

**Transportation Improvement Program  
(TIP) Subcommittee Meeting**

Houston-Galveston Area Council  
Online Meeting/Conference Call  
Wednesday October 7, 2020  
1:30 PM

Agenda

1. **Introductions/Roll Call**
2. **Approval of Wednesday September 2, 2020 Meeting Minutes (Chairman Smith)**
3. **Status of the 2021 – 2024 TIP/STIP (Adam Beckom)**  
*Staff will update the Subcommittee on the status of the 2021 – 2024 TIP/STIP approval process and outline the process for amendments that will need STIP approval over the next several months.*
4. **Quarterly TPC-Selected Project Review (Adam Beckom)**  
*Staff will provide an update to the Subcommittee on the status of projects previously awarded funding by the Transportation Policy Council. Staff will also discuss efforts to re-initiate the Quarterly TPC-Selected Projects Review process.*
5. **H-GAC 10-Year Plan Update (Vishu Lingala)**  
*Staff will brief the Subcommittee on the efforts to update the H-GAC 10-year plan.*
6. **Transportation Development Credit Policy Update (Adam Beckom)**  
*Staff will provide an update to the Subcommittee regarding the TDC Policy.*
7. **Project Evaluation Criteria Development (Vishu Lingala)**  
*Staff will provide an update on the workgroup discussions and provide an update on the project evaluation development criteria development process.*
8. **Announcements**
  - TAC Meeting – October 14, 2020, 9:30 a.m., Teleconference (Webex)
  - TPC Meeting – October 23, 2020, 9:30 a.m., Teleconference (Webex)
  - TIP Subcommittee Meeting – November 04, 2020, 1:30 p.m., Teleconference (Teams)
9. **Adjourn**

TRANSPORTATION IMPROVEMENT PROGRAM SUBCOMMITTEE

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MEETING SUMMARY

Wednesday, October 7, 2020 – 1:30pm  
Houston-Galveston Area Council  
Online Meeting (Teams Platform)

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MEMBERS PRESENT

Maureen Crocker – City of Houston, PW  
Adam France – City of Conroe  
Loyd Smith – Harris County  
Ken Fickes – Harris County Transit  
Frank Seminar – City of Baytown  
Ruthanne Haut – The Woodlands Township  
Andy Mao – TXDOT HOU  
Scott Ayres – TXDOT BMT  
Bruce Mann – Port Houston  
John Wilcots – HISD

ALTERNATES PRESENT

Monique Johnson – City of Sugarland  
Perri D’Armond – Fort Bend County Transit  
Larry Buehler – City of Friendswood  
Catherine McCreight - TxDOT  
Cliff Brouhard – City of Missouri City  
Priya Zachariah – METRO  
Nichole Ware-Barnet - HISD

## BRIEFING

After the rollcall, Loyd Smith (Chair) gave a brief preview on the TIP development process for the benefit of the new members of the Subcommittee. He described the process as a coordinated effort by a wide range of agencies and local government bodies, culminating in the incorporation of the MPO TIP into the state-wide STIP where the MPO TIP projects are carefully synchronized to match up with the state-wide program.

## OVERVIEW

Members were briefed on the status of the 2021-2024 TIP, the quarterly project review program, the draft TDC policy update, the H-GAC 10-year plan, and the progress in the development of the Project Evaluation criteria.

## ACTION ITEMS

No Action Items

## PUBLIC COMMENTS

There were no public comments presented to the subcommittee.

## INFORMATION ITEMS

### **ITEM 3 – Status of the 2021 – 2024 TIP/STIP (Adam Beckom)**

The TPC approved H-GAC's 2021-2024 TIP in June, 2020 and it was submitted for inclusion in the statewide STIP – a process usually completed by August. Staff was however informed that this process would be late due to the Covid related delays. The anticipated deadline of September 2020 passed without action because TXDOT is still working on financially constraining the STIP. The State suggests that the 2021-2024 TIP may not be approved until March 2021. Because the 2021-2024 TIP has not been approved by the Texas Transportation Commission (TTC), the 2019-2021 TIP is still active.

The state is not entertaining any funding increases until they have achieved financial constraint. This may take moving some projects out to make room for other projects in the earlier years. It is unclear how H-GAC will be affected. However, projects that are not in the 2019-2022 TIP but were added to the 2021-2024 TIP cannot move forward just yet. Any sponsor anticipating TIP/STIP changes in order to process an AFA may face delays. Staff will continue to process amendments on a monthly basis as usual but will not be able to make STIP revisions. The revision will be held for a future STIP approval cycle. If the STIP is approved March 2021, the next STIP revision window is May 2021, and with the two-month federal process, the earliest anticipated approval date would be July 2021.

