

REGIONAL MOBILITY AUTHORITIES

A PARTNERSHIP FOR PROGRESS



A Partnership for Progress



Texans everywhere share a commitment to ensuring the strength of our state's economy. Transportation mobility and safety form the cornerstone of Texas's continued economic prosperity. Today, more than ever before, we must rely on true partnerships between the public and private sectors in order to meet the challenge of funding mobility improvements.

***Regional Mobility Authorities (RMAs)** provide a means to address that challenge. RMAs represent that true partnership between the state and its local partners to meet the transportation needs of tomorrow's Texans.*

Working together, RMAs and the Texas Department of Transportation (TxDOT) form a partnership for progress.

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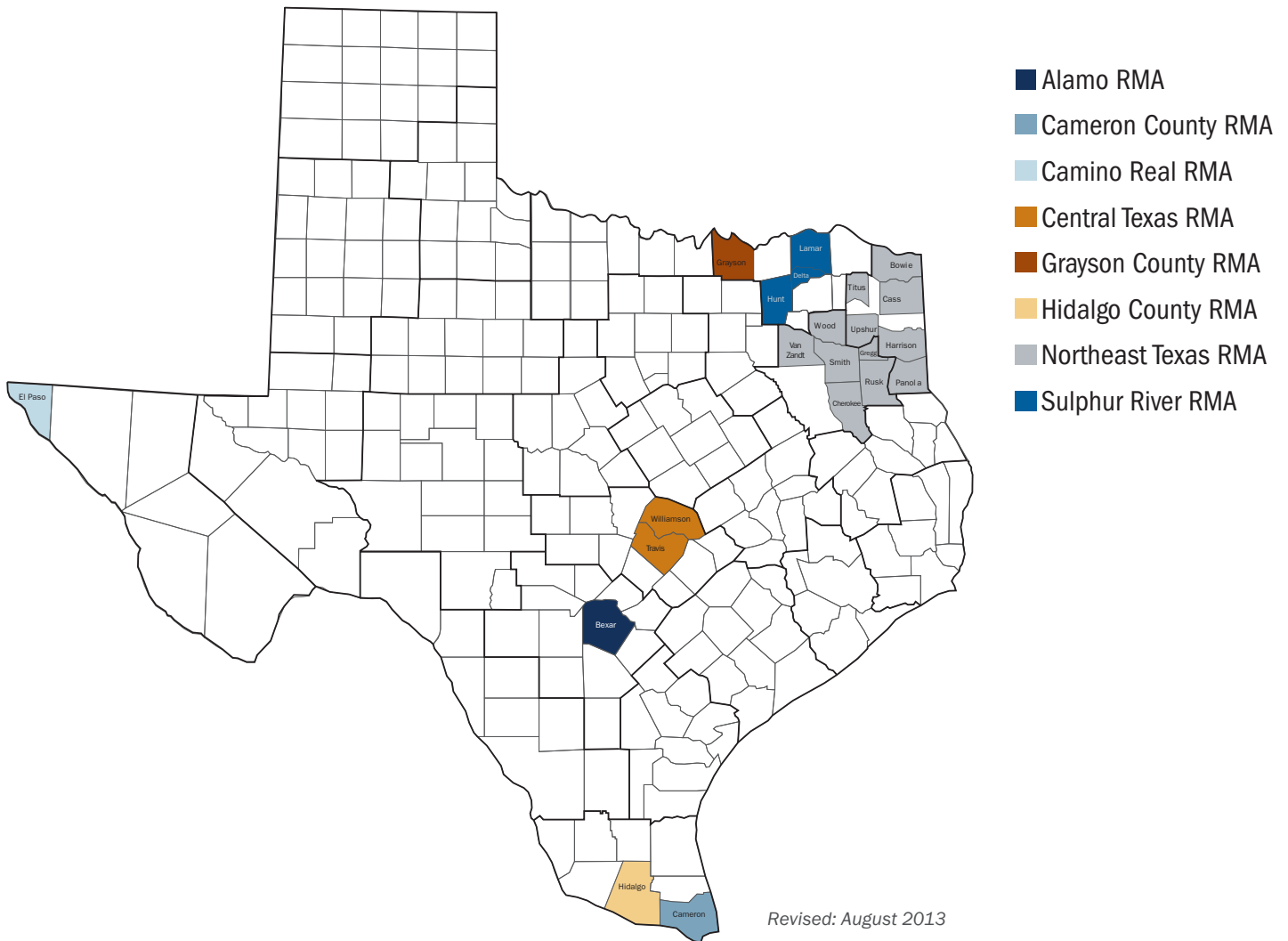
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OUR GOALS

