



## CAMPO and Proposition 12

July 14, 2011

In mid-June, TxDOT informed the 25 Texas Metropolitan Planning Organizations of the likelihood of \$3 billion in Proposition 12 funds becoming available. The passage of the state's budget has made that reality. Riders 42 and 43 of the TxDOT portion of the appropriations bill set forth the legislative intent for these funds (see attached). Basically, there are five funding categories for the funds:

1. \$500 million for work to replace or rehabilitate a specific list of bridges (**none of these are in the CAMPO region**).
2. \$600 million for projects to be selected by the 25 MPOs (**about \$48 million for the CAMPO region**; see attached breakdown by MPO). These funds may be used for on or off-system work, but only be for roadway projects. TxDOT encourages that any off-system projects funded with these funds be for safety projects or for projects that provide a significant benefit to the state highway system. Projects will be selected by the MPO policy boards in consultation with local TxDOT staff.
3. \$1.4 billion to be distributed to the TxDOT districts (**about \$91 million coming to the Austin District**). The funds may be used for eligible rehabilitation and safety projects, which may include added capacity projects.
4. \$200 million to be used on projects addressing statewide connectivity needs (**none of these are in the CAMPO area**).
5. \$300 million to be sub-allocated to the four largest MPOs in the state (**about \$31 million coming to the CAMPO region**); to be used to develop projects that will have the greatest impact on reducing congestion in these metropolitan areas. The funds may not be used until TTI has prepared and presented a report to the Commission identifying projects in each of these four regions; the report is due to the Commission no later than September 2012. Once the Commission accepts this report these funds may then be used to advance the preliminary engineering, environmental assessment, design and right of way acquisition on these projects. These funds may not be used to pay for construction of any project.

Rider 43 was clear that the intent was to use these additional funds during the upcoming biennium.

Last weekend, staff received a second email with a bit more information. According to the July 10<sup>th</sup> email, when selecting projects for funding in the Unified Transportation Program, Chapter 43 of the Texas Administrative Code [43 TAC 16.105(d)(1)(A)] requires the commission to consider the following: (A) the potential of the project to:

- (i) increase the safety of the transportation system for all transportation users;
- (ii) maintain and preserve the existing transportation system;
- (iii) provide congestion relief;

- (iv) increase the accessibility and mobility of the transportation system for all transportation users;
- (v) support the economic vitality of the area, especially by enabling global competitiveness, productivity, and efficiency; and
- (vi) promote efficient system management and operation.

Based upon these rules, TxDOT suggests these six factors be the primary considerations for project selection and prioritization. However, the email states, different regions of the state may want to consider secondary considerations or factors, as well. Examples might include hurricane evacuation routes, freight corridors, pavement conditions, bridge conditions, closing corridor gaps, fund leveraging opportunities, and previous legislative and local input. Many of these secondary considerations may support the primary ones.

The email also stated that consideration should be given to the timing of bringing projects forward to construction. Issues such as environmental clearance, inclusion in financially constrained portions of MTPs, design, and right of way should be considered in project selection. **The majority of projects funded from this allocation of \$3 billion of Proposition 12 funds should be under construction by the end of FY 2013** [emphasis added].

Implementation of the projects was the final topic addressed in the July 10<sup>th</sup> email. TxDOT proposed that the following proposed time lines be used to deliver a list of selected projects to TxDOT:

- \$1400 million Rehabilitation and Safety - September 7
- \$600 million Metro and Urban Mobility - October 5
- \$200 million Statewide Connectivity - September 7
- \$300 million PE and ROW - following the release of TTI's report

At the July 11<sup>th</sup> meeting, the Transportation Policy Board approved the following timeline to consider Proposition 12 funds in the CAMPO region:

Phase 2 Applications due	Aug 5
Presentation of scored applications	Sept 1
Transmittal of input for TxDOT's Prop 12 list	Sept 12
Public outreach	August - September
Public hearing	<b>Sept 26</b>
Approval consideration and transmittal	Oct 10

42. **Appropriations from Proposition 12 General Obligation Bond Proceeds for Bridge, Safety, Connectivity, and Congestion Relief Projects.** Out of funds appropriated above, \$3 billion of Bond Proceeds - GO Bonds (Proposition 12, 2007) shall be used to fund projects that will relieve congestion, enhance bridge and roadway safety, and connect the state's population centers.

