



TEXAS DEPARTMENT OF TRANSPORTATION



PROPOSITION 1 STAKEHOLDER COMMITTEE MEETING

Austin, Texas





TEXAS DEPARTMENT OF TRANSPORTATION

WELCOME AND INTRODUCTIONS

Johnny Johnson



TEXAS DEPARTMENT OF TRANSPORTATION

ELECTION RESULTS AND LEGISLATIVE UPDATE

Trent Thomas



TEXAS DEPARTMENT OF TRANSPORTATION

PUBLIC COMMENT ON PROPOSITION 1

Marc Williams &

Lawrence Olsen

Public comment on Proposition 1

- Agendas, Meeting Notes, and Meeting Presentations available online with opportunity for public comment at:
<http://www.txdot.gov/inside-txdot/get-involved/committees/prop-1.html>
- Or via TxDOT.gov and search for keywords “Proposition 1 Stakeholder Committee”

The screenshot displays the Texas Department of Transportation (TxDOT) website. The header includes the TxDOT logo, the text "TEXAS DEPARTMENT OF TRANSPORTATION", and navigation links for "A - Z Site Index", "Contact Us", and "Español". A search bar is located in the top right corner. Below the header, a secondary navigation bar features "Inside TxDOT" and various service links. The main content area is titled "Proposition 1 Stakeholder Committee" and includes a breadcrumb trail: "Home > Inside TxDOT > Get Involved > Committees". The text on the page describes the November ballot measure (Proposition 1) and the role of the stakeholder committee. A bulleted list of recommendations is provided, and a table lists committee results.

Proposition 1 Stakeholder Committee

Home > Inside TxDOT > Get Involved > Committees

This November, Texans will vote on [Proposition 1](#), an amendment to the Texas Constitution that would transfer money from the state's Rainy Day Fund to the State Highway Fund. The ballot proposition reads:

The constitutional amendment providing for the use and dedication of certain money transferred to the state highway fund to assist in the completion of transportation construction, maintenance, and rehabilitation projects, not to include toll roads.

A working committee, that represents stakeholder interests statewide, was formed to assist TxDOT in deciding how best to distribute the additional funding should Proposition 1 pass. The group has made recommendations about how to allocate the additional funding amongst the following:

- Addressing congestion in urban areas
- Providing additional connectivity for rural areas
- Maintaining the state's existing road infrastructure
- Addressing additional needs due to increased oil and gas production

Committee Results

The Proposition 1 Stakeholder Committee's task concludes with the recommendations below.

Title	Format
Recommendation to the Texas Transportation Commission	
Texas Transportation Commission Update Presentation	



TEXAS DEPARTMENT OF TRANSPORTATION

REVIEW OF SEPTEMBER 5, 2014 MEETING

Marc Williams

Necessary and Appropriate Use of Funds

- Funds should be used to address state's four goals:
 - Safety.
 - Maintenance.
 - Congestion.
 - Connectivity.
- Additional recommendations have highlighted other areas of focus:
 - Energy needs.
 - Bridges.
 - Strategic corridors based on plan priorities and project growth.
 - Partnership opportunities.

Key Recommendations

The Proposition 1 Stakeholder Committee recognizes that the Texas Transportation Commission is best able to adequately determine the suitability of specific funding distributions. Therefore, the committee has focused on overall strategic guidance:

- Ensure that program administration of Proposition 1 funding aligns with legislative direction and guiding principles.
- Respond to previously identified additional need of \$5 billion per year for transportation statewide.
- Address transportation needs related to growing production activity in Texas' energy sector.
- Focus investments on transportation system needs strategically, being responsive to growth and supportive of the state's current and future economic activities.
- Provide flexibility to allow for TxDOT to leverage cooperation and partnerships with MPOs and local communities to address both congestion and connectivity objectives.

