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Texas May Increase the Number of Toll Roads in the State.

Even as billions of dollars in toll road projects are in various stages of development across Texas, state leaders say their home is still a hot spot for new toll projects.

That embrace was on full display this week at the International Bridge, Tunnel and Turnpike Association's annual conference.

"You have come to what I would suggest is the mecca of innovation on transportation infrastructure," Gov. Rick Perry said in a keynote address at the toll road industry's annual event. More than 900 people from 18 countries attended it, said Patrick Jones, the association's executive director.

Joe Weber, the Texas Department of Transportation's executive director, echoed other state officials when he described tolling as "vital" to the state's future mobility planning as Texas tries to close the gap on a road funding shortfall. The tax Texans pay on a gallon of gas — 38.4 cents — has not changed since 1993 even as road construction costs have risen sharply and cars have become more fuel efficient, reducing the amount of money raised. A state proposition on the November ballot, if it passes, is projected to raise a third of the agency's \$5 billion annual shortfall by diverting some tax revenue from oil and gas production to the state highway fund.

Throughout the four-day conference, various attendees dismissed the possibility of federal or state lawmakers managing to find enough money to allow Texas to return to the days of a pay-as-you-go system for road construction.

"It's not like we're turning money away that could be used to build non-tolled facilities," said Mike Heiligenstein, the association's president and executive director of the Central Texas Regional Mobility Authority, which operates toll roads near Austin. "It just isn't there."

The conference took place about 20 miles from the State Highway 130 toll road, the southern portion of which is privately operated and sports the country's fastest speed limit at 85 mph. In July, Moody's Investment Service declared the SH 130 Concession Company, a partnership between Spain-based Cintra and San Antonio-based Zachry American Infrastructure, was in "technical default" because it had rescheduled a payment on \$1.1 billion in debt.

Joseph Krier, chairman of the SH 130 Concession Company, said at the conference that traffic has come in below expectations but predicted that the road would eventually prove a wise investment as drivers look for an alternative to Interstate 35.

"We have a 50-year franchise on that road, and we are pretty confident that in the long term, this is going to be a huge transportation asset for the region," Krier said. "I-35 is going to become a parking lot."

Yet signs of a growing resistance to the state's increasing reliance on toll projects are emerging. In July, 12 elected officials representing North Texas' Collin County signed a letter to the

Transportation Department opposing a proposal to convert high-occupancy-vehicle lanes on United States Highway 75 to high occupancy toll lanes, in which vehicles with just a driver pay a toll but those carrying multiple passengers could drive for free or at a discount.

“There is a strong feeling in our communities that they are already paying too much for travel upon our roadways due to tolling of the three major highway corridors in Collin County,” the letter reads.

At a panel discussion titled “Texas: A Toll Industry Laboratory,” the letter was cited by Kenneth Barr, chairman of the North Texas Tollway Authority, as a cause for concern.

“We’re beginning to see some pushback on that,” Barr said. “The challenge is our region added a million people in the last six years. If that’s going to continue, we have to figure out how to build those roads. Without additional gas tax revenue, they’re going to have to be toll roads.”

Phineas Baxandall, a transportation analyst for the United States Public Interest Research Group, who was invited to speak at the conference as a tolling critic, said an increase in tolls dissuades the public from supporting an increase in the gas tax and can affect a community’s development in unexpected ways.

“Toll roads don’t just add new choices or benefits,” Baxandall said. “Like any other transportation project, they also foreclose choices and impose potential harms. This shouldn’t be discounted just because a transponder is involved.”

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