

5E. PROJECT EXCEPTIONS AND CARRYOVER BALANCE STRATEGY AND TIMELINE

BACKGROUND

At the July 2024 Transportation Policy Council (TPC) meeting, the Texas Department of Transportation (TxDOT) staff presented a report on the performance of spend down compared to other Metropolitan Planning Organizations (MPOs) in the state. Based on this presentation, the TPC requested that the MPO develop an Action Plan, including a timeline, to address projects and programming issues.

CURRENT SITUATION

The report given to the TPC in July raised three main issues: Statewide Transportation Improvement Program (STIP) Exceptions, short-term (1 to 3 years) carryover balances, and programming and long-term (4 to 20+ years) balances.

The concern raised regarding STIP exceptions is that the H-GAC MPO has a higher rate of exceptions than other MPOs and that projects are not able to move forward in development while under “exception” status. The H-GAC MPO is addressing this concern by adding multiple reviews of the project listings, including a Quality Assurance/Quality Control review by a consultant, developing review checklists, and implementing a new Project Information Online Database.

The short-term carryover balances regularly exceed reasonable amounts, which can put funds at risk of lapsing, and being returned for reallocation, if they are not spent within three years. The new TxDOT requirement limits carryover balances to no more than 200% of annual apportionments of Category 5 and Category 7 funding. The MPO is continuing to review and track projected carryover balances, developing first and second rounds of spend down projects, and developing a list of short-term, shovel-ready projects that can fill future programming gaps to address this concern.

The third issue related to the growth of unprogrammed balances will be addressed through the ongoing Transportation Improvement Program (TIP)/10-Year Plan project selection process and the Regional Transportation Plan (RTP) project development process. The project lists from both the TIP project selection process and the RTP project development process will be available for preview in October and could be acted upon by the TPC as soon as November 2024.

The MPO Director will provide additional details about upcoming actions and timelines.

ACTION REQUESTED

For information and discussion only.