



2023 ANNUAL PROJECT REPORT



November 28, 2023

Project Location: Hidalgo County, TX
Local Government: Hidalgo County RMA

1.0 Introduction

The Hidalgo County Regional Mobility Authority (HCRMA) is pleased to present to the Texas Transportation Commission with its 2020 Annual Project Report as required by the Texas Administrative Code §26.65. This collective effort is brought to you by a dedicated team who has worked with regional stakeholders such as: Elected Representatives, Texas Department of Transportation (TxDOT) Pharr District, Hidalgo County Commissioners Court, Rio Grande Valley Metropolitan Planning Organization, Local Municipalities, and the Public to develop and deliver much-needed transportation improvements.



Residents of Hidalgo County can already sense the congestion building up in critical areas of travel along I-2/I-69 and around the international ports of entry. With continued economic growth comes additional traffic congestion that needs to be mitigated for the region to maximize its economic potential. Hidalgo County is the front door to the United States due to its numerous ports of entry and the development of the Durango-Mazatlán Highway which has shifted trade patterns in its favor—particularly on imports of fresh produce and industrial goods from the Mexican interior. The nationalization of oil resources in Mexico (despite recent decline in the price per barrel) will also induce a similar positive increase in exports of heavy equipment and supplies that American companies will require for the extraction of those natural resources given the large shale play in the interior and off the coast of Matamoros, Tamaulipas.

Understanding the region’s potential for growth and these external opportunities allows the HCRMA to use the best available tools to forecast economic activity and traffic patterns and maximize toll utilization to help fund the new roadway infrastructure. The routes being developed by the HCRMA will provide end-users with the additional capacity they seek as well as present them with development opportunities along those corridors.



To this end, the HCRMA is working with local communities to plan and develop a southern corridor of the loop to create efficient routes so that commerce, local traffic, and safety are improved as our communities grow. For this reason, the HCRMA is looking to develop the most efficient tollroad system possible that will accommodate overweight truck traffic so that permit holders can eventually use the tollroad system to deliver, unload, and distribute goods beyond the Border in the most expedient fashion without additional wear and tear to the local roads.

The HCRMA and TxDOT Pharr District continue to execute a County-specific Short-Term Strategic Plan that includes 365 Tollway (formerly State Highway 365), International Bridge Trade Corridor (IBTC), US 83 Relief Route, and State Highway 68 (SH 68). TxDOT Pharr District leads development efforts on the US 83 Relief Route and State Highway 68 that will culminate in the acquisition of ROW and construction of Phase I frontage road facilities; and also collaborates with HCRMA and CCRMA on I-69 CONNECTOR (from I-69C to I-69E).

By the time the strategic plan is fully realized, the HCRMA and TxDOT Pharr District would have developed and constructed over 48.9 miles of roadway improvements (some tolled and others non-tolled) with a direct injection of over \$775M in project development funds and \$460M going directly into construction jobs and materials within Hidalgo County. The HCRMA looks forward to the continued cooperation between agencies and the public to provide conventional and innovative solutions to transportation needs for the citizens of Hidalgo County. What ensues is a summary of pertinent project activity along with the requested RMA Project Summary Table.

Figure 1 on the following page shows a HCRMA Project Location Map with the following short/long-term strategic priorities:

- 365 Tollway (Segments 1 - 4) [by HCRMA]
- International Bridge Trade Corridor (Segments 1 - 3) [by HCRMA]
- US 83 Relief Route (Segment 1) [by TxDOT]
- State Highway 68 (Segments 1 and 2) [by TxDOT]
- Farm-to-Market 1925 (Segments 1 and 2) [by TxDOT / CCRMA / HCRMA]
- Section A (West) and Section C (long-term priorities) [by HCRMA]