MAINTAIN A SAFE SYSTEM • ADDRESS CONGESTION • CONNECT TEXAS COMMUNITIES • BECOME A BEST IN CLASS AGENCY

TEXAS REGIONAL MOBILITY AUTHORITIES

For more information on RMAs, please visit our website:
<http://www.txdot.gov/government/partnerships/rma.html>





SECTION 1

GENERAL INFORMATION

WHAT IS A REGIONAL MOBILITY AUTHORITY?

A Regional Mobility Authority (RMA) is a political subdivision formed by one or more counties or certain cities to finance, acquire, design, construct, operate, maintain, expand or extend transportation projects.

(Texas Transportation Code, Chapter 370)

Projects may be tolled or non-tolled.

BENEFITS OF CREATING AN RMA

- Provides local governments more control in transportation planning
- Helps build transportation projects sooner, bringing congestion relief faster
- Improves mobility and increases safety for motorists
- Generates revenue for additional transportation projects

POWERS OF AN RMA

- Develop a transportation project
- Issue revenue bonds
- Establish tolls
- Acquire property for transportation projects
- Use surplus revenue to finance other local transportation projects
- Enter into a Comprehensive Development Agreement (CDA)
Note that SB 1730 (83rd Legislature, 2013) specifically identifies projects that can be developed under a CDA.
- Apply for federal highway and rail funds
- Enter into contracts with other governmental entities and Mexico
- Apply for State Infrastructure Bank loans
- Maintain a feasibility fund
- Set speed and weight limits consistent with state guidelines
- Enter into agreements with other governmental entities to develop a transportation project on behalf of that entity.

Section 1 (continued)

The chart below shows the powers of an RMA in comparison to the Texas Department of Transportation (TxDOT).

		TxDOT							RMA						
		Design	Own	Acquire	Finance	Build	Maintain	Operate	Design	Own	Acquire	Finance	Build	Maintain	Operate
Highways	Non-Tolled Road	•	•	•	•	•	•	•	•	•	•	•	•	•	•
	Toll Road	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Rail	Freight	•	•	•	•	•	•	•	•	•	•	•	•	•	•
	High Speed	•	•	•	•	•	•	•	•	•	•	•	•	•	•
	Commuter	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Transit	Regional Transit		•	•	•	•	•	•	•	•	•	•	•	•	•
	Bus								•	•	•	•	•	•	•
Other Modes	Airports								•	•	•	•	•	•	•
	Maritime/Ports	•			•	•			•	•	•	•	•	•	•
	Ferry	•	•	•	•	•	•	•	•	•	•	•	•	•	•
	GIWW	•			•		•	•	•	•	•	•	•	•	•
	Pedestrian/Bicycle	•	•	•	•	•	•	•	•	•	•	•	•	•	•
	Conveyor Belts								•	•	•	•	•	•	•
	Freight Shuttle	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Utilities	Electric								•	•	•	•	•	•	•
	Water								•	•	•	•	•	•	•
	Cable/Telecom								•	•	•	•	•	•	•
	Pipelines								•	•	•	•	•	•	•
	Utility Adjustments				•		•		•	•	•	•	•	•	•
Other	Facilities		•	•	•		•	•	•	•	•	•	•	•	•
	Parking Facilities								•	•	•	•	•	•	•
	Intermodal Hub								•	•	•	•	•	•	•
	Border Crossing Inspection Station (except in Laredo)								•	•	•	•	•	•	•

REVENUES GENERATED BY AN RMA

(Texas Transportation Code, Section 370.172)

To support operations, revenue can be generated from several sources:

- Tolls, fares or other charges from transportation projects
- Proceeds from the sale or lease of a transportation project
- Proceeds from the sale or lease of property adjoining a transportation project

RESPONSIBILITIES OF THE TEXAS TRANSPORTATION COMMISSION

(Texas Transportation Code, Section 370.038)

The state legislature gave the Texas Transportation Commission oversight of RMAs.

