

2017 UNIFIED TRANSPORTATION PROGRAM AND HB 20 IMPLEMENTATION

TEMPO Meeting



Current Initiatives

- On-going efforts to address performance-based planning and programming processes as required by HB 20.
- Preparing for additional funding allocations and sources in the 2017 Unified Transportation Program (UTP), strategic priorities, and application of portfolio management processes.
- Over \$66 billion of existing and new funding in UTP includes funding for key priorities:
 - Address safety
 - Preserve assets
 - Target congestion/urban mobility needs
 - Enhance regional connectivity corridors
 - Focus on strategic initiatives

Performance-Based Planning and Programming - Background

The proposed performance-based allocation of funds is a result of collaboration with stakeholders including:

- Governor Abbott's priorities for TxDOT.
- Legislative guidance in accordance with the directive's of HB 20.
- MPO and District Engineer Planning Organization Stakeholder Committee (POSC).
- Current goals and objectives of the department.

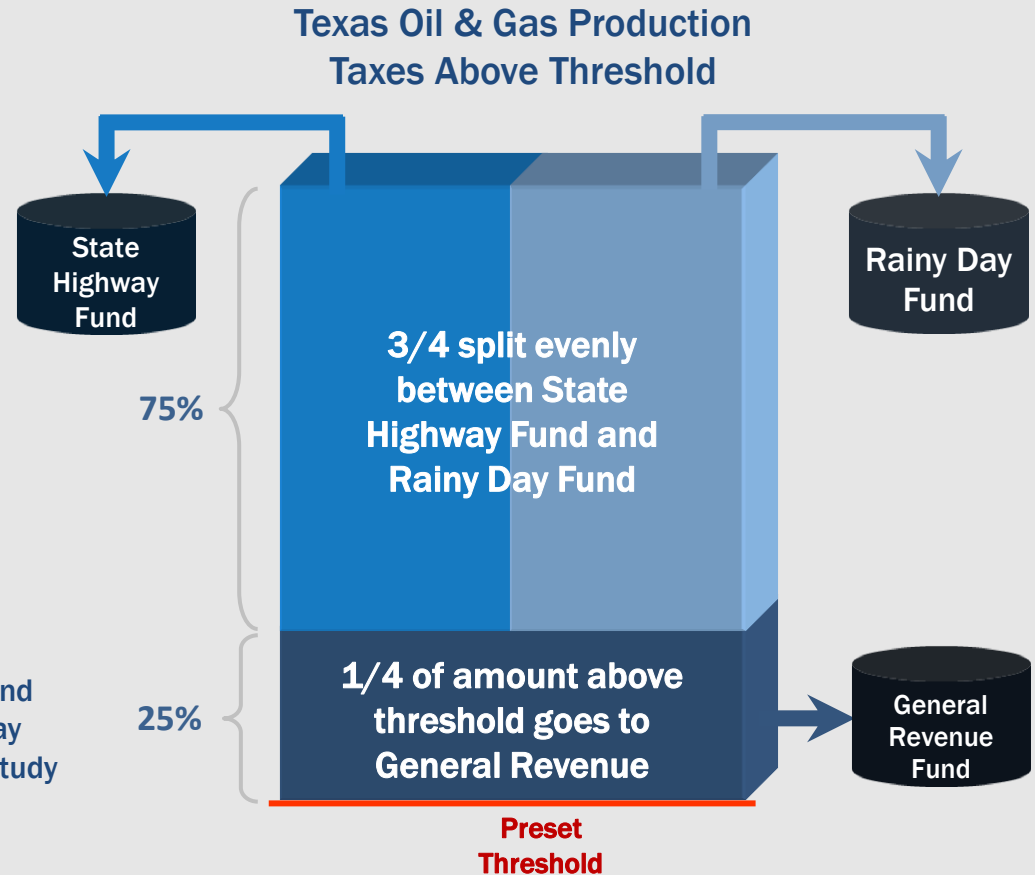
Strategic Priorities and Anticipated Performance Outcomes