2.0 Background

2.1 Regional Mobility Authorities

In 2001, the 77th Texas Legislature authorized the creation of regional mobility authorities (RMAs) through Senate Bill 342 for constructing, operating and maintaining transportation projects in the State of Texas. In 2003, the 78th Legislature enacted House Bill 3588, which made major revisions to State laws governing the funding and development of transportation projects. A major section of that legislation created Chapter 370 of the Texas Transportation Code (Chapter 370) governing the formation and operation of RMAs. The Texas Legislature significantly expanded the powers of RMAs to develop and finance a variety of multi-modal transportation projects. RMAs are political subdivisions of the State of Texas created by one or more counties or by certain cities in the State of Texas to finance, acquire, design, construct, operate, maintain, expand, or extend toll or non-toll transportation projects. Permitted projects include roadways, passenger or freight rail, ferries, airports, pedestrian and bicycle facilities, intermodal hubs, border crossing inspection stations, air quality improvement initiatives, parking structures and related facilities, automated conveyor belts for the movement of freight, projects listed in the State Implementation Plan, the Unified Transportation Program, or applicable metropolitan planning organization long-range plan, and improvements in certain transportation reinvestment zones.

2.2 Creation of the Hidalgo County Regional Mobility Authority

On April 21, 2005, the Hidalgo County Commissioners Court authorized the County Judge to file a petition to the Texas Transportation Commission to create an RMA for the Hidalgo County (County) area. The petition was approved by the Texas Transportation Commission on November 17, 2005. The Commissioners Court formally approved the conditions set forth by the Texas Transportation Commission for the Authority and subsequently appointed the Directors of the Authority. The purpose of the Authority is to provide the area with an opportunity to significantly accelerate needed transportation projects and have a local entity in place that will make mobility decisions that will benefit the community, while enhancing the economic vitality and quality of life for the residents in the County and surrounding area.

2.3 Board of Directors

The Authority is governed by a seven-member Board of Directors (the Board), with six members appointed by the County, and the presiding officer appointed by the Governor. The Board has the ultimate decision-making authority and responsibility for directing and controlling the affairs of the Authority. The Board is also responsible for the establishment of policies that direct operational management of the Authority. The Board represents a spectrum of business and civic leaders in the County. The Board meets regularly to review, discuss, and determine policies affecting the operation and maintenance of the Authority and is comprised of the following directors:

- S. David Deanda, Chairman
- Ezequiel Reyna Jr., Vice Chairman
- Juan Carlos Del Ángel, Director
- Gabriel Kamel, Director
- Francisco “Frank” Pardo, Director
- Sergio Saenz, Director
- Michael J. Williamson, Director



2.4 Administration

The Authority’s day to day operation is overseen by the Executive Director Pilar Rodriguez, P.E. He has worked as an engineer and administrator for the City of McAllen since 1992 and has served the City in several capacities, including the areas of: Traffic Operations, Engineering, Public Works and, most recently, as Assistant City Manager and Deputy Emergency Management Coordinator. Mr. Rodriguez is a graduate of Texas A&I University (now Texas A&M) in Kingsville, Texas, and is a licensed Professional Engineer. Other key administrative staff include:

- Ramon Navarro IV, PE, CFM – Chief Construction Engineer
- Celia Gaona, CIA – Chief Auditor/Compliance Officer
- Jose Castillo – Chief Financial Officer

2.5 Capital Improvement Plan (CIP)

The Authority assists the citizens of the County and surrounding area by providing congestion relief, traffic safety, enhanced mobility and viable alternative routes. The initial projects that were submitted with the Authority application to the Texas Transportation Commission include the approximately 130-mile loop concept outlined in capital improvement plan / strategic plan map. In 2013 the HCRMA has bonded its vehicle registration fee (VRF) to advance project development activities such as environmental clearance, schematic, utility investigations/SUE, ROW mapping, PS&E, and limited ROW acquisition for the 365 Toll and IBTC. The ensuing sections cover project highlights since the issuance of the 2020 Annual Project Report.

3.0 365 Tollway (formerly State Highway 365) (HCRMA)



The 365 Project consists of three phases of construction of toll and non-toll improvements of independent utility from FM 1016 / Conway Ave to US 281 / Military Highway for project length of 17.4 miles between two crucial port of entry within Hidalgo County (Anzalduas Bridge and Pharr-Reynosa International Bridge).