Specifically, the Commission will:

- Authorize creation of RMAs
- Approve projects connecting to the state highway system or TxDOT rail facility
- Establish design and construction standards for projects connecting to the state highway system or rail facility
- Establish minimum audit and reporting requirements and minimum ethical standards for directors and employees
- Authorize RMAs to enter into contracts with Mexico
- Approve addition or withdrawal of counties
- Approve dissolution of an RMA
- Approve RMA application for federal highway or rail funds



SECTION 2

TRANSPORTATION PROJECTS

ELIGIBLE RMA PROJECTS

(Title 43, Texas Administrative Code, Section 26.2 and Texas Transportation Code, Section 370.003)

NOTE that SB 1489 (83rd Legislature, 2013) modified the definition of a “transportation project” for an RMA.

- Tolled or non-tolled roadway
- Passenger or freight rail (tracks, locomotive equipment and facilities)
- Ferry
- Airport
- A transit system
- A bridge
- Pedestrian or bicycle facility
- Intermodal hub
- Border crossing inspection station
- Automated conveyor belt for the movement of freight
- Air quality improvement initiative
- Public utility facility
- Port security, transportation or facility
- Parking area, structure of facility
- Project listed in State Implementation Plan (air quality plan)

PUBLIC UTILITIES

- A public utility facility is defined as:
 - Water, wastewater, natural gas or petroleum pipeline
 - Electric transmission or distribution line
 - Telecommunications information services, cable television service, fiber optic cable, wireless communication facilities
- An RMA may install, construct, relocate and remove a public utility facility under certain conditions.
- Requirements regarding removal and relocation are described in Texas Transportation Code, Section 370.170

COMMERCIAL VEHICLE FACILITY

(Texas Transportation Code, Section 370.191)

These provisions apply only to a port of entry for land traffic from Mexico:

- Construction must include Intelligent Transportation Systems for Commercial Vehicle Operations
- RMA must coordinate with state and federal transportation officials to develop interoperability standards
- Facility must be used for other regulation and enforcement functions related to commercial vehicles
- Development of these facilities by an RMA is subject to availability of federal construction funds

PROJECT DESIGNATION

(Title 43, Texas Administrative Code, Section 26.35)

- An RMA may require that a highway project be designated as part of the state highway system. The Texas Transportation Commission may approve the request if the project can be effectively integrated into the system.

ACQUISITION OF PROPERTY

(Texas Transportation Code, Section 370.163)

- An RMA has the same powers and duties as the Transportation Commission in acquiring property for a toll project.

(Texas Transportation Code, Section 370.166)

- A property owner may elect to receive a percentage of revenue generated from the transportation project, for which the property owner's property is being acquired in lieu of payment for property.

ENVIRONMENTAL REVIEW

- All transportation projects must undergo environmental review either by following the National Environmental Policy Act, or applicable state procedures.
- An authority must adopt rules for the environmental review of a transportation project, in cases where the federal environmental rules do not apply.
- Environmental review must be completed before requesting commission approval of a transportation project, rail that connects to the state highway system or TxDOT rail facility.

EXTENDING INTO OTHER COUNTIES

(Texas Transportation Code, Section 370.161)

An RMA may acquire, construct, operate, maintain, expand or extend a transportation project into counties not within the RMA geographic area if:

- Project is an extension of an existing RMA project located in the adjacent county
- County is allowed to join the RMA, and
- County commissioners court agrees to the RMA action

EXTENDING TO ANOTHER STATE OR MEXICO

(Texas Transportation Code, Section 370.161)

An RMA may acquire, construct, operate, maintain, expand or extend a transportation project into another state or Mexico if:

- A city that borders Mexico has a population of 500,000 or more
- Political subdivisions where the project will be located approve of the RMA action
- RMA member counties/cities receive significant transportation benefits
- The county of another state/Mexico is adjacent to the RMA county/city where the project is being developed
- Texas governor approves project development



SECTION 3 PROJECTS CONNECTING TO STATE HIGHWAY OR RAIL FACILITY

DESIGN, CONSTRUCTION AND CONTRACTS

(Title 43, Texas Administrative Code, Section 26.33)

For an RMA project connecting to a state highway or rail facility, TxDOT design and construction standards must be followed for the entire length of the RMA project.

