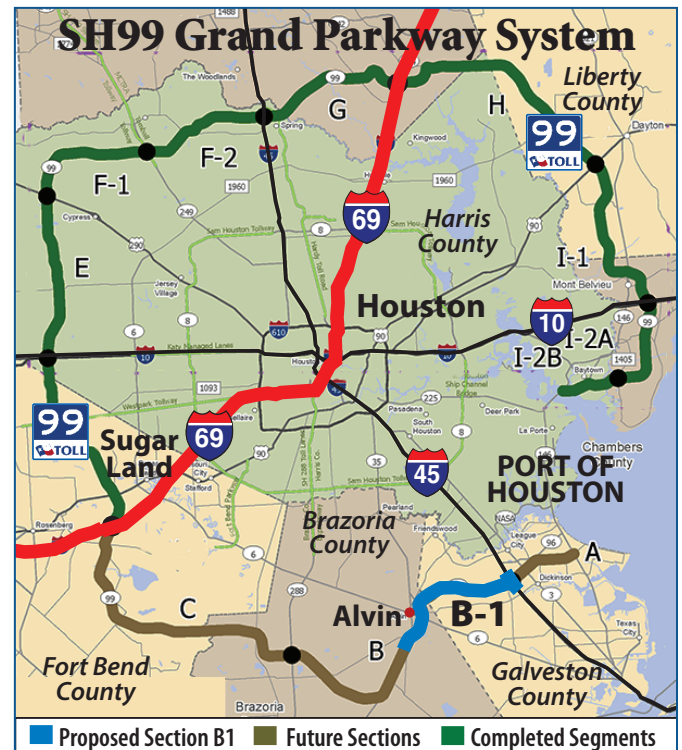


Source: Texas Demographic Center, 2022 Population Projections, 1.0 Migration Scenario



■ **PROJECTING GROWTH** – Texas State Demographer Lloyd B. Potter outlined projected growth projections for the state's 254 counties during a March presentation to the Transportation Commission. Above, an overlay of the congressionally designated I-69 Corridor atop one of his data maps shows that based on current data and trends many of the counties along the I-69 Corridor are expected to show strong growth over the coming decades. Completion of I-69 and adding it to the Interstate Highway System will create needed economic development opportunities throughout the corridor while enhancing safety, supporting efficient goods movement and addressing coastal evacuation needs. We misidentified Dr. Potter in our last Update and apologize for that error.

SH 99 SEGMENT B-1 - The Grand Parkway has been under development for two decades and population growth in the region has made it an economically successful toll project. Segment B-1 (blue) will be constructed under a design-build contract and is targeted to be open to traffic by 2031.



Alliance for I-69 Texas

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