MINUTES
REGIONAL TRANSPORTATION COUNCIL
May 12, 2011

The Regional Transportation Council (RTC) met on Thursday, May 12, 2011, at 1 pm in the Transportation Council Room of the North Central Texas Council of Governments (NCTCOG). The following members or representatives were present:  Ron Brown, Sheri Capehart, Maribel Chavez, Gary Cumbie, Lee Dunlap, Rudy Durham, Andy Eads, Charles Emery, Joel Burns (representing Salvador Espino), GaryICKEES, Robert Franke, Bill Hale, Roger Harmon, Kathleen Hicks, Vonciel Jones Hill, David Magness (representing John Horn), Duncan Webb (representing Joe Jaynes), Clay Jenkins, Ron Jensen, Jungus Jordan, Linda Koop, Mike Leyman, Matthew Marchant, Steve Terrell (representing Maher Maso), Bill McLendon, Pauline Medrano, John Monaco, Rich Morgan, John Murphy, Ron Natinsky, Mark Riley, Rick Stopfer, Oscar Trevino, Bernice Washington, Glen Whitley, and Kathryn Wilemon.


1. Minutes: The minutes of the April 14, 2011, RTC meeting were approved as submitted. Rob Franke (M); Bernice Washington (S). The motion passed unanimously.

2. Consent Agenda: The following items were included on the Consent Agenda:

   2.1. Clean School Bus Program 2011 Call for Project Recommendations: A motion was made to approve project recommendations for the North Central Texas Clean School Bus Program 2011 Call for Projects as contained in Reference Item 2.1.

   2.2. Resolution of Dallas Area Rapid Transit/Irving Agreement for Orange Line-Phase 2: A motion was made to remove $6,800,000 in Surface Transportation Program-Metropolitan Mobility (STP-MM) funds from the Conflans Road project and place the funds on the Irving Corridor Light Rail (Orange Line Phase 2) project. In exchange, Dallas Area Rapid Transit (DART) will fund the Hunter-Ferrell Road project from Belt Line to MacArthur with $8,200,000 in Local Assistance Program (LAP) funds as previously agreed. This funding change completes the agreement between the City of Irving and DART related to the Orange Line Rail project.

      Rick Stopfer (M); Charles Emery (S). The motion passed unanimously.
3. **Orientation to Agenda/Director of Transportation Report:** Michael Morris reminded members that the RTC meeting is being audio and video recorded. He thanked Rob Franke for the positive RTC Multimodal/Intermodal/High Speed Rail/Freight Subcommittee meeting on May 6, 2011. Since that time, the US Department of Transportation (US DOT) announced that the Texas Department of Transportation (TxDOT) application for high speed rail between Dallas-Fort Worth and Houston was awarded funding.

Ron Natinsky announced RTC Nominating Subcommittee appointments: Bernice Washington (Chair), Ron Brown, Mike Cantrell, Sheri Capehart, Gary Cumbie, Geralyn Kever, and Mark Riley. He noted that new RTC officers will be announced at the June 2, 2011, RTC meeting.

Mr. Morris highlighted the remaining items on the Director of Transportation report. Amanda Wilson, NCTCOG, has been appointed as a alternate member to the Association of Metropolitan Planning Organizations (AMPO) Policy Committee. The air quality funding update was provided as Electronic Item 3.2, 2011 ozone season update as Electronic Item 3.3, Heavy-Duty Vehicle and Equipment Grant Program update as Electronic Item 3.4, Clean Air Action Day – July 7 as Electronic Item 3.5, and Revenue and Project Tracking System (RAPTS) Workshop notice as Electronic Item 3.6. He reminded members that the June RTC Meeting will be held June 2 instead of June 9. Recent correspondence was provided in Electronic Item 3.7 and recent news articles were provided in Electronic item 3.8.

Mr. Morris also provided an overview of Items 4, 5, 6, and 7 of the agenda. Item 4 addressed the North Texas Tollway Authority’s (NTTA) work on SH 161 financial close. The action requested at the meeting differed from the action requested in the RTC mail out packet. Item 5 provided a status report on the east/west equity and tracking of TxDOT/RTC commitments. This item was proposed as an information item. Item 6 was proposed as an action item, with the action to be combined with Item 4. Staff proposed that Item 4 and Item 6 be presented together.