Documentation and Presentation of Recommendations

- Committee recommendations presented on September 18, 2014:
 - Recommendations White Paper
 - Presentation to Texas Transportation Commission



Proposition 1 Stakeholder Committee RECOMMENDATION TO THE TEXAS TRANSPORTATION COMMISSION

Preamble

Legislative Background

On August 5, 2013, legislators approved HB (House bill) 1 and SJR (Senate joint resolution) 1 (Third Called Session, 83rd Legislature). These pieces of legislation would provide an estimated \$1.7 billion (Legislative Budget Board hearing, August 6, 2014) to the State Highway Fund in the first year of implementation. SJR 1 proposes a constitutional amendment that authorizes this deposit of funds. HB 1 outlines the details of when the funds are to be transferred and how they can be used. HB 1 will take effect only if voters approve the constitutional amendment on the ballot.

Texas voters will vote on this proposed amendment on November 4, 2014. The ballot is designated as Proposition 1 and will read:

The constitutional amendment providing for the use and dedication of certain money transferred to the state highway fund to assist in the completion of transportation construction, maintenance, and rehabilitation projects, not to include toll roads.

If Proposition 1 is passed, the funds when appropriated "must be used and allocated throughout the state by the Texas Department of Transportation consistent

with formulas adopted by the Transportation Commission."

At the 81st Third Called Session, the Legislature, because the legislation

provides to be directed to the 'state

fund,' the funds can only be used for state on-system facilities.

On August 5th of 2014, the House Select Committee on Transportation Funding, Expenditures and Revenue recommended the following guiding principles for project selection based upon comments and concerns raised during the debate and passage of HB 1 and SJR 1:

• Formula allocation.

• Bottom-up approach to project development.

• Metropolitan planning organizations (MPO) have broad-based, collaborative public involvement procedures that involve TxDOT.

• Project selection should come from the regions.

• Legislature should give greater flexibility to TxDOT to get projects ready.

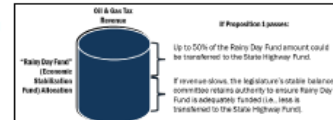
• Greater focus on transportation system versus projects, creating opportunities for statewide benefits as part of the approach.

• Federal and state legislation and regulations support these principles, including Title 23 Code of Transportation and Infrastructure, Texas Government Code Chapter 661, Texas Legislative Code Commission Part 450; Title 43 Texas Administrative Code Chapter 16; and H.B. 1 Texas Legislative Code Commission (S).

Implementation

In response to this legislation, the Texas Department of Transportation established a Proposition 1 Implementation Committee with the following charge:

• Provide recommendations to the Texas Department of Transportation on the distribution of potential funding provided by the Transportation Funding Ballot Proposition using existing formulas adopted by the Texas Transportation Commission.