Top strategic priorities	Anticipated performance outcomes
Address safety	Reduce crashes and fatalities
Preserve assets	Maintain and preserve system/asset conditions
Target congestion/urban mobility needs	Mitigate congestion and improve reliability of system
Enhance rural connectivity corridors	Enhance connectivity and mobility
Focus on strategic initiatives (<i>energy sector, trade, and economic development</i>)	Enhance economic development opportunities; facilitate movement of freight and international trade

Proposition 1

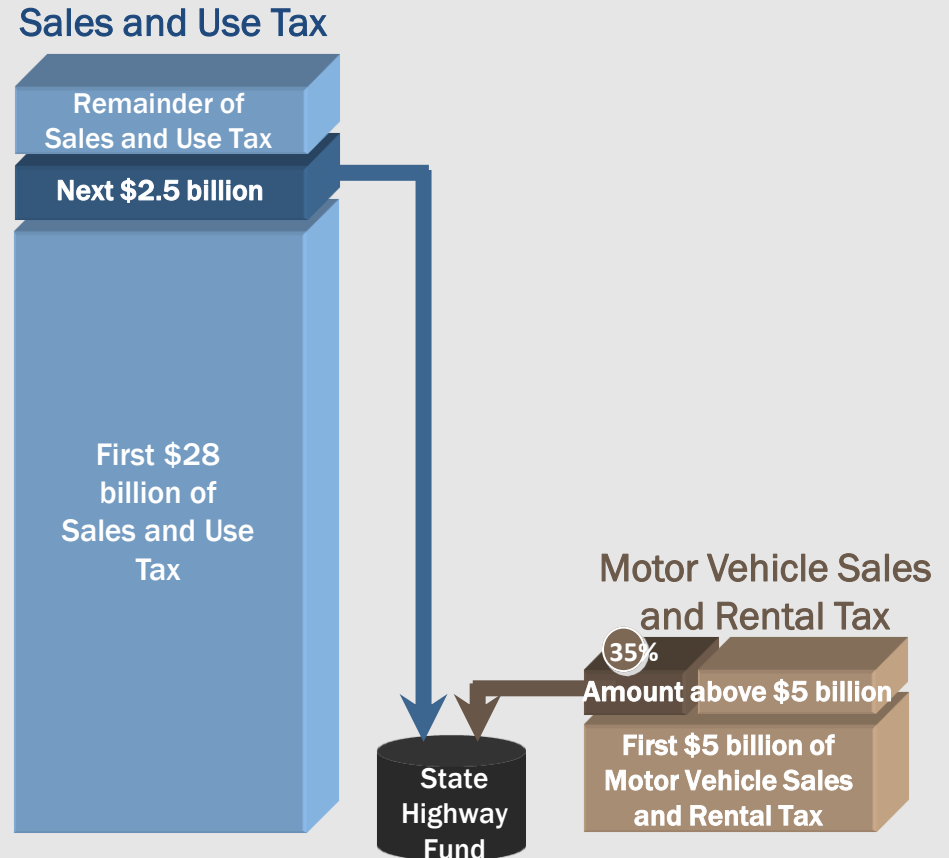
- Revenues may fund highway improvement projects other than toll roads
- Annual deposits to the SHF:
 - \$1.7 billion in FY 2015
 - \$1.1 billion in FY 2016
 - \$0.594 billion (est.) in FY 2017
 - \$0.74 billion (est.) in FY 2018

Note: Actual amounts deposited in the State Highway Fund may vary based on the minimum balance of the Rainy Day Fund set by the Legislature's Joint Select Committee to Study the Balance of the Economic Stabilization Fund.