TxDOT review and approval of design and construction plans are required for the segment of the project that connects to a state highway or rail facility. The following rules apply:

- All designs shall comply with the latest version of the department's manuals
- Exceptions to the state design and construction specifications may be granted by TxDOT's executive director (or designee) on a case-by-case basis
- Access shall be in compliance with the department's access management policy
- Preliminary design plans (30% complete) must be submitted to TxDOT for review and approval
- Final design plans must be submitted to TxDOT for review and approval according to the procedures and timelines outlined in the project development agreement between TxDOT and RMA
- The project may not be advertised for bids until TxDOT approves the plans, specifications and estimates
- Major contract revisions related to the connections to a state transportation facility must be approved by TxDOT's executive director (or designee). Major contract revisions are defined in Title 43, Texas Administrative Code, Section 26.33
- If federal funds are used, alternate design specifications require approval by Federal Highway Administration
- If the connection to the state highway or rail facility changes the access control line to an interstate highway, an RMA must submit all data to TxDOT necessary to request approval from Federal Highway Administration

PROJECT DEVELOPMENT AGREEMENT

(Title 43, Texas Administrative Code, Section 26.34)

If a project connects to a state highway or rail facility, the RMA and TxDOT will enter into a project development agreement that describes at minimum:

- Responsibilities of each party regarding environmental permitting, design and construction
- Procedures for submission of all materials used in the development of the project including, but not limited to, computer files, documentation, design and construction plans, if applicable
- Timelines for approvals by TxDOT executive director (or designee), if applicable
- In practice, project development agreements are entered into for all projects.

PROJECT OPERATION AGREEMENT

(Title 43, Texas Administrative Code, Section 26.54)

The RMA and TxDOT may enter into a project operating agreement governing the maintenance and operation of a toll project. The agreement may require the RMA to reimburse any costs TxDOT incurs to operate and maintain the project.

TOLL INTEROPERABILITY

(Title 43, Texas Administrative Code, Section 27.53)

- To ensure efficient operation of toll roads in Texas, compatibility of the toll collection system will be considered when an entity, such as an RMA, requests state funding assistance for a toll facility.
- The funding request must include a description of how the toll collection system will be interoperable with other toll collection systems operated by other entities in the state.



SECTION 4

RMA FORMATION

ELIGIBLE ENTITIES

(Title 43, Texas Administrative Code, Section 26.11)

Any county, including one that is part of an existing tollway authority, may form an RMA. Legislation also allows the cities of El Paso, Laredo, Brownsville, McAllen and Port Aransas to form an authority.

GEOGRAPHIC BOUNDARIES

- Counties forming an RMA do not have to be adjacent to one another
- The service area of an RMA may overlap with another RMA (e.g. an individual county may form its own RMA and may also be part of another RMA).

PETITION AND APPROVAL PROCESS

STEP 1: Submit Petition to Transportation Commission

STEP 2: Review by TxDOT/Schedule Public Hearing

STEP 3: Decision by Transportation Commission

Petitions should be submitted to the chair of the Texas Transportation Commission.

Petitions will be reviewed by TxDOT to ensure the application is complete.

If deficiencies are identified, the department will work with the county (or counties) to address the issues and schedule a public hearing. TxDOT will address public comments submitted during the hearing and make a recommendation to the Transportation Commission. Official action authorizing the creation of an RMA will come from the Transportation Commission in the form of a minute order.

STEP 1: SUBMIT PETITION TO TEXAS TRANSPORTATION COMMISSION

(Title 43, Texas Administrative Code, Section 26.11)

Petition requirements:

- Resolution from commissioners court of each county
- Description of how the RMA would improve mobility

- Identification of proposed transportation project:
 - Project inclusion in local and state transportation plans
 - Description of known environmental, social, economic or cultural impacts
 - Description of known opposition to proposed project, including names and addresses of individuals and organizations opposed to the project
 - Preliminary financing plan
- Agreement by RMA to obtain environmental permits and fulfill commitments
- List of other potential RMA projects under consideration
- Representation criteria and appointment process for board members (i.e. involvement of city, county or other local governmental entities in selecting board members)

STEP 2: REVIEW PETITION AND SCHEDULE A PUBLIC HEARING

(Title 43, Texas Administrative Code, Section 26.12)

- TxDOT will review petition to ensure all requirements have been met before a public hearing date can be set. If the petition is not complete, it will be returned to the petitioner to address deficiencies.
- TxDOT will hold one or more public hearings to receive comments on the petition
- TxDOT will post notice of public hearing in Texas Register.
- County will advertise the hearing in accordance with a public outreach plan developed with TxDOT