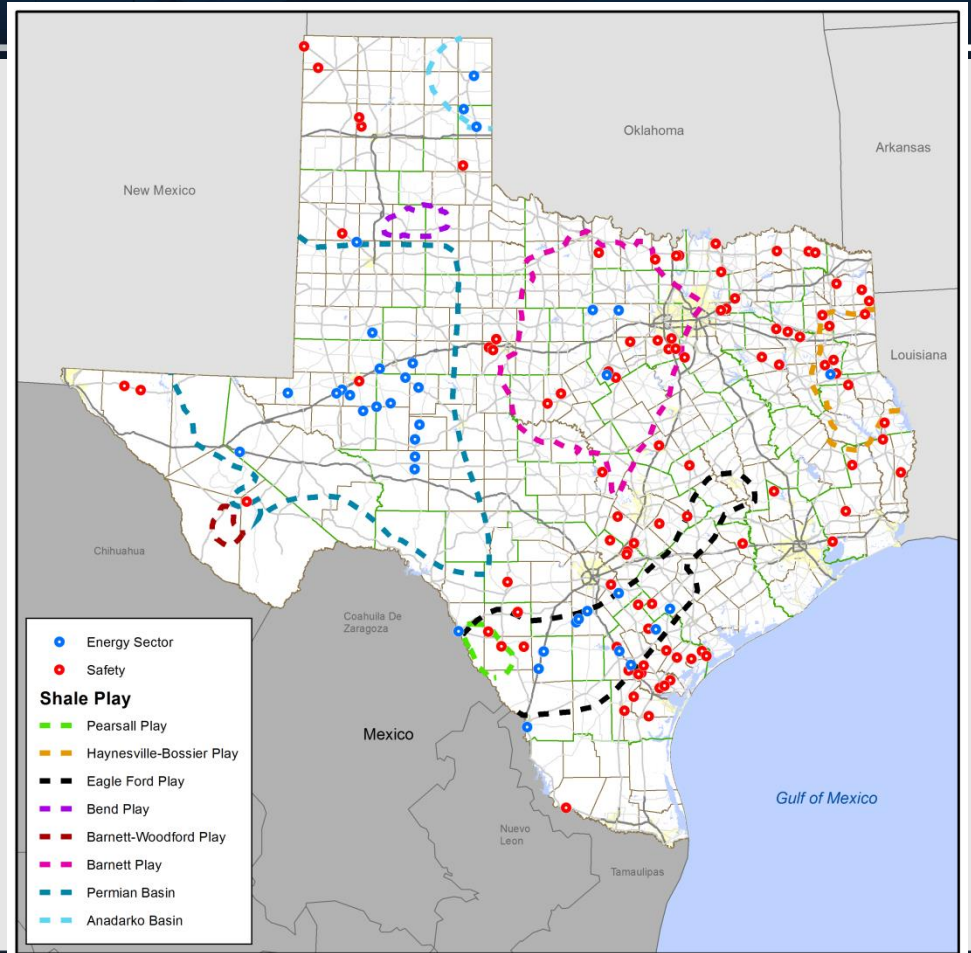
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FUNDING FOR ENERGY SECTOR AND SAFETY PRIORITIES

Marc Williams

Energy sector and safety

- In October, TxDOT received approval from the Legislative Budget Board and Governor's Office for \$402M of revenue from vehicle registration fees for priority energy sector and safety projects.
- Approximately \$200M for energy sector projects in active production areas of the state, with approximately 40 projects in 10-12 districts (blue dots).
- Approximately \$200M for safety projects, approximately 100 projects statewide in all districts (red dots).