There is concern because H-GAC maintains a large carryover balance and may run the risk of losing those funds. Reinitiating the Quarterly Process may reduce the backlog of projects. This will be addressed later in this meeting.

## **QUESTIONS/COMMENTS:**

*Loyd Smith:* For a project sponsor inquiring about their status, would it be correct to say as long as you are on the 2019-2021 TIP list, you are largely unaffected?

*Adam Beckom:* Correct, as long as there were no changes. If there was a change in scope or funding, the project would still be active but the changes would not be in effect.

*Andy Mao:* Everything Adam said is correct and consistent with TXDOT understanding. It is also important to confirm that the STIP project was approved by the Federal Highway Administration.

*Catherine McCreight:* Addressing the AFA issue, if a project is approved in the 2019-2021 STIP, in order not to slow the project down, it can proceed albeit "incorrectly," based on whatever was currently approved by the Federal Highway Administration, but with the understanding that an amendment would

have to be done at a future date. Once you get an AFA and get the federal funds obligated, you can start working and then amend later on and make the changes that are necessary. While this may seem onerous, the flip side is the project delay and the large carryover balances which send a bad message. We want to make sure as much as possible that projects remain on time and on budget.

*Loyd Smith:* keep doing everything you can as a sponsor to move your project forward. Keep going until somebody tells you to slow down.

#### **ITEM 4 – Quarterly TPC-Selected Project Review (Adam Beckom)**

H-GAC is concerned about the number of projects and the amount of funding that is being carried over from TIP to TIP. To address this issue, staff is trying to reactivate the quarterly TPC review process. Looking as far back as three TIP cycles, staff has attempted to: (a) identify projects that are truly being delayed, and (b) coordinate with project sponsors to establish a realistic project schedule.

Some projects were awarded funding as far back as 10 years ago but have not been implemented. Staff is working on a policy that if after being on the TIP for a reasonable period of time a project is found to not be viable, no longer warranted, or otherwise unable to move forward, such a project would be cancelled, its funds moved back to the pool, and its sponsor made to recompute during the next available Call. To facilitate this policy, staff is working on identifying the universe of projects (Phase I), and reinitiating an ongoing Quarterly Review process (Phase II).

With the commencement of targeted project monitoring, staff is proposing a monthly progress report as part of their planning activities report, and on a quarterly basis, staff will present a more detailed project report to the TAC and TPC. To facilitate the project monitoring effort, staff is working to develop a dashboard that shows where projects are in the development pipeline. The project dashboard has been used successfully by other MPOs to provide project information to the governing councils as well as to the public. With regards to the timeline, over the next few weeks, staff will do a more detailed analysis on the amount of funding by category that is being rolled over and inspect the kinds of projects to identify a pattern if one exists. Staff will present their findings to the Subcommittee in November and also present them to TAC and TPC for information. The overall plan is to start the monthly updates in January and have our first quarterly updates in march.

#### **ITEM 5 – H-GAC 10-Year Plan Update (Vishu Lingala)**

Coordination meetings are ongoing with TXDOT and project sponsors to update the draft 10-Year plan. Staff intend to take the plan for action in November. As a reminder, HB-20 requires all MPOs in Texas to prepare a plan that contains all the transportation projects that will be using the funds allocated to the region in the Unified Planning Work Program. This plan must cover a 10-Year period and is updated annually by the TTC. Prepared in close coordination with TXDOT, the 10-Year plan must also be consistent with the TIP and the RTP.

The 10-Year plan includes projects funded by Cat 2,5,7, and 9 funds from the FHWA, and some projects funded with Cat 1,3,4,6,10,11, and 12 funds with selection authority lying with the TTC. While the TIP and RTP include transit projects funded through the FTA or formula grant funds, these projects are not listed in the 10-Year plan. Since the last TIP subcommittee meeting, some projects have been added to the 10-Year plan after clearance was obtained from TXDOT. These include the following:

- NHHIP Segment 3 – IH 45 at IH 10 W [Interchange]
  - Total Programming Amount - \$910 Million
- NHHIP Segment 2 – IH 45 from IH 10 to IH 610 [Road Widening]
  - Total Programming Amount - \$535 Million
- NHHIP Segment 2 – IH 45 at IH 610 [Interchange]
  - Total Programming Amount - \$520 Million (all Cat 12)
- Set-Aside for NHHIP Segment 2 Planning Study
  - Total Programming Amount - \$50 Million (Cat 7)

The total programming amount for the entire 10-Year plan is \$8.1 Billion (This excludes Cat 3 funds). The total allocations in the 2021 UTP is \$10.62 Billion.

