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June 25, 2019

Mr. Al Alonzi, PE
Division Administrator
Federal Highway Administration - Texas Division
300 East 8th Street, Rm 826
Austin, Texas 78701

RE: SEP-16 Letter of Interest - Delegation of Approval Authority for Major Project Management Plans and Updates

Dear Mr. Alonzi:

In accordance with 23 U.S.C 101, the Texas Department of Transportation (TxDOT) hereby notifies the Federal Highway Administration (FHWA) of our interest in participating in the New Special Experimental Project (SEP-16) to Evaluate Proposals for Delegation of Certain Program-wide FHWA Responsibilities to States. This project, announced by FHWA on September 19, 2018, document number 2018-20347, is to test and evaluate the delegation of program-level responsibilities of the Federal-Aid Highway Program (FAHP) to States, including the appropriate steps States should take to request to exercise delegated authority.

Summary of Proposal

TxDOT proposes to seek authority under 23 USC 106(h) to prepare and approve Major Project Management Plans (PMP) as described in 23 USC 106(h)(1) and (2).

Reasoning for Proposal

Current Major Project Guidance prohibits FHWA from authorizing construction funds for a project or project phase if the total project cost estimate is greater than \$500 million or a project that has been otherwise identified by the Secretary as a major project, until a PMP is prepared, submitted, and approved prior to the submission of the Initial Financial Plan. The PMP must be updated as appropriate until project construction is complete. The TxDOT Director (or designee) must endorse the PMP and updates.

The PMP and updates with significant changes must be submitted to FHWA for review and approval and usually require that TxDOT make revisions to address FHWA comments. The extended time for FHWA review usually takes several months.

TxDOT is considering this program as a time savings to this process. The level of resources and effort to prepare the PMP will remain unchanged. Over the years, TxDOT has demonstrated that internal processes, policies, and controls (e.g. the Environmental Document preparation process) ensure that the intent and obligations of the federal law requiring the plans and updates are met.

OUR VALUES: People • Accountability • Trust • Honesty

OUR MISSION: *Through collaboration and leadership, we deliver a safe, reliable, and integrated transportation system that enables the movement of people and goods.*

An Equal Opportunity Employer

Anticipated Resulting Improvement to TxDOT's Project Delivery

TxDOT would save time and resources by reducing the FHWA review and comment period for the PMP and updates. In addition, allowing PMP approval decisions to be made closer to those responsible for project delivery will enhance ownership and accountability.

Experience with Project-Level Delegation

TxDOT has been working under NEPA assignment for almost four and a half years with great success. TxDOT has seen many overall improvements to project development and delivery as a result of this delegation, including:

- Faster environmental review and approval times;
- Improved program guidance, policies, and procedures;
- Improved understanding of the process for agencies, local governments, and the public;
- Improved training program;
- Improved program efficiencies; and
- Greater accountability through internal monitoring and FHWA program audits.

With respect to PMPs, TxDOT has been preparing PMP's and updates of Major Projects since 2009. In those ten years, TxDOT acquired experience and expertise implementing and updating FHWA PMP's as necessary to reflect the current state of projects and to incorporate changes due to revisions to state or federal guidelines; or also, TxDOT gained experience reviewing and approving developers' PMPs based on TxDOT's Project Implementation Plans (PIPs). The processes and policies TxDOT has in place provide effective controls over the framework defining the roles and responsibilities of the relevant parties, procedures and processes for the management of Major Projects, and the methodology for organizing, directing, and coordinating the resources required for these matters. TxDOT has demonstrated achievement of PMP goals to document controls for scope, budget, schedule, and quality, showing that there are no major issues with project management and delivery.

TxDOT looks forward to working closely with FHWA during the application process on this exciting experimental project.

Sincerely,



James M. Bass
Executive Director