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DISCUSSION OF POSSIBLE DISTRIBUTION SCENARIO

Conceptual 60/20/20 Distribution

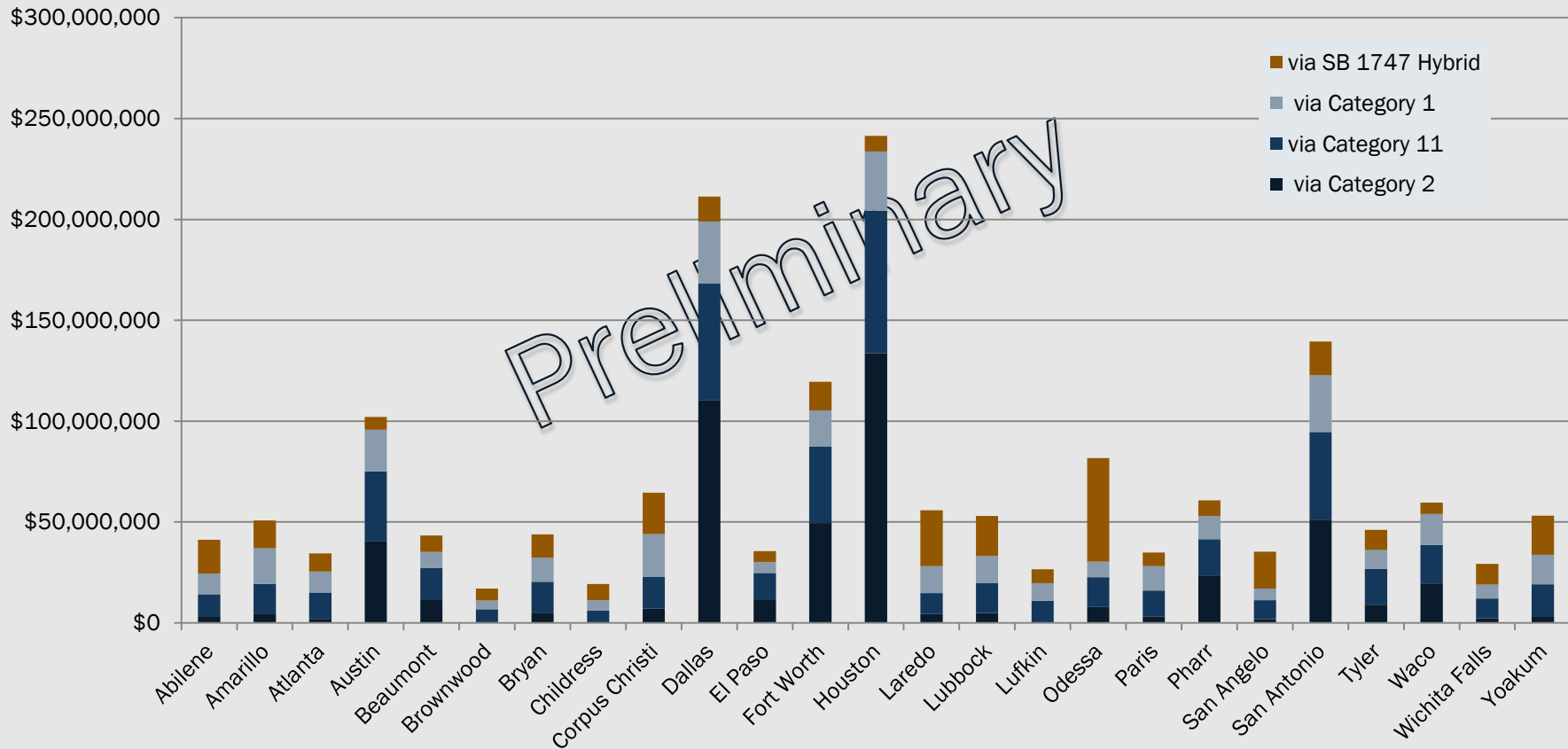
- Respond to previously identified additional need of \$5 billion per year for transportation statewide
- 60% (3/5ths) of Funds for Congestion and Connectivity needs
 - 30% distributed using TxDOT/MPO's Category 2 formula (target MPOs/TMAs and District Priorities)
 - 30% distributed using Category 11 formula (target strategic corridors using Category 4 principles)
- 20% (1/5th) of the funds to be distributed for maintenance to districts by TxDOT's Category 1 formula
- 20% (1/5th) of the funds to be distributed for Energy Impacts to highways using formulas accounting for highway conditions and current production activities

Conceptual 60/20/20 Distribution

- Results of conceptual distribution:
- Based on \$1.7B allocation under Proposition 1 (subject to determination by Texas Legislature's Sufficient Balance Committee)