- a. The Department of Transportation shall use \$300 million [*about \$31 million coming to the CAMPO region after TTI study*] of this amount to acquire right of way, conduct feasibility studies and project planning, and outsource engineering work for the most congested roadway segments in each of the four most congested regions of the state that are included in the 50 most congested roads in the state as listed on the State's Top 100 Most Congested Roadways list as of January 1, 2011. These funds shall be allocated by the Texas Transportation Commission to those regions using the formula used to allocate funds among the Transportation Management Areas in Category 2, Metropolitan and Urban Area Corridor Projects, in the department's Unified Transportation Program. The Department of Transportation shall provide \$3 million out of State Highway Funds appropriated above to the Texas Transportation Institute for the purposes of:
  - i. serving as a facilitator and project coordinator of studies to be conducted by the four most congested regions to:
    1. determine which projects would have the greatest impacts considering such factors as congestion, economic benefits, user costs, safety, and pavement quality;
    2. identify funding options to support completion of the projects and suggest the best use of future revenues for the projects;
    3. include implementation of best traffic and demand management practices;
    4. ensure open and transparent public participation;
    5. make recommendations to the Department of Transportation at each major decision point for the projects; and
  - ii. reporting the preliminary findings and results to the Eighty-third Legislature and the Transportation Commission no later than September 1, 2012.

The department shall use \$3 million out of appropriations from Bond Proceeds - GO Bonds (Proposition 12, 2007) for the purpose of reimbursing State Highway Fund No. 006 for funds provided to the Texas Transportation Institute in subsection (a) of this rider.

- b. The department shall use \$500 million [*none in the CAMPO region*] of this amount to fund the bridge projects listed below. These General Obligation Bond Proceeds may only be used to develop and construct the necessary bridge elements as determined by the Texas Transportation Commission. If the amount of General Obligation Bond Proceeds expended for the bridges listed below is less than \$500 million, the Texas Transportation Commission may allocate the remaining General Obligation Bond Proceeds to other eligible bridge projects.

- **District County Feature Crossed Facility Carried**
- Dallas, Dallas Trinity River IH 30
- Dallas, Dallas Trinity River and Brazos St IH 35E SB & NB

- Beaumont, Orange Neches River IH 10
- Houston, Harris IH 10 Elysian Street
- Paris, Hunt Lake Tawakoni SH 276
- Dallas, Dallas IH 30, US 75 & DART IH 345 SB & NB
- San Angelo, Tom Green US 277 US 67 SB & NB
- Childress, Knox Brazos River SH 6
- Childress, Collingsworth Red River SH 203

- d. The commission shall allocate \$600 million [**about \$48 million in the CAMPO region**] of this amount statewide to fund metropolitan and urban mobility projects, using the formula used to allocate funds in Category 2, Metropolitan and Urban Area Corridor Projects, in the department's Unified Transportation Program.
- e. The department shall use \$200 million [**none in the CAMPO region**] of this amount to fund statewide connectivity projects selected by the commission.
- f. The commission shall allocate \$1.4 billion [**about \$91 million to the Austin District of TxDOT**] of this amount statewide to fund rehabilitation and safety projects using the formula used to allocate funds in Category 1, Preventive Maintenance and Rehabilitation, in the department's Unified Transportation Program.

**43. New Letting for the 2012-13 Biennium.** It is the intent of the Legislature that the Department of Transportation use funds appropriated above to award at least \$8,560.8 million in new multi-year highway construction improvement, rehabilitation, and preservation contracts during the 2012-13 biennium.