Phase 1 consists of non-toll improvements from 0.45 Mile East of Spur 600 / Cage Blvd to FM 2557 / Stewart Rd and from Spur 29 / S Veterans Drive to US 281 / Military Highway below the San Juan Rd

overpass which constitute 365 Segment 3 US 281 and BSIF Connector, and was funded with a combination of Prop 1/CBI funding, VRF bond proceeds, and SIB Bond proceeds.

Phase 2 construction consists of toll road improvements from FM 396 / Anzalduas Highway to US 281 / Military Highway which constitute 365 Toll Segments 1 & 2 of the project in a 2+2 configuration (2 lanes each way).

Phase 2 funding consists of a Toll Equity Grant comprised primarily of TxDOT reimbursement payments, VRF bond proceeds, SIB Loan proceeds, and future toll revenue bond proceeds. Phase 3 construction consists of



additional tollroad improvements from FM 1016 / Conway Ave to FM 396 / Anzalduas Highway for 365 Toll Segment 4 of the project which as of this Annual Project Report is assumed to be built as toll viability increases within that segment as destinations come online to warrant developing this section of tollroad. Phase 4 construction (to be later undertaken by the HCRMA) would consist of the ultimate 3+3 configuration in addition to elements deferred in the value engineering such as select frontage roads areas and certain grade separations.

3.1 365 Toll: Review of 2023 Activities

- Phase 2 – 365 Toll (Segment 1 & 2) 100% ROW acquired out of 163 parcels finalized January 2022;
- Phase 2 – 365 Toll (Segment 1 & 2) Construction letting initiated August 2021 culminating in the 10/13/2021 bid opening where Pulice Construction, Inc. was Lowest Responsive and Responsible Qualified Low Bid at \$295,932,420.25. The contract was awarded by the HCRMA Board of Directors on 10/19/2021 with TxDOT Concurrence achieved on 11/08/2021, with toll revenue bond financing taking place January 2022. Change Orders No. 1, No. 2, and No. 3, along with Contract Amendment No. 1, were executed between 12/2022 and 02/2022. Change Orders No. 4 and No. 5 were executed between 01/2023 and 09/2023. After execution of the Change Orders and Contract Amendment, the total overall project cost, including a \$503,352.63 contingency fund, is \$286,723,797.95.; and
- From 10/1/2022 – 09/30/2023, the Authority expended \$50,394,526.78 with the following breakout: advanced planning (\$95,833), design (\$0), ROW/utilities (\$158,353.47), construction (\$49,531,407.31), and general / administrative / management / staffing (\$608,933).

3.2 365 Toll: Schedule / Upcoming Milestones

- Construction for Phase 2 – 365 Toll Segments 1 & 2 commenced 02/2022;
- Selection of Toll System Integrator for Phase 2 – 365 Toll Segments 1 & 2 completed 03/2023
- Toll System Integrator Design commenced 07/2023; and
- Toll Operations for Phase 2 – 365 Toll Segments 1 & 2 projected to start 01/2026.

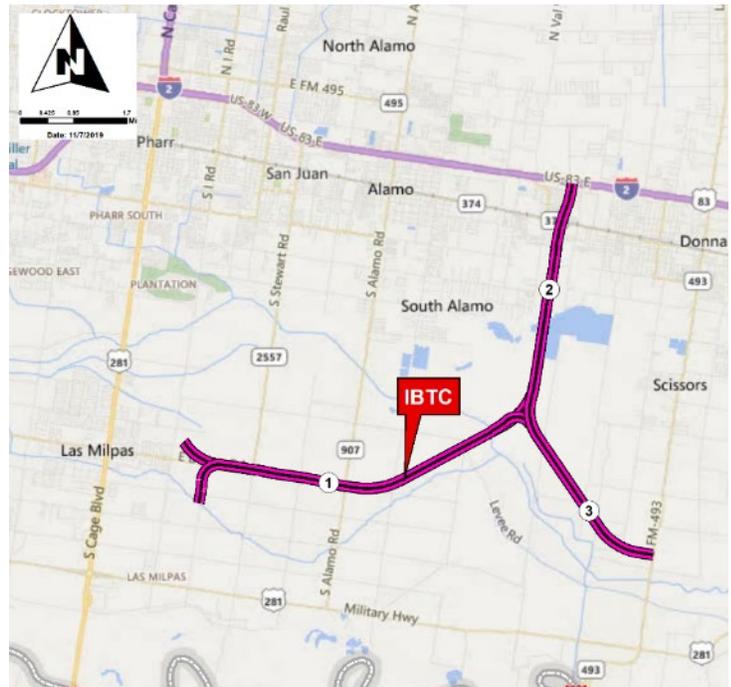
4.0 International Bridge Trade Corridor (HCRMA)