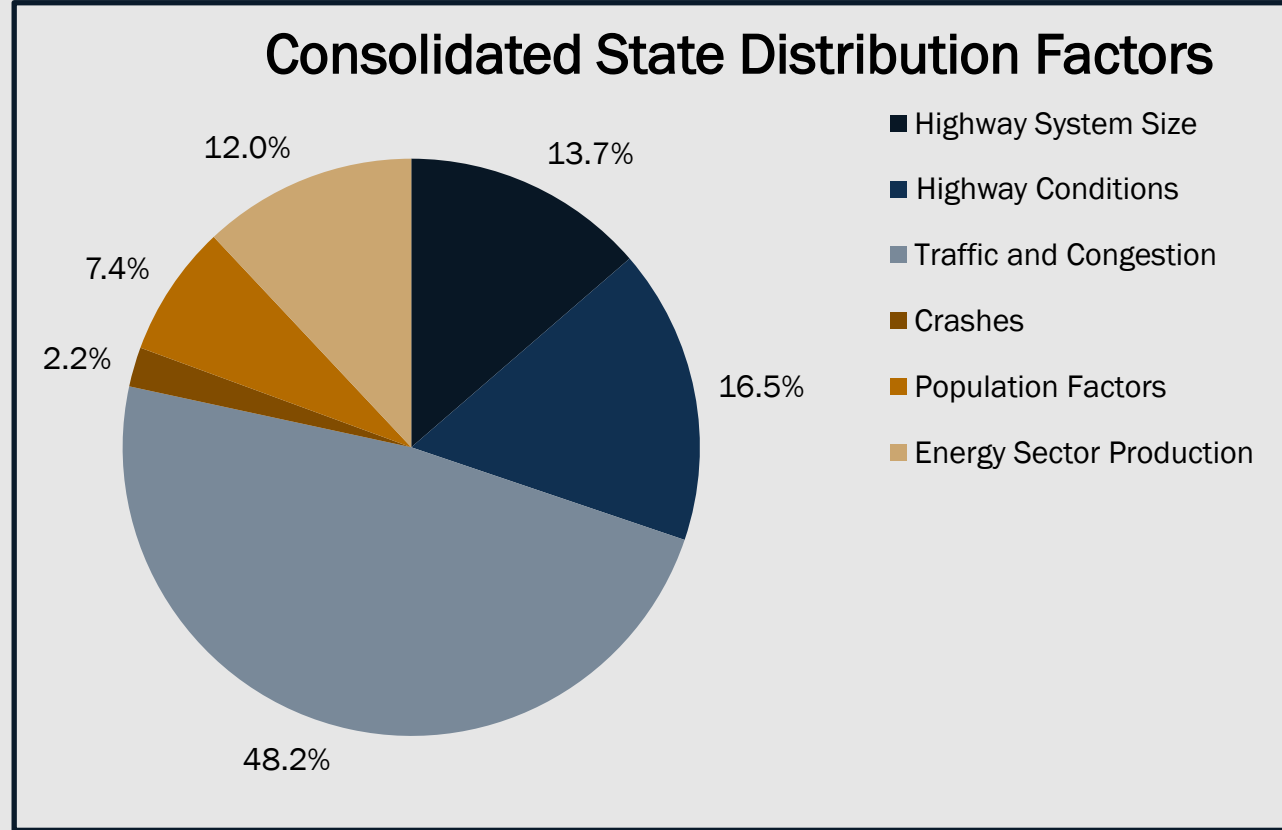
District	Congestion and Connectivity		Maintenance Needs	Energy Needs	Total
	via Category 2	via Category 11	via Category 1	via SB 1747 Hybrid	
Abilene	\$ 2,955,000	\$ 11,295,000	\$ 10,210,000	\$ 16,790,000	\$ 41,250,000
Amarillo	\$ 4,704,000	\$ 14,614,000	\$ 17,660,000	\$ 13,770,000	\$ 50,748,000
Atlanta	\$ 1,913,000	\$ 13,155,000	\$ 10,430,000	\$ 8,930,000	\$ 34,428,000
Austin	\$ 40,643,000	\$ 34,421,000	\$ 20,730,000	\$ 6,290,000	\$ 102,084,000
Beaumont	\$ 11,669,000	\$ 15,533,000	\$ 8,000,000	\$ 8,040,000	\$ 43,242,000
Brownwood		\$ 6,817,000	\$ 4,290,000	\$ 5,880,000	\$ 16,987,000
Bryan	\$ 5,077,000	\$ 15,262,000	\$ 12,040,000	\$ 11,560,000	\$ 43,939,000
Childress		\$ 6,066,000	\$ 5,180,000	\$ 8,090,000	\$ 19,336,000
Corpus Christi	\$ 7,011,000	\$ 15,976,000	\$ 21,060,000	\$ 20,460,000	\$ 64,507,000
Dallas	\$ 110,271,000	\$ 57,864,000	\$ 30,880,000	\$ 12,310,000	\$ 211,325,000
El Paso	\$ 11,631,000	\$ 13,149,000	\$ 6,520,000	\$ 5,240,000	\$ 35,540,000
Fort Worth	\$ 49,542,000	\$ 37,764,000	\$ 17,950,000	\$ 14,220,000	\$ 119,476,000
Houston	\$ 133,773,000	\$ 70,594,000	\$ 29,280,000	\$ 7,780,000	\$ 241,427,000
Laredo	\$ 4,570,000	\$ 40,140,000	\$ 13,350,000	\$ 27,740,000	\$ 55,800,000
Lubbock	\$ 4,984,000	\$ 14,900,000	\$ 13,250,000	\$ 19,930,000	\$ 53,064,000
Lufkin		\$ 11,003,000	\$ 8,710,000	\$ 6,820,000	\$ 26,533,000
Odessa	\$ 7,850,000	\$ 14,750,000	\$ 7,740,000	\$ 51,310,000	\$ 81,650,000
Paris	\$ 3,293,000	\$ 12,752,000	\$ 12,120,000	\$ 6,680,000	\$ 34,845,000
Pharr	\$ 23,171,000	\$ 18,282,000	\$ 11,620,000	\$ 7,700,000	\$ 60,773,000
San Angelo	\$ 1,832,000	\$ 9,378,000	\$ 5,870,000	\$ 18,190,000	\$ 35,270,000
San Antonio	\$ 51,252,000	\$ 43,438,000	\$ 28,010,000	\$ 16,820,000	\$ 139,520,000
Tyler	\$ 9,074,000	\$ 17,666,000	\$ 9,460,000	\$ 9,920,000	\$ 46,120,000
Waco	\$ 19,581,000	\$ 19,125,000	\$ 15,260,000	\$ 5,660,000	\$ 59,626,000
Wichita Falls	\$ 2,297,000	\$ 9,778,000	\$ 6,850,000	\$ 10,360,000	\$ 29,285,000
Yoakum	\$ 2,906,000	\$ 16,278,000	\$ 14,500,000	\$ 19,510,000	\$ 53,194,000
Total:	\$ 510,000,000	\$ 510,000,000	\$ 340,000,000	\$ 340,000,000	\$ 1,700,000,000

