

13. CARRYOVER SPEND DOWN PROJECTS – DRAFT RECOMMENDATION LIST

BACKGROUND

H-GAC has been working to identify projects that could help spend down carry over balances, particularly in Congestion Mitigation Air Quality (CMAQ) – Category 5, Surface Transportation Block Grant (STBG) - Category 7 and 3) Transportation Alternative Set Aside (TASA) – Category 9. The formal policy for the carry over, spend down efforts was presented to TIP Subcommittee, TAC and TPC the past several months. H-GAC will request action on this policy in December 2023.

In Late 2022 through Mid-2023, H-GAC received federal funding requests for 219 projects for which local sponsors indicated the projects could be ready to let within a 0-3 (now 0-2) year timeframe. In July and August 2023, H-GAC requested sponsors (of the 219 projects) complete project readiness questionnaires (with 12 questions and sub-questions) for each project. Of the 219 projects, H-GAC received project readiness questionnaires for 180 projects.

In September 2023 H-GAC met with 44 sponsors regarding the 180 projects to discuss the critical path schedules for each project and the estimated let dates based on the responses to the project readiness questionnaires. Of the 180 projects, 91 (with a total project amount of over \$1B total project cost) were determined to have a high likelihood of letting within 0-2 years.

CURRENT SITUATION

H-GAC staff assessed each of the 91 projects (26 sponsors) that have a high likelihood of letting within a 0-2 year timeframe to determine if the project;

- 1) Already included in an existing plan such as the Regional Transportation Plan (RTP) (thus had previously been through H-GAC's selection process),
- 2) Meets the RTP vision and goals (note: H-GAC assigned a score between 1 to 5 for each project whereas a 1 indicated the project met 1 of the 5 RTP vision and goals) and;
- 3) Eligible for CMAQ funding.

The list of projects was then reduced to those included in an existing plan as well as projects with a score of at least a 3 for meeting the RTP's vision and goals. The list is now made up of 44 projects (represented by 14 sponsors) with a total project amount (Federal + Match) of approximately \$657M.

The target carryover balance spend down amounts are currently as follows:

CMAQ (Federal + Match) - \$125M
Carbon Reduction Program (Federal + Match) - \$65M
STBG (Federal + Match) - \$150M
Total (Federal + Match) - \$340M

Notes:
Carry over balances per July 2022 Monthly Federal Transactions & Apportionment Balance Report for CMAQ, STP-MM and TAP
Assumed 20% match may fluctuate dependent upon the project sponsor's interest in the Regional Strategic Transportation Fund (RSTF) Program and using Transportation Development Credits (TDCs) in lieu of a 20% match.
The number and dollar values of projects on the Draft Recommendation List will fluctuate as the Final Recommendation List is being developed (and continued discussions with sponsors occur)

H-GAC will continue to assess projects for eligibility per funding category. Additional meetings with project sponsors will also be conducted to confirm project schedules. For on-system projects or projects impacting a TxDOT facility, local sponsors are required to coordinate with TxDOT to gain concurrence from TxDOT (to be provided to H-GAC by November 15, 2023) prior to the Transportation Policy Council's final selection (action). Additionally, to assist in the coordination effort for projects to likely be FTA transfers, H-GAC will send TxDOT a list of likely FTA transfer projects and request input (by November 15, 2023) regarding if TxDOT agrees the projects can transfer to FTA.

H-GAC will present the Final Draft Recommendation List of "Carryover Balance Spend Down Projects" to the TIP Subcommittee, TAC and TPC in December 2023 and request action at that time. Projects selected are anticipated to be programmed in the approved STIP by April/May 2024 (which will be the earliest possible date for Advance Funding Agreement [AFA] execution, if required).

ACTION REQUESTED

For discussion and possible action.

Notes:

Carry over balances per July 2022 Monthly Federal Transactions & Apportionment Balance Report for CMAQ, STP-MM and TAP

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