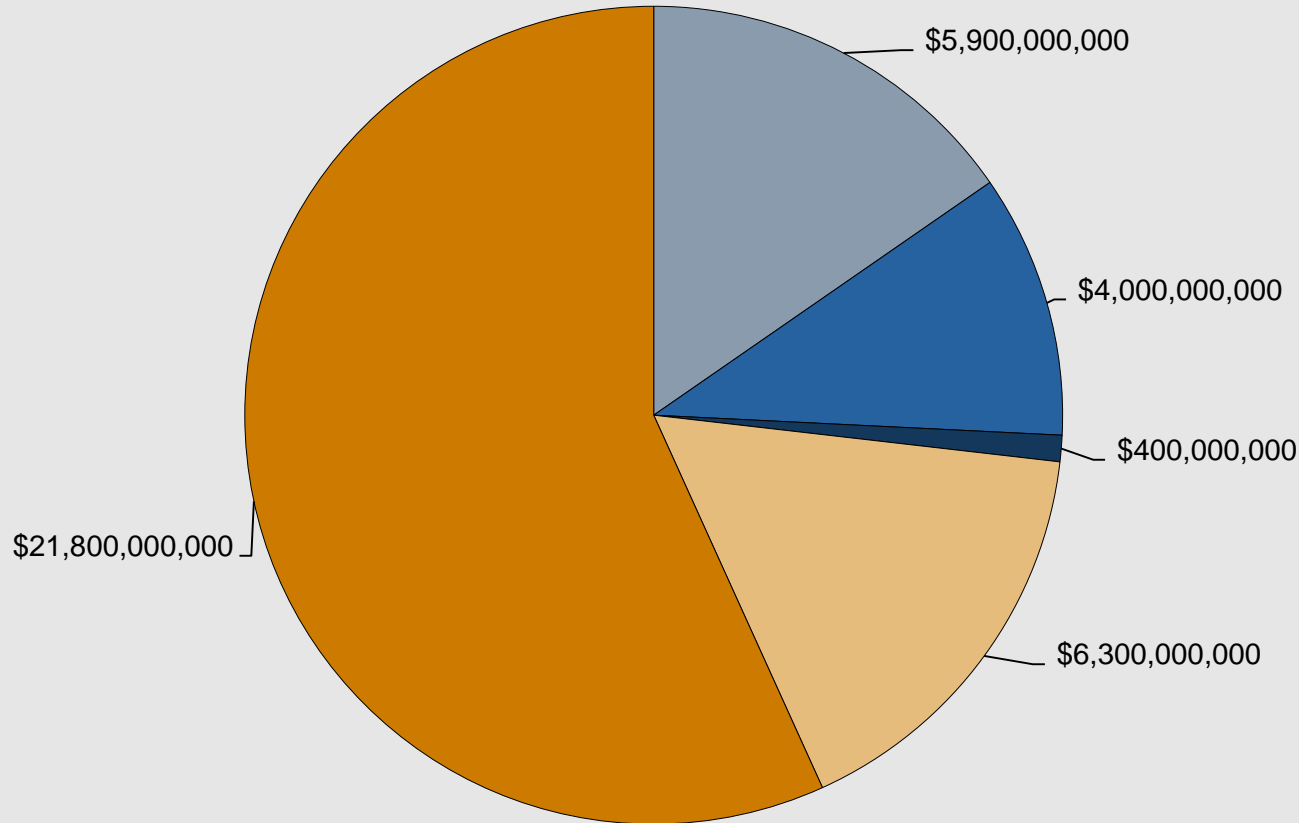


Proposition 7

- Approved by voters in 2015.
- Revenues may fund highway improvement projects other than toll roads.
- Sales and Use Tax
 - Funding begins in FY 2018
- Motor Vehicle Sales & Rental Tax
 - Funding begins in FY 2020



Additional Funding - Anticipated Sources



**\$38.3 billion
over 10 years**

- Diversions
- Federal
- Other SHF
- Proposition 1
- Proposition 7

Additional Funding – Proposed Distribution

Program Areas and Objectives	10-Year Additional Funding (in billions)
Safety/Preserve Existing Assets	\$6.9
• Safety	\$1.3
• Maintenance	\$2.6
• Bridges	\$0.5
• Energy Sector	\$2.1
• District Discretionary	\$0.4
Congestion/Urban Mobility	\$21.2
• MPO Partnerships	\$11.2
• Connectivity Corridor Congestion	\$5.0
• Strategic Congestion Initiative	\$5.0
Regional Connectivity Corridors	\$6.2
• Interstates (Existing and Future), Trunk System, Border, Super 2-Lane	
Additional Strategic Priorities	\$4.0
Total	\$38.3

Balance Needs of Rural Connectivity and Urban Congestion/Mobility

- Initial distribution aligns with current estimated road usage between urban and rural areas of the state.