IBTC Segments 1 - 3 consists of two phases of construction of non-toll improvements of independent utility from the Interchange with 365 Toll near FM 3072 / Dicker Road to I-2 and from FM 493 to I-2 for project length of 13.2 miles.

Phase 1 construction will consist of Segment 1 and 2 being initially built as an at-grade 2+2 non-toll facility (2 lanes each way), while constructing Segment 3 as a 1+1 lane connector road (1 lane each way) for connection between the Valley View Interchange and FM 493. A future Phase 2 construction will consist of 3+3 main lanes, grade separations, and direct connectors to I-2.

4.1 IBTC: Review of 2022 Activities

- Environmental Documents (100% complete)—obtained Finding of No Significant Impact (FONSI) 09/2023;
- ROW Documents (75% complete) with 25% of all project ROW parcels (representing most of the area north of Donna Reservoirs) acquired;
- PS&E (50% complete) and currently on hold pending environmental clearance; and
- From 10/1/2022 - 09/30/2023, the Authority expended \$127,588 with the following breakout: advanced planning (\$115,071), design (\$0), ROW/utilities (\$0), construction (\$0), and general / administrative / management / staffing (\$12,517).



4.2 IBTC: Schedule / Upcoming Milestones

- Environmental clearance obtained 09/2023;
- Phase 1 estimated construction to commence 12/2025; and
- Operations for Phase 1 projected to begin 06/2029.