4. **SH 161 Financial Close and Up-Front Payment Timeline:** Staff proposed that RTC proceed on Items 4 and 6 as a combined item. Ken Kirkpatrick noted that NTTA completed financial close on SH 161 on April 28, 2011. The portion of the up-front payment for reimbursement of Phases 2 and 3 was $258 million in principal and approximately $11 million in interest. On April 28, 2011, NTTA transferred approximately $269 million to TxDOT to be held in a subaccount within Fund 6 to repay the funds used to advance Phases 2 and 3 of SH 121. The remaining portion of the up-front payment is $200 million. Staff has negotiated with TxDOT and NTTA to defer the $200 million payment plus interest to May 13, 2011. He also noted that staff has been in negotiations with TxDOT regarding the eligibility of SH 161 funds for the Pass-Through Finance Program. This program allows a local government to fund a project 100 percent upfront with TxDOT to repay funds at approximately 80 percent over a 10-15 year period. Reference Item 4 contained correspondence from Michael Morris and Allen Clemson to TxDOT requesting the deferral until May 13, 2011. Mr. Kirkpatrick reviewed the details of negotiations with TxDOT. The Texas Transportation Commission (TTC) selected two projects for the Pass-Through Finance Program, IH 30 High Occupancy Vehicle (HOV)/Managed Lanes in Dallas County (approximately $79 million) and FM 1171 in Denton County (approximately $46 million). TxDOT considers Regional Toll Revenue (RTR) funds as State funds and not local funds causing RTR funds to be ineligible for the Pass-Through Finance Program. TxDOT and NCTCOG have been negotiating a solution and staff proposed that the two projects be removed from the Pass-Through Finance Program. In exchange, the State would repay the
region using Strategic Priority (Category 12) funds in a like amount of funds that would have been repaid through the Pass-Through Finance Program. TTC was expected to review this proposal at its meeting in May 2011. Reference Item 6.1, distributed at the meeting, outlined staff’s recommendation to TxDOT. RTC will fund the IH 30 Managed Lanes project in Dallas County and FM 1171 project in Denton County. TxDOT would then remove these projects from the Pass-Through Program. TxDOT would then request that TTC commit to programming Strategic Priority (Category 12) funds for the Dallas-Fort Worth region in the amount of approximately $105 million.

Mr. Kirkpatrick reviewed the request being made to RTC: 1) endorse the deferral of the $200 million payment to May 13, 2011, and 2) approval of the proposal to remove the IH 30 Managed Lanes project and FM 1171 project from the Pass-Through Program in exchange for TxDOT repaying the region with Category 12 funds over a 10-year period with TTC and RTC to work together to identify which projects will be funded with the $105 million.

Michael Morris clarified that staff originally requested extending the $200 million payment in order for the funds to be determined local funds. Staff withdrew this request from TxDOT. No additional action is necessary by the RTC on the FM 1171 project since the project is already RTR funded. Mr. Morris clarified that Item 6 included staff’s proposal that a portion of the $200 million (approximately $79 million) be used to fund the IH 30 HOV/Managed Lane project. The 80 percent repayment would be permitted to be repaid with TxDOT discretionary funds if approved by TTC. Staff has worked with TxDOT and requested that the two projects be removed from the Pass-Through Finance Program and in exchange RTR funds be used to fund the projects. RTC action would permit NTTA to send the $200 million plus interest to Fund 6. In exchange, TTC would use discretionary funds to fund the IH 30 HOV/Managed Lane project and the FM 1171 project if approved by TTC at its upcoming meeting. A motion was made to: 1) endorse the deferral of the $200 million payment to May 13, 2011, 2) approval of the proposal to remove the IH 30 Managed Lanes project and FM 1171 project from the Pass-Through Program in exchange for TxDOT repaying the region with Category 12 funds over a 10-year period with TTC and RTC to work together to identify which projects will be funded with the $105 million, and 3) permit a portion of the $200 million (approximately $79 million) to be used to fund the IH 30 HOV/Managed Lane project. Andy Eads (M); Rob Franke (S). The motion passed unanimously.

