

by Pape-Dawson Engineers, Inc. JANUARY 2023

Few know the ins and outs of state and local government in Texas like Jesus "Chuy" Gonzalez, Vice President, Strategy and Infrastructure Development for Pape-Dawson Engineers, Inc. When pressed for what to expect in 2023, he says with a straight face, "The three most important things are the same, no matter who wins elections: funding, funding, funding."

Certainly, funding has an essential role any year. But this year, Texas predicts an almost-\$27 billion-dollar budget surplus—over double last year's estimate. How the state uses the windfall (add to the rainy day fund? pay bonuses to educators? provide tax relief?) will consume significant attention of legislators and agencies in 2023. Add to that Texas' slice of the federal government's \$1.2 trillion for transportation and infrastructure projects, which will contribute even more to the resources the state will need to disburse.

With funding floodgates open, here are three things Chuy expects in the next year:

Competitive funding opportunities for localities.

"Given population trends and the growth of many communities, we'll see more competition between local governments to get the funding they need," says Chuy. The funds in the pipeline will help cities and counties across the state conduct needed infrastructure repairs and improvements. Those funds will also likely impel constituents to pressure their representatives for as big a slice of the pie as they can get.

Chuy has seen that this competition for resources may also reveal a need for better coordination. "Not all communities are equipped to handle this amount of cash, and they're not prepared to oversee these projects," he says. When local governments need some help, the state may lend a hand. Under the Transportation Alternatives Set-Aside (TASA) program, for example, Pape-Dawson helps localities manage projects they may not have the capability to take on single-handedly. While some projects are small and self-contained, others engage complex issues involving water, transportation, and other community-planning priorities that require significant coordination.

• Technology's increasing role in roadway safety.

"It's been over two decades since Texas has had a single day without a traffic fatality," Chuy says, "and the state is committed to ending the streak." TxDOT's new public education campaign is one technique, but another is the push to integrate safety into design and technology. "People are really working to engineer safety into our roadways from a design perspective."

In the past, similar initiatives might have resulted in only minor improvement, but Chuy sees more happening this time. "From my vantage point, I'm seeing TxDOT-led focus on it at the leadership level. At the same time, there's traction at the local level, too." He notes that recent successes such as those through the TxDOT Comprehensive Accessibility Program (TCAP) have shown how design changes at intersections and other locations can increase ADA-compliance and safety. As cars become more advanced, our streets and highways will also change to take advantage of their improved features.

•Taking stock of electric vehicles. Before the pandemic, an electric vehicle (EV) sighting was rare. Now they're as common as **Don't mess with** Texas bumper stickers. As EVs capture a larger part of the market, Texas legislators need to address some important differences between them and the standard internal combustion engine models the EVs are replacing.

"Tax may be a bad word in politics, but the gas tax is how a lot of Texas roadway maintenance gets funded," says Chuy. Unlike most drivers, EV owners don't pay that tax at the pump, even though they still contribute to roads' wear and tear. Legislators will need to find other ways to make up for lost gas tax revenue.

Another hot issue is EV infrastructure. While EVs do not gas up at standard filling stations, owners on long trips or without reliable overnight charging facilities will require charging stations. TxDOT plans to use federal funding to place charging stations across the state—with one every 50 miles on most non-business interstates—to keep EVs moving. Details are still in the works, and the charging network will surely grow.

That's not all, says Chuy. "We'll probably see plenty of work on water infrastructure, transportation, tax relief, and other items. But with the funding we're seeing now, figuring out the best way to use it will be the government's top priority in 2023, which will have a dramatic impact on the construction and engineering industry."