RECOMMENDED PUBLIC OUTREACH ACTIVITIES

- Post legal notice in classified section of area newspapers
- Place an advertisement in general circulation sections of area newspapers
- Write letters to neighborhood associations, affected political subdivisions or community groups
- Post hearing information and petition on county website
- Other innovative outreach activities targeting the general public

STEP 3: DECISION BY TEXAS TRANSPORTATION COMMISSION

(Title 43, Texas Administrative Code, Section 26.13)

In deciding whether to approve a petition, the Texas Transportation Commission will consider the following:

- Sufficient public support based on comment received at public hearings, resolutions/opinions from affected political subdivisions and the metropolitan planning organization
- Benefit to the traveling public

- Improvement of regional and statewide mobility
- Project consistency with local and state transportation plans
- Composition of the board will adequately represent affected political subdivisions

BOARD OF DIRECTORS

(Title 43, Texas Administrative Code, Section 26.15 and Texas Transportation Code, Section 370.251)

- Each county will appoint an equal number of members (minimum of two)
- The governor will appoint an additional member as the presiding officer
- Directors will be appointed to two-year terms and may be reappointed at the discretion of the appointing entity

ELIGIBILITY OF DIRECTORS AND CHIEF ADMINISTRATIVE OFFICER

(Title 43, Texas Administrative Code, Section 26.51 and the Texas Transportation Code, Section 370.251)

- A person is not eligible to serve as a director or chief administrative officer of an RMA if the person or the person's spouse:
 - Is employed by or participates in the management of a business entity or other organization, other than a political subdivision, that is regulated by or receives funds from the department, the RMA or a member county
 - Directly or indirectly owns or controls more than a 10 percent interest in a business or other organization that is regulated by or receives funds from the department, the RMA or a member county
 - Uses or receives a substantial amount of tangible goods, services, or funds from the department, the RMA or a member county
 - Is required to register as a lobbyist under Government Code, Chapter 305, because of the person's activities for compensation on behalf of a profession related to the operation of the department, the RMA or a member county
- A person is not eligible to serve as a director or chief administrative officer of an RMA if a person or their spouse is an officer, employee or paid consultant of a Texas trade association in the field of road construction or maintenance, public transportation, rail or aviation.
- Except as provided in Texas Transportation Code, Section 370.251(g), a person is not ineligible to serve as a director or chief administrative officer of an RMA if the person has received funds from the department, the RMA or a member county for acquisition of highway right of way.

ADDITION OF COUNTIES

(Title 43, Texas Administrative Code, Section 26.21)

The addition of a county to an RMA may be approved by the Texas Transportation Commission if:

- County to be added submits a resolution in support

- Counties that are members of an RMA must adopt a resolution to approve addition of petitioned county
- RMA board agrees in writing
- Affected political subdivisions of the county to be added have adequate representation
- Commission finds addition will benefit regional mobility
- As counties are added, the county commissioners court shall appoint at least one director to the board.

WITHDRAWAL OF COUNTIES

(Title 43, Texas Administrative Code, Section 26.22)

Withdrawal of a county may be approved by the Transportation Commission if:

- RMA has no outstanding bonds
- If the RMA has debt other than bonds, the RMA board must also approve the withdrawal

DISSOLUTION OF AN RMA

(Title 43, Texas Administrative Code, Section 26.23)

A voluntary dissolution must be approved by the Texas Transportation Commission.

To approve a **voluntary dissolution**:

- Debts, obligations or liabilities must be paid
- No legal actions or judgments can be pending; if so, provisions are in place to address these actions
- Other governmental entity assumes jurisdiction of RMA transportation project(s)

An **involuntary dissolution** may be ordered by the Transportation Commission on the grounds that the RMA has not substantially complied with the requirements of a commission rule or agreement with TxDOT.