Vehicle Miles of Travel (Million - 2015 Annual Est)*		
Rural VMT	61,056	23%
Urban VMT	202,431	77%
Total	263,487	100%

** Est. VMT based on TxDOT 2015 Road-Highway Inventory Network (RHINo) data on Major Collector roads and higher.*

Additional Funding (\$Million - 10 Year UTP)		
Rural Connectivity	\$ 6,206	23%
Congestion	\$ 21,197	77%
Total	\$ 27,403	100%

- Future changes to allocations will consider changes in road usage and forecasted impacts from proposed improvements in order to balance statewide needs and system performance.

Congestion and Urban Mobility – Category 2 Funding

- Priorities include establishing partnerships with districts and MPOs to:
 - Target congestion and improve safety in metro and urban areas.
 - Use performance-based project selection to optimize system performance.
 - Provide a strategic focus on congested areas and key trade corridors.
- Funds distributed by agreed upon formula that includes consideration of:
 - Population
 - Total traffic (vehicle miles of travel)
 - Miles of highways
 - Truck traffic
- Projects selected and ranked by MPOs in consultation with TxDOT Districts, and approved by the Commission.

Congestion and Urban Mobility (\$28.9 Billion – Total UTP Funding)

- Total UTP congestion relief funding = **\$28.9 billion over 10 years.**
- Initiative includes funding from:

Funding Category	10 Year Additional Funding (\$ Billion)
Cat. 2 – Metropolitan & Urban Corridors	\$12.5
Cat. 4 – Connectivity	5.0
Cat. 5 – Congestion Mitigation & Air Quality	2.2
Cat. 7 – Metropolitan Mobility & Rehabilitation	4.2
Cat. 12 – Strategic Priority (Clear Lanes Initiative)	5.0
TOTAL	\$ 28.9

- Category 2 distribution will include all 25 MPOs statewide.

Elements of Energy Sector Program

- Anticipated \$400 – \$450 million per year will be invested for safety, maintenance, and capacity needs in the energy sector corridor improvement program.
- Reinforce pavements:
 - Strengthen pavement structures;
 - Add shoulders to protect pavement edges;
 - Add turn lanes at key intersections; and
 - Construct passing lanes on Super 2 corridors.
- Districts have identified major corridors needing improvement in energy areas and have prioritized projects.