5. **East/West Equity and Tracking of TxDOT/RTC Commitments**: Michael Morris discussed the status of TxDOT non-formula commitments with regard to east/west equity in the region. Staff continues to monitor the equity allocation of TxDOT commitments since January 2010 as approved through RTC policy position P10-03. Reference Item 5.1 inventories TxDOT non-formula commitments and the impact of these commitments to date. If the potential Dallas-Fort Worth allocation of Proposition 12 funding is approved, the region would receive approximately $856 million. Staff suggested that this may be an opportunity to balance the east/west equity in the region and members will be asked to decide whether the equity should be balanced in one effort or through additional future efforts. In this proposal, the west would pay back the east to reach the east/west equity of 69/31 percent. In addition, staff has also tracked TxDOT commitments assumed by RTC. Reference Item 5.2 provided an overview of TxDOT commitments previously assumed by RTC. Many of these commitments are in Collin County and Denton County. If potential Proposition 12 funds are allocated to on-system projects, staff will credit these commitments to each of the counties. Mr. Morris noted that this item was covered in detail at the workshop held prior to the meeting. Glen Whitley noted that he has requested staff to look at allocations between 1984 and 1994 because he believes that 2010 is too recent a time period to begin tracking the
east/west equity. He clarified that we would like information from the time frame that Central Expressway went through its most recent renovation, or earlier. Andy Eads cautioned that bracketing certain years could include a large project that could skew calculations of the equity. Mr. Whitley indicated that staff could research as far back as 1980 or 1990, or a year before the Central Expressway project. Clay Jenkins noted that his understanding of the east/west equity agreement was that RTC would equalize the 69/31 percent whenever possible, and added that potential Proposition 12 funds would make the equalization possible. He also noted that he requested that staff go back and look at the unanimous vote by RTC two years ago and asked that RTC stick with the unanimous agreement.

6. **Pass-Through Finance or Similar Program: IH 30 High Occupancy Vehicle/Managed Lane and FM 1171 Projects:** Item 6 was presented jointly with Item 4. The motions for Item 4 and 6 were also combined.

7. **SH 161 Funding Initiative and Proposition 12 Funding Partnership: Advancing Projects:** Michael Morris discussed the possibility of additional Proposition 12 funds for the State, of which $856 million may be allocated to the Dallas-Fort Worth region. If Proposition 12 funding is approved, RTC will be presented with additional information in June. Christie Jestis noted that the information presented is based on the assumption that the region receives $856 million. As proposed at the time of the meeting, the east would receive approximately $591 million and the west would receive approximately $256 million of which approximately $166 million would then be transferred to the east to satisfy the east/west equity position. Ms. Jestis reviewed proposed Proposition 12 funds for the western subregion: 1) $8 million for US 377 in Hood County, 2) $12 million for the Johnson County portion of the US 377/Cresson Bypass, 3) $8 million for FM 1187 at IH 20 Bridge and FM 1187 from IH 20 to Bailey Ranch Road in Parker County, 4) $63.21 million for IH 30 at Walsh Ranch Interchange (potentially funded with other TxDOT revenues), Trinity River Bridges, and TEX Passenger Rail Line Rail Bridge over DFW Connector or DFW Connector segments in Tarrant County, and 5) an additional $8 million in funding to the existing $5 million New Boundary County funding commitment in Wise County. Ms. Jestis noted that staff was still working with the Fort Worth Transportation Authority and TxDOT regarding options related to the DFW Connector. She also noted that most of the DFW Connector project is a toll project, and Proposition 12 funds were not eligible for toll projects at the time of the meeting. The Proposition 12 funding balance for the western subregion was approximately $99.21 million. Mr. Morris noted that Tarrant County members were encouraged to make comments to staff regarding projects. Ms. Jestis also reviewed proposed Proposition 12 funds for the eastern subregion: 1) $43 million for US 75 in Collin County, 2) $606.79 million in Dallas County for the IH 30 Bridge at Trinity River, the IH 35E Bridge at Trinity River, the "horseshoe" between the IH 30 and IH 35E Bridges, US 67 in southern Dallas County, SH 121-Section 13, US 80 Ramp at Galloway, and the IH 345 Bridge (east of Downtown Dallas), 4) $43 million for US 380 in Denton County, 5) $25 million for a US 287 Bypass grade separation in Ellis County, 6) $8 million for Phase 2 of the Kaufman County funding partnership, and 7) $31 million for IH 30 at FM 3549 and FM 740 South in Rockwall County. She noted that funding in Hunt County was not allocated since Hunt County is technically in the Paris District, which will receive its own Proposition 12 allocation. The potential $856 million would be designated for the Dallas-Fort Worth region, but staff would like to coordinate with the Paris District. In the end, the Proposition 12 funding balance for the eastern subregion was approximately $757 million. Ms. Jestis then discussed Reference Item 7.1, distributed the meeting, and Mr. Morris flagged the various column descriptions for clarification. Ms. Jestis noted that changes made since the last presentation of this matrix were provided in strike-through text and additions were indicated.
in bold text. She highlighted changes to the December 2009 emergency RTR action, SH 161 at Union Pacific Railroad, the LBJ right-of-way loan repayment including interest, SH 161 utilities, HOV operations outside the DART service area, the cost overrun pool, IH 30 bridge and approaches, SH 183 partial right-of-way and partial frontage roads, US 67 from Cockrell Hill to FM 1382, and the IH 35E bridge and approaches including the “horseshoe.” She also noted that staff proposed to remove the Aggressive Driving Pilot Study, because it is now being handled through the police department. In addition, changes were made to City of Richardson projects and the IH 345 Bridge east of downtown Dallas was added. The remaining projects listed were not recommended for funding. Ms. Jestis encouraged members to provide comments to staff regarding recommendations and noted that these projects would be presented at the May STTC meeting and June RTC meeting for action. Mark Riley asked when staff anticipated the availability of the Proposition 12 funding to prevent the delay of projects. Mr. Morris discussed funding for the Parker County project and noted that NCTCOG and Parker County should meet prior to the June RTC meeting to review the potential allocation of funding. He noted that, if approved, Proposition 12 funding should be available over the next two years.

