

8C. QUARTERLY TIP STATUS REPORT

BACKGROUND

The Unified Planning Work Program (UPWP) directs the planning activities that the Metropolitan Planning Organization (MPO) partakes in over a 2-year period. As such, H-GAC conducts quarterly tracking and reporting of the development status on projects using information from available databases and sponsor data requests. H-GAC also provides planning assistance to local governments in the development of candidate and selected Transportation Improvement Program (TIP) projects with the objective of accelerating project delivery and reducing unanticipated changes in project scope and cost.

Additionally, over the last several years there have been large carryover balances for transportation projects that did not meet their originally programmed schedules. These carryover balances are largely comprised of funds from two categories: Congestion Mitigation and Air Quality Program (CMAQ) and the Surface Transportation Block Grant (STBG) Program. Funding from these programs is allocated from the federal government and used to select projects in the region through the project selection process. In efforts to reduce the carryover balance, staff reviews previously funded projects to aid project sponsors as well as assess the project schedules for programmatic considerations that are brought to the TAC and TPC for action.

CURRENT SITUATION

In the 2nd quarter of FY 2023 (January – March) H-GAC met with 25 local government sponsors regarding ~120 projects (not including Federal Transit Administration formula-funded projects) with ~\$1B of federal funds, ~\$42M of state funds, ~\$3.8B of local funds, totaling ~\$4.9B. H-GAC also met with Texas Department of Transportation (TxDOT) Houston District regarding ~60 additional TxDOT-sponsored projects with ~\$2.8B of federal funds, \$2.6B of state funds, \$242M of local funds, totaling ~\$5.7B. Of the 180 projects, 38 projects required amendments (due a change in let date, additional funding request, project cancellation, sponsor change, etc.) that were reviewed and approved by TAC and TPC in the 2nd quarter of FY 2023.

In FY 2022 Quarter 4 (July – September) and FY 2023 Quarter 1 (October – December) H-GAC met with local government sponsors regarding 34 projects programmed in FY 2023 with ~\$533M of federal funds. Of those 34 projects, 7 (with ~\$122.7M of federal funds) moved from FY 2023 to FY 2024. One additional project (with ~\$61M of federal funds) moved from FY 2023 to FY 2025 or beyond. Between FY 2022 Quarter 4 and FY 2023 Quarter 1 the percentage of projects that moved out of FY 2023 was ~35%.

In FY 2023 Quarter 2 (January – March) H-GAC met with local government sponsors regarding 28 projects programmed to let in FY 2023 with ~\$414.6M of federal funds. Of those 28 projects, 1 (with ~\$4.1M of federal funds) moved from FY 2023 to FY 2024. Two additional projects (with ~\$119M of federal funds) moved from FY 2023 to FY 2025 or beyond. In FY 2023 Quarter 2 the percentage of projects that moved out of FY 2023 was ~30%.

Currently there are 23 local government-sponsored projects programmed in FY 2023 with ~\$197M of federal funds. One project (with ~\$42.8M of federal funds) will move from FY 2023 to FY 2024 in the

next quarter resulting in a 22% decrease of federal funds programmed in FY 2023. The total remaining federal funds programmed in FY 2023 will be ~\$169.6M.

There are several amendments that will be processed next quarter which will create additional funding gaps. Below is a summary of the funding implications resulting from the known amendments that will be processed next quarter. The future amendments and associated amounts of federal funding (reflected below) as well as programmed federal dollars are inclusive of both locally sponsored projects and TxDOT-sponsored projects.

- FY 2023 (~\$620M of Federal Funds Currently Programmed)
 - 2 Projects Moving to 2024 = ~\$54M of Federal Funds
- FY 2024 (~\$1.6B of Federal Funds Currently Programmed)
 - 3 Projects Moving to 2025 = ~\$34M of Federal Funds
 - 3 Projects Moving to 2026 = ~\$186M of Federal Funds
 - 1 Project Moving Outside of TIP = \$20M of Federal Funds
- FY 2025 (~\$1.4B of Federal Funds Currently Programmed)
 - 1 Project Moving to 2026 = ~\$71M of Federal Funds
 - 3 Projects Moving Outside of TIP = ~\$150M of Federal Funds
- FY 2026 (~\$200M of Federal Funds Currently Programmed)
 - 1 Project Moving Outside of TIP = ~\$195M of Federal Funds

The goals for next quarter include the following:

- Assess Funding Gaps
- Develop potential solutions to assist sponsors with “schedule risk items”
- Advance projects where possible

ACTION REQUESTED

For information and discussion only.