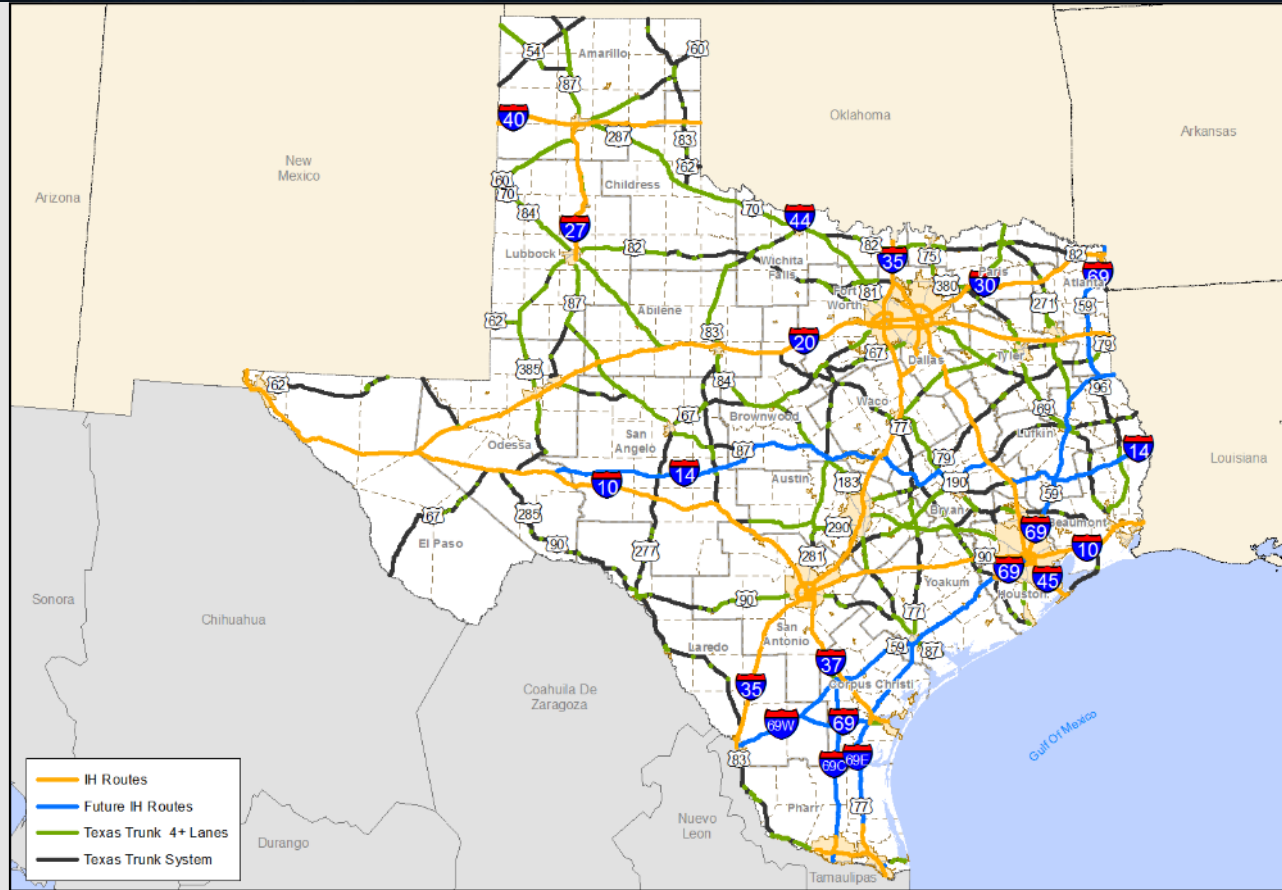


Rural Connectivity Corridors

Rural connectivity initiative funding targets connectivity corridors in rural areas of the state.

Candidate corridors reviewed with statewide planning organizations:

- TxDOT Districts
- MPOs





Category Funding and Strategic Initiative Alignment

Funding Categories	Safety	Preserve Assets		Congestion/ Mobility	Connectivity	Other *
		Maintenance	Bridge			
Category 1 - Maintenance and Rehabilitation		\$13.8B				
Category 2 - Metropolitan and Urban Corridors				\$12.5B		
Category 4 - Connectivity				\$5.0B	\$6.6B	
Category 5 - CMAQ (3 MPOs)				\$2.2B		
Category 6 - Bridge			\$3.5B			
Category 7 - Metropolitan Mobility (Large MPOs)				\$4.2B		
Category 8 - Safety	\$3.2B					
Category 9 - Transportation Alternatives						\$0.5B
Category 11 - District Discretionary	\$1.8B & \$2.1B (ES)**					
Category 12 - Strategic Priority				\$5.0B		

* Other – Includes bicycle, pedestrian, transit, and multi-modal projects.

** Energy Sector

 Primary funding source for initiative
 Secondary funding source for initiative

Next Steps for UTP and HB 20 Implementation

- Development of 2017 UTP with proposed funding allocations:
 - Issue Draft UTP (July)
 - Conduct public involvement (July-August)
 - Commission adoption of Final UTP (August)
- Consider revisions to Texas Administrative Code (administrative rules) to better align with HB 20:
 - Preliminary review by Commission (August)
 - Conduct public involvement (September - November)
 - Commission adoption of final rules (November)
- TxDOT and MPOs, through POSC, will continue development of improved performance-based process for selection and prioritization of projects to provide consistency for future UTP funding decisions.
- TxDOT and Commission will continue work with executive leadership, legislative direction, and stakeholder input on development and implementation of a more robust performance-based planning process for inclusion in 2018 UTP, including updates to distribution formulas (ex. Cat. 2).