8. **Legislative Update**: Dan Kessler presented an update on federal and State legislative items. He highlighted HR 1473, the full year FY2011 budget continuing resolution, noting the $2.5 billion reduction of the unobligated contract authority for the highway program. Of that total, $201 million in Texas will likely rescind from Category 1 funding (Interstate Maintenance). This will allow TxDOT the maximum amount of flexibility in the future since Category 1 has the highest balances, or unobligated dollars. This does not mean that other funds cannot be used for maintenance. He noted that staff will create a summary of the full rescissions through the life of the current transportation bill. He also noted that this reduction has no impact on FY2011 planning funds. Mr. Kessler also discussed US DOT’s announcement for the remaining $2 billion in high speed and intercity passenger rail grants. TxDOT will receive $15 million in federal funds for preliminary engineering and environmental studies for the development of a proposed high speed rail corridor between Dallas-Fort Worth and Houston. He also highlighted State legislation. The State budget passed out of the House (HB 1) on April 3 and out of the Senate (SB 1) on May 5. The only significant difference between the legislation is the $3 billion in Proposition 12 bonds that would potentially provide $856 million to the Dallas-Fort Worth region. The State budget does contain funding for the AirCheckTexas Low Income Repair and Replacement Program. The program has been cut by 75 percent to $25 million statewide for the biennium and staff remains optimistic that the Conferees can resolve remaining issues. Other legislation being monitored by staff include HB 563 (Pickett) addressing transportation reinvestment zones and HJR 63 (Pickett) that would permit a county to issue bonds or notes to finance a transportation reinvestment zone. In addition, he reviewed important TxDOT Sunset amendments being monitored. Amendment 10 codifies the current process to distribute RTR funds to local governments in advance of construction of both on-off system projects. Amendments 11 and 12 are directed toward expediting the environmental review process and Amendment 90 addresses the 14 statewide Comprehensive Development agreements, including the North Tarrant Express, IH 35E, and SH 183. Important Metropolitan Planning Organization (MPO) legislation included HB 611 which would restrict a regional planning commission from participating in environmental document preparation, engineering, architecture, and construction services. This legislation was reported favorably from committee on April 6 and no action had been taken at the time of the meeting. There has been some discussion to consider HB 611 as an amendment to HB 628 pending a third reading. HB 664 would require that MPO policy board voting members must be elected officials. This legislation was voted favorably from committee on May 9 and recommended
for the House Local and Consent calendar. HB 2160 would require that an MPO policy board provide membership to a member of the legislature who represents the region and passed out of the House on May 9 and was referred to the Senate Intergovernmental Regulations Committee. Vic Suhm noted that HB 664 had been bracketed to Bexar County and was no longer applicable to other regions. He also noted that HB 563 passed unanimously. Mr. Kessler noted that updates would be provided at the June 2 RTC meeting.