For an involuntary dissolution to be ordered, there must be:

- No outstanding debts, obligations or liabilities
- No legal actions or judgments pending; if so, provisions must be in place to address them

If dissolution is ordered by the Commission:

- Creditors, if any, must agree to the dissolution
- RMA must be given written notice and offered an opportunity to speak before commission, at least 30 days prior to adopting an order of dissolution



SECTION 5 OPERATION PROVISIONS

SURPLUS REVENUE

(Title 43, Texas Administrative Code, Section 26.2)

Surplus revenue is defined as revenues that exceed:

- Debt service and coverage requirements of a bond indenture
- Operation, maintenance, expansion, repair and improvement costs
- Funds allocated for feasibility studies
- Necessary reserve funds

USES FOR SURPLUS REVENUE

(Title 43, Texas Administrative Code, Section 26.53)

Each year, if an RMA determines it has surplus revenue from transportation projects, it shall do one of the following:

- Reduce tolls
- Deposit the surplus revenue in their Texas Mobility Fund
- Use the revenues on transportation projects in the county of RMA, tolled or non-tolled, by:
 - Constructing a transportation project in a county of the RMA
 - Assisting in financing a project of another governmental entity
 - Constructing a project and transferring it to another governmental entity, with approval of the Transportation Commission

ANNUAL REPORTS SUBMITTED TO TXDOT

(Title 43, Texas Administrative Code, Section 26.65)

Each year, an RMA is required to submit to TxDOT a compliance report and a project report.

The compliance report must be submitted to TxDOT's executive director within 150 days of the end of the RMA's Fiscal year. To view the compliance report template, go to TxDOT.gov and search for "Metropolitan Planning Organizations"

An annual project report is also required to be submitted to the Texas Transportation Commission no later than December 31 of each year. Generally, the RMAs submit and present a project report to the Texas Transportation Commission at the October commission meeting.

ORGANIZATIONAL ACTIVITIES IN FORMING AN RMA

This is intended as an overview of organizational activities that may need action by a county or RMA. This summary is based on development of other RMAs, turnpike projects, statutory requirement and TxDOT rules.

FORMATION

- County commissioners court authorizes preparation of RMA petition
- County commissioners court adopts resolution supporting RMA formation and authorizes submitting the petition and resolution to TxDOT
- County and local supporters submit to TxDOT resolutions of support from metropolitan planning organization and other affected governmental entities
- TxDOT reviews petition
- If complete, county staff/consultants and TxDOT develop a public outreach plan
- TxDOT conducts one or more public hearings to receive public input (consistent with outreach plan)
- Texas Transportation Commission takes action on petition. If RMA formation is approved, the commission will adopt minute order designating size of RMA board of directors and will identify candidate project
- County commissioners court adopts resolution accepting minute order and forming RMA

ORGANIZATION

- County commissioners court appoints board of directors (two-year terms)
- Governor appoints chair of the board of directors
- RMA board convenes organizational meeting
- RMA board begins process of developing and adopting policies, including:
 - Bylaws
 - Procurement policies (covering traditional goods and services; receipt and processing of unsolicited proposals, and administration of CDA procurement process)
 - Environmental review policies (to conduct environmental reviews of non-NEPA projects)

- Conflict of interest policy
- Transfer and conversion rules and policies
- Business Opportunity Program and Policy (regarding DBE/HUB utilization)
- Employee drug and alcohol testing policy
- Rules for use of authority transportation projects (establishing tolls, user fees, speed and weight limits, etc.)
- RMA board begins process of hiring staff/consultants, such as:
 - Executive director
 - General engineering consultant
 - Legal counsel
 - Financial advisor
 - Accountant
 - Investment banker/underwriters
 - Bond counsel
 - CPA/auditors
 - Trustee for bond indenture
- Authorize opening of bank account(s)
- Secure surety bonds for directors and liability insurance coverage

NOTE: The timing and sequence of the adoption of various policies and the hiring of certain personnel will depend on the project development activities of the RMA. For example, the hiring of a general engineering consultant and legal counsel may be necessary in the early organizational stages to secure advice concerning public meetings, project studies and related items, whereas bond counsel and underwriters may be deferred until a project is closer to fruition. Similarly, bylaws and procurement policies are important to adopt early in the organizational process, whereas policies concerning speed limits and toll rates can be deferred until a project is closer to the development phase.

APPENDIX

LIST OF REFERENCE DOCUMENTS

TEXAS ADMINISTRATIVE CODE

(Title 43, Part I, Chapter 26 – Regional Mobility Authorities)

<http://www.sos.state.tx.us/tac/index.shtml>

TEXAS TRANSPORTATION CODE

Chapter 370 – Regional Mobility Authorities

<http://www.statutes.legis.state.tx.us/>

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