Conceptual 60/20/20 Distribution



Conceptual 60/20/20 Distribution

- Traffic and congestion factors represent highway system usage (primarily VMT for autos and trucks), and account for nearly 50% of the formula distribution
- The size and condition of the highway system represent the next highest factors affecting formula distribution



Anticipated administrative process timeline

November 2014

Commission discussion of initial distribution

Consider input and guidance from:

- Proposition 1 Stakeholder Committee (Wednesday, November 12, 2014).
- House Select Committee on Transportation Funding, Expenditures & Finance (Friday, November 14, 2014).
- On-going legislative discussions.
- Input from MPOs and Districts.

December 2014

Commission approves distribution of funds by formula in accordance with HB 1 and Legislative direction

- Principles of Category 4 Statewide Connectivity Corridor Projects provide guidelines for corridor project selection.
- Amount to be distributed set by Legislature's Sufficient Balance Committee.

January - February 2015

TxDOT Divisions/Districts and local MPOs collaborate in partnership to select projects that align with funding distribution

- Respond to energy needs in production areas of the state.
- Address highway and bridge maintenance needs across the state.
- Address strategic corridors based on statewide and local plan priorities and projected growth.
- Seek to leverage partnership opportunities, including sharing funds across district and MPO boundaries for strategic priorities.
- Projects should initiate construction in calendar year 2015.

February 2015

Commission reviews recommended project selections and approves recommended projects and fund allocations

- Allocate funds to categories and projects through the Unified Transportation Program.
- TxDOT/MPOs amend local and state transportation improvement plans to reflect new projects and fund allocations.
- Ensure flexibility to address strategic needs of TxDOT and local MPOs.

Questions?

- Does the outlined distribution align with Committee recommendations?
- If not, what adjustments need to be considered in the areas of:
 - Overall distribution (60/20/20)?
 - Application of formulas?
 - Administration process and timeline?
- What further steps would the Committee recommend for TxDOT to consider?



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DISCUSSION AND NEXT STEPS

Johnny Johnson

Questions & Next Steps