5.0 I-69 CONNECTOR (TxDOT PHR / CCRMA / HCRMA)

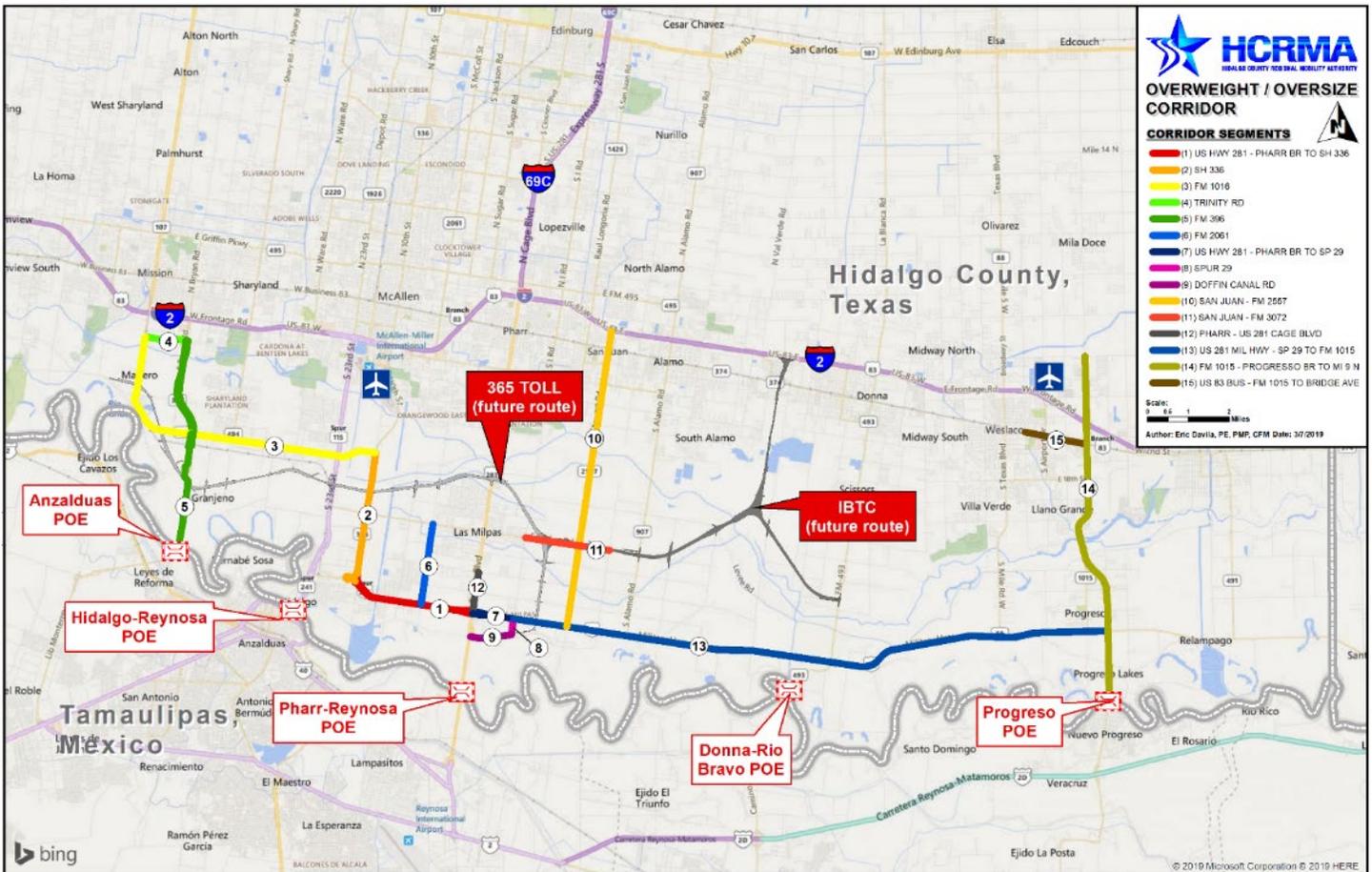
The proposed I-69 CONNECTOR between I-69C (US 281) and I-69E (US 77) is a vital parallel connection to I-2 and it is the first project to bring HCRMA into collaboration with CCRMA, with both agencies already fully engaged with TxDOT PHR on various projects within their respective counties. Phase 1 construction would potentially consist of Segment 1 built as a 1+1 lane connector road (1 lane each way) for connection between FM 491 and I-69E. Future Phases of construction could consist of expressway 2+2 (2 lanes each way) with frontage roads from I-69C to I-69E.

TxDOT has currently committed Supplemental Development Authority Funds for the Entire 27 Mile Corridor as an expressway facility, and has committed to funding the schematic design. Cameron County has committed to funding the segment of I-69 CONNECTOR from the eastern Hidalgo County Line to US 77 and ultimately to the South Padre Island 2nd access.



6.0 Overweight Corridor (HCRMA and TxDOT)

Texas H.B. No. 474 allowed for the creation of an overweight/oversize (OW/OS) corridor whereby the TxDOT receives 85% of the permit fees for maintenance of the on-system roadway network that comprises the corridor and the HCRMA keeps 15% of the permit fees to administer the issuance of permits. The HCRMA permit system allows growers and/or brokers to securely order online. The permits cover travel over the network of roads listed below, and allows vehicles traveling at or below the weight limit of 125,000 lbs:



- U.S. Highway 281 between its intersection with Pharr-Reynosa International Bridge and its intersection with State Highway 336;
- State Highway 336 between its intersection with U.S. Highway 281 and its intersection with Farm-to-Market Road 1016;
- Farm-to-Market Road 1016 between its intersection with State Highway 336 and its intersection with Trinity Road;
- Trinity Road between its intersection with Farm-to-Market Road 1016 and its intersection with Farm-to-Market Road 396;
- Farm-to-Market Road 396 between its intersection with Trinity Road and its intersection with the Anzalduas International Bridge;
- Farm-to-Market Road 2061 between its intersection with Farm-to-Market Road 3072 and its intersection with U.S. Highway 281;
- U.S. Highway 281 between its intersection with the Pharr-Reynosa International Bridge and its intersection with Spur 29;
- Spur 29 between its intersection with U.S. Highway 281 and its intersection with Doffin Canal Road;

- Doffin Canal Road between its intersection with the Pharr-Reynosa International Bridge and its intersection with Spur 29;
- Farm-to-Market 2557 (Stewart Road) from US 281/Military Highway to Interstate 2 (US 83) and Farm-to-Market 3072 (Dicker Road) from Veterans Boulevard ('I' Road) to Cesar Chavez Road;
- US 281 (Cage Boulevard) from US 281/Military Highway to Anaya Road;
- US 281/Military Highway from Spur 29 to FM 1015;
- FM 1015 from US 281/Military Highway to Progresso International Bridge;
- Farm-to-Market 1015 – Progresso International Bridge to Mile 9 North; and
- US 83 Business – Farm-to-Market 1015 to Bridge Ave.

6.1 Review of 2023 Activities

The online permit system went operational April 2014 and as of September 2014 there is a privately owned certified scale on the approach to the Pharr International Port of Entry. After the initial ramp-up activity from mid-2014, the HCRMA saw the following permit demand:

- 14,427 permits for 2015 (275+ permits issued per week),
- 28,357 permits for 2016 (545+ permits issued per week),
- 37,048 permits for 2017 (710+ permits issued per week),
- 34,502 permits for 2018 (660+ permits issued per week),
- 33,790 permits for 2019 (650+ permits issued per week),
- 36,040 permits for 2020 (693+ permits issued per week),
- 39,273 permits for 2021 (755+ permits issued per week),
- 41,104 permits for 2022 (828+ permits issued per week), and
- 37,962 permits for 2023 with a sustained 973+ permits issued per week (through 09/30/2023)

The total amount of permit fees collected from 1/1/2023 to 09/30/2023 was \$7,750,896 with \$113,886 going to ProMiles (permit system provider), \$1,024,974 going to HCRMA (OW/OS administrator), and \$6,453,540 going to TxDOT (for O&M projects along the OW/OS network). The OW/OS Corridor has amassed steady use by the agricultural transporters who pay \$200 for a one-way destination to cross larger legal loads that provides them a logistical edge in their shipping operations. The 365 Toll and IBTC projects are designed to carry overweight traffic and are intended to become the future backbone of the corridor system. From 2014 to present, TxDOT has received \$43,723,830 from overweight fees to maintain the existing on-system roads that currently comprise the overweight network.

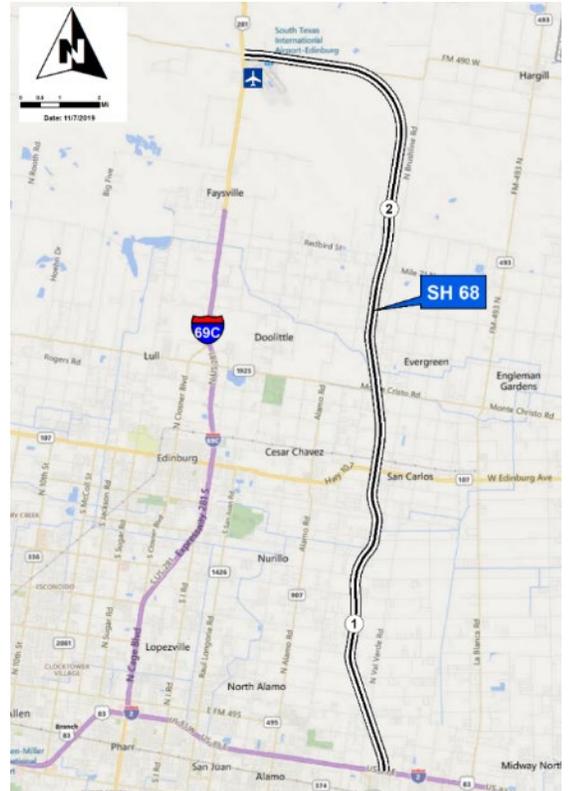
7.0 US 83 Relief Route (TxDOT PHR)