9. **Funding and Extension of the US Army Corps of Engineers Agreement:** Tamara Cook discussed additional funding for the US Army Corps of Engineers (USACE) Memorandum of Agreement (MOA) pilot program. Over the past several months, staff has presented the successes of the program which expires in October 2011. At the April RTC meeting, members requested clarification of the 404 and 408 permits. Ms. Cook noted that 404 permits are regulated under the Clean Water Act of 1977, Section 404, and regulate any alterations made to a body of water. Section 404 permits apply to the construction of levees, roads, residential and commercial developments utilities, etc. The permitting process can take at least two months depending on the project scope. In addition, 408 permits are regulated under the Rivers and Harbors appropriation Act of 1899, Section 14, and regulate federal flood or erosion control structures under the jurisdiction of the federal government. The permitting process can take at least five months depending on the project scope. This is important for the Dallas-Fort Worth region because delayed permitting can result in delayed construction and increased costs. Originally, RTC approved $500,000 in 2008 to fund USACE positions to provide expedited review of 404 permits associated with regional transportation priority projects. Current funding for this program will be exhausted in June 2011. Due to the success of the program, staff requested that RTC approve an addition $60,000 in RTC local funds to fund the program through the existing agreement. The NCTCOG Executive Board will be presented this information in May 2011. Additionally, staff is working with transportation partners and cities to determine if additional funding sources or a statewide program may be available to extend the program through 2016. Gary Cumbie requested that staff provide him with details of how the $500,000 has been used to expedite projects. A motion was made to approve an additional $60,000 in RTC local funds to fund the program through the existing agreement. The NCTCOG Executive Board will be presented this information in May 2011. Additionally, Gary Cumbie requested that staff provide him with details of how the $500,000 has been used to expedite projects. A motion was made to approve an additional $60,000 in RTC local funds to extend the existing USACE MOA through its expiration in October 2011, as detailed in Reference Item 9. John Monaco (M); John Murphy (S). The motion passed unanimously.

10. **American Recovery and Reinvestment Act Update:** Christie Jestis provided an update on the status of projects selected under the American Recovery and Reinvestment Act of 2009 (ARRA). Electronic Item 10.1. Contained a list of projects selected with ARRA funds and their current status. Electronic Item 10.2 contained a graphic summary of the project status information detailed in Electronic Item 10.1. The last time RTC was updated, many projects were under construction, some remained in the grant contracting phase, and only one percent was completed. As of April 2011, projects under construction have increased by 25 percentage points and additional projects are in the implementation and construction phases. Staff will continue to provide updates quarterly on the web site and presentations will be made to RTC periodically.

11. **Innovative Finance Initiative Update:** Tom Shelton provided a brief update on the Innovative Finance Initiative Workshop held prior to the RTC meeting. He noted that the initial conclusion of research and findings identifying innovative revenue strategies to implement the Cotton Belt Corridor has been reached. Staff will provide details to the staffs of all transit partners for review. Those partners will need approximately four weeks to
review the information using their own finance and underwriting consultants. NCTCOG staff will work with the transit partners to review and incorporate comments and NCTCOG’s consultant team will then prepare a draft report that will be distributed to the 13 cities on the Cotton Belt Corridor, as well as the RTC. The final report is expected in mid to late summer. At that time, the Boards of the transit authorities will be asked to determine whether or not to proceed with Phase 2 of the Cotton Belt Innovative Finance Initiative.

12. Progress Reports: RTC attendance was provided as Reference Item 12.1, the Local Motion as Electronic Item 12.2, and the North Texas Transportation Connection was provided as Reference Item 12.3.

13. Other Business (Old or New): Jungus Jordan noted that GE Transportation has announced the purchase of a 500,000 square foot facility in north Fort Worth for the manufacture of locomotives. John Murphy announced that the meeting was his last to serve on RTC and introduced the new member who was expected to fill his seat, Kimberly Lay, Deputy Mayor Pro Tem, City of Addison.

14. Future Agenda Items: There was no discussion on this item.

15. Next Meeting: The next meeting of the Regional Transportation Council is scheduled for Thursday, June 2, 2011, at 1 pm, at the North Central Texas Council of Governments.

The meeting adjourned at 2:20 pm.