**NEXT STEPS:**

Continue to coordinate with TXDOT and other sponsors to finalize the list of projects; Preview the plan with TAC and TPC in October; Go for TPC action in November; Submit to the state in December.

**QUESTIONS/COMMENTS:**

Loyd Smith: Additions to the 10-Year plan are almost all TXDOT projects and generally speaking, there are no new locally sponsored projects. Is this because locally sponsored projects are added through the call for projects?

Catherine McCreight: Shepherd is a City of Houston Project. The \$50 million NHHIP Segment 2 planning study and Shepherd are both TPC special allocations but sync with TXDOT needs from a programming perspective.

Maureen Crocker: Please elaborate on the design-build funds. Those clearly are not allocated through the TIP or the MPO so how are those decisions made and worked into the 10-year plan? Are we are just checking the box because we have to?

Vishu Lingala | Adam Beckom: Those are TTC funds. We see them in the UTP and the funds are approved by the TTC. We are not just checking the box but giving our concurrence and checking that it is consistent with the RTP and financially constrained.

Maureen Crocker: Similar to the City Council being the governing body for the City of Houston, TTC is the governing body for TXDOT and approves their projects. TXDOT coordinates with the MPO because their projects are regionally significant and have to be carried in the long-range plan and included in the TIP at the appropriate time frame.

Loyd Smith: For those projects going into the 10-year plan for the first time, what significance or meaning does that have on procedures in terms of that particular project taking – being enabled to take certain steps? Is it a significant milestone or is it more on the lines of book keeping?

Catherine McCreight: The state has 3 levels of authority. The first four years of any document is called “Construct Authority,” where projects are being finalized for letting. Years five through ten, the UTP period, is called “Develop Authority.” When a project enters into the UTP time frame, we have the authority to start developing that project, which includes everything from developing schematics, beginning the NEPA process, and bringing the project through the development process towards the construct authority phase. The outer years, ten through twenty and beyond, is called “Plan Authority.” These phases all correspond with the planning documents. The first 4 years of the STIP is the first 4 years of the UTP, and the UTP is the first 10 years of the RTP so they kind of nest into each other. As a project enters into the UTP, we go from a plan to a program. The program means there is some certainty about the money that is going to move the plan forward.

Bruce Mann: There are projects that are not in the 10-Year plan they are going to happen in the next 10 years, at least they are going to start. A specific example is the 610 bridge replacement, or the 225 corridor. But how does this work if we are going to spend a \$1 billion, \$2 billion, or 3 billion within the next 10 years but the projects are not in any of the forecasts?

Loyd Smith: The 10-year window moves year by year. It has a total value – say \$10 billion. To bring a \$2 billion project in, the space must be created by projects that are removed after their letting.

Catherine McCreight: That is exactly Adams point about ensuring that projects are on time and on budget and that we are not moving them from year to year because this is consuming capacity and preventing other projects from coming into the pipeline. We have to create that gap so that we can fill it with new projects.

Adam Beckom: Another issue is that if those projects are not funded, they would not be in the documents because there is a requirement of fiscal constraint. If funds are not available, the projects would not be shown on the list.

**Item 6 – Transportation Development Credit Policy Update (Adam Beckom)**

A copy of the updated policy was placed in member packets and on the website. The language in the document was modified in some places, based on comments received. Those changes were highlighted in yellow. The policy goal was also amended to add language to support regional efforts and how those efforts trickle down into the local community context. Language was also added to clarify the fact that the policy covered a multimodal effort that included active transportation and was not just focused on single occupancy vehicle traffic.