The US 83 Relief Route consists of two phases of construction within a usual 350-foot-wide to a maximum 450-foot-wide right-of-way (ROW). The project begins approximately 1.0 mile east of FM 886 (El Faro Road) and runs east to approximately 0.50 mile west of Showers Road. The total project length is approximately 8.9 miles and Phase 1 will consist of frontage roads while an optional Phase 2 could be undertaken by the HCRMA later to construct tollroad mainlanes. Phase 1 is fully funded by TxDOT and was let 07/2015.

8.0 State Highway 68 (TxDOT PHR)

SH 68 is a proposed 22-mile new road that will connect I-2 to I-69C between Alamo and Donna and run north to I-69C/US 281 north of Edinburg. Phase 1 will construct frontage roads in each direction from I-2 to I-69 CONNECTOR (Monte Cristo Rd). Phase 2 will construct frontage roads from I-69 CONNECTOR (Monte Cristo Rd) to I-69C with an optional Phase 3 that could be undertaken by the HCRMA later to construct tollroad mainlanes. Phase 1 is fully funded by TxDOT and is currently finalizing a Record of Decision (ROD).





9.0 HCRMA Project Summary Table

Hidalgo County RMA						
Completed Projects						
Project	Limits	Description	Estimated Cost	Funding Sources & Amounts (i.e., bonds, TIFIA, grants, loans, TRZ)		Date Open to Traffic
365 Segs. 3 (365 Phase 1)	0.5 E of Spur 600 to FM 2557 & BSIF Connector	Widening of Mil Hwy w/ an OP at San Juan Rd	\$ 19,342,713.68	Cat 10, UTP Matching, Prop 1, VRF bond proceeds,	\$ 19,342,713.68	Opened to Traffic 10/2017
RMA SubTotal	-	-	\$ 19,342,713.68	-	\$ 19,342,713.68	-

Hidalgo County RMA							
Projects Under Construction or in the Environmental Review Process							
Project	Limits	Description	Estimated Cost	Funding Sources & Amounts (i.e., bonds, TIFIA, grants, loans, TRZ, -if currently unknown list "TBD")		Project Phase (Study, Env., ROW, Design, Construction, Etc.)	Completion Date / Projected Completion Date of Phase
365 Toll Segs. 1 & 2 (365 Phase 2)	FM 396 to US 281	4-lane controlled access tollroad	\$ 295,932,420.25	Cat 12, SIB Loan Proceeds, Toll Revenue Bond Proceeds	\$ 295,932,420.25	Construction	Open to Traffic on: 01/2026
IBTC (Phase 1)	Interchange w/ 365 Toll to I-2 and to FM 493	Non-toll frontage road facility	\$ 128,071,890.73	Cat 12 UTP Matching, Cat 12, Excess VRF Cash, TBD	\$ 128,071,890.73	END Phase: Schematic Approved / FONSI Approved	Env. Clearance: 09/2023
RMA SubTotal	-	-	\$ 424,004,310.98	-	\$ 424,004,310.98	-	-

Hidalgo County RMA							
Planned Projects							
Project	Limits	Description	Estimated Cost	Funding Sources & Amounts (i.e., bonds, TIFIA, grants, loans, TRZ, -if currently unknown list "TBD")		Project Phase (Study, Env., ROW, Design, Construction, Etc.)	Completion Date / Projected Completion Date of Phase
I-69 Connector	I-69C to I-69E	New location highway	\$ -	TBD	\$ -	Study	TBD
			\$ -		\$ -		
			\$ -		\$ -		
			\$ -		\$ -		
			\$ -		\$ -		
			\$ -		\$ -		
RMA SubTotal	-	-	\$ -	-	\$ -	-	-