



FAST Act and Minnesota

Metropolitan Council,
Transportation Advisory Board
March 16, 2016

We all have a stake in **A**  **B**



Fixing America's Surface Transportation Act

- ▶ Enacted on Dec. 4, 2015 Oct. 1, 2015 effective date



- ▶ Five years (FY2016–FY2020) of Highway Trust Fund Stability
- ▶ Five Year Authorization longest since ISTEA (1991–1997)
