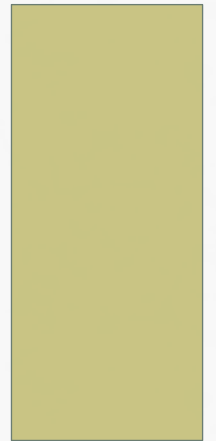


# FEDERAL FUNDS REALLOCATION- TAC WORK GROUP

TRANSPORTATION ADVISORY BOARD

MARCH 18, 2015



# PURPOSE OF WORK GROUP

- Assess current policy on federal funding reallocation in light of MAP 21 changes and project timing needs.
- Establish proposed principles for funding reallocations.
- Develop recommendations to manage funding reallocations.
- Additionally-
  - Finalize scope change policy and process.

# WORK GROUP MEMBERS

- TAC Chair
- TAC Funding and Programming Comm. Chair
- County Reps
- City Reps
- Transit Reps
- TAB Coordinator
- MTS
- MnDOT State Aid

# BACKGROUND

- 2002/2013 Policies
  - Priorities to reallocate federal funds when projects selected through TAB's solicitation process are deferred or withdrawn.
  - Not workable in many cases under MAP-21.
  - Reliance on early repayment of Advance Construction (locally advancing project, repaid in original program year)
  - Established that the most objective, fair and performance-based way to distribute funding is through the regional solicitation process.

# WORK GROUP RECOMMENDATIONS

- 1. Confirm principles.
- 2. Establish priorities to reassign federal funds in current year; more options in future years.

# 1. CONFIRM PRINCIPLES

- **Keep funds in the region- be sure to spend all available funds.**
- **Fund or advance projects selected through the regional process first.**
- **Projects, not agencies, are funded.**
- **Maintain transparency, inclusiveness, fairness and geographic balance.**
- **Use a performance-based evaluation.**
- **Reward project readiness.**
- **Keep funding within the same mode when possible.**

## 2. ESTABLISH PRIORITIES

- **Current Year**
- If a Regionally Selected Project is deferred or withdrawn in current year, use these priorities for reassigning federal funds:
- **Same Mode**
- 1. Regionally selected projects slated for advanced construction (AC) payback –local initiated
- 2. AC payback- project deferrals
- 3. Regionally selected projects that can be advanced.
- 4. Pro-rate remaining federal funds to reg. projects in current program year up to allowable federal maximum
- **Another Mode**
- 5. Regionally selected projects follow steps 1-4

# ESTABLISH PRIORITIES (CONT'D)

- **Future Year**
- First priority is to include funds in a future TAB solicitation if possible.
- Should consider items 1-3 and 5 from First Year list.
- Can consider other options such as selecting unfunded project from recent solicitation that's deliverable, special solicitation, or other measures as TAB deems appropriate to address unique opportunities.
- Consider "Guiding Principles" in decisions.



# ADDITIONAL RECOMMENDATIONS

- Authorize staff to reallocate funds on TAB's behalf in current year.
- Encourage additional advancement of projects
- Consider selection of additional projects in regional solicitation to ensure an adequate pool of projects that can be delivered.

# FINALIZE SCOPE CHANGE POLICY

- Definition of scope changes with examples
  - Minor changes subject to State Aid review
  - Project modifications allowed through informal consultation process among TAB Coordinator, State Aid and FHWA
  - Scope changes requiring TAB approval
- Adding locally-funded project to federally-funded project does NOT require scope change
- Scope change vs. new project
- Consultation and Scope Change Request Process