The main features of the draft TDC policy was synthesized into the matrix below. Information from chart formed the main content of the presentation. It describes the eligibility of different project types for the three defined categories of TDC involvement:

- **Category “A”** – Projects eligible for the traditional cash match (80% Federal/20% local cash match)
- **Category “B”** – Projects eligible for TDCs with local contribution to the Regional Strategic Fund (100% Federal contribution/10% local contribution to the Regional Fund)
- **Category “C”** – Projects eligible for free TDCs (100% Federal)

Project Types	Category A	Category B <sup>1</sup>	Category C
	Eligible for Traditional Cash Match (80% Federal/20% Local Cash Match)	Eligible for TDCs with Local Contribution to Regional Fund? (100% Federal/10% Local Contribution to Regional Fund)	Eligible for Free TDCs? (100% Federal)
Roadway Projects	Yes	Yes	No
Transit Projects with Transit Formula Funds	Cash Match Not Needed	Local Contribution Not Needed	Yes
Transit Projects with Roadway Funds	Yes	Yes	Yes <sup>2</sup>
Bicycle-Pedestrian projects with Transportation Alternatives Set-Aside or Other Roadway Funds	Yes	Yes	No

<sup>1</sup> Propose a \$100M federal increase cap.  
<sup>2</sup> Transit Projects with regional connections, high-capacity transit routes included in the Regional Transportation Plan with a cap of total 30M TDCs.

With regards to whether to establish a cap for the amount for federal increase for projects in category B, staff proposed \$100 million in federal increase. This will be \$100 million more than what is already funded on eligible projects. There will also be an additional 20 million TDCs needed to match the additional \$100 million federal increase cap.

**NEXT STEPS:**

A progress report will be given to TAC in October, and the intention is to bring the final draft policy to the TAC and TPC for action in November. Moving on, the policy will be incorporated into the planning processes.

**QUESTIONS/COMMENTS:**

*[Focus on lines 2 and 3 in the chart - Transit]*

*Ken Fickes:* This is a long-desired development and would put Harris County Transit level with other transit agencies with regards to being able to go to TXDOT on annual allocations of 5307 small urban or 5310 funds, and get development credits with their grants. It levels the playing field.

*Priya Zacharias:* The matrix makes the concept a whole lot clearer. Two questions:

- Explain footnote B1, if possible, with an example. and
- What is the reasoning behind selecting 30 million as the cap on TDCs?

*Adam Beckom:* There was an internal discussion that looked at the universe of projects in the TIP at the time and asked how many TDCs and how much federal funding increase would be needed to make those projects whole so that they could move forward. We settled on 100 million which would produce a 50 million dollars to the regional fund. Playing with the math, for transit, 30 million seemed to work more appropriately.

**Item 7: Project Evaluation Criteria Development (Vishu Lingala) *[abridged]***

There will be five investment categories in the next call for projects:

- Major Investments
- Manage
- Maintain
- Expand
- Active Transportation

The definition of each investment category has been discussed and example projects were provided. Staff received comments from the TIP subcommittee as well as the other pertinent TAC subcommittees. The compilation of all the comments is still ongoing. This presentation will highlight some of the most notable comments received so far.

- (1) Complete Streets was listed as an example in the Manage category. Comments argue that the benefit will go mostly to Active Transportation.
- (2) Classification of ITS Expansion category.
- (3) Pre-award Fund Reimbursement policy revision. If the sponsor agency has pre-award authority, then expenditure on a project prior to its selection by the TPC can be eligible for reimbursement.
- (4) Follow up discussion with sponsors is needed on the request to include light rail transit elements in the Expand category.

- (5) The Maintain category project type list will be amended to include projects that maintain the state of good repair of transit assets.
- (6) Need to go back to the TPC for clarification on benefit-cost analysis and the total project cost specifically concerning costs associated with right of way acquisition. This issue will be discussed in the upcoming workgroup meeting.
- (7) The benefit-cost analysis for Active Transportation was changed from 70/30 to an 80/20 ratio as the Active Transportation subcommittee argued that a 30% weight for benefit/cost analysis would put bike-ped projects at a disadvantage as they would probably not score as well as other projects.

**NEXT STEPS:**

A mid-point progress report will be given to TAC in November – for information only. The process of developing draft evaluation criteria and selection process will continue through March 2021. In April 2021, the evaluation criteria will be presented again to TAC and TPC for information, and the final draft evaluation criteria and selection process will be taken to TAC and TPC for action in May-June, 2021.

**Item 8 – Announcements**

Upcoming events

TAC Meeting – October 14, 2020 – 9:30 am Teleconference (Webex)

TPC Meeting – October 23, 2020 – 9:30 am Teleconference (Webex)

TIP Subcommittee Meeting – November 4, 2020 – Teleconference (Teams)

The meeting was adjourned at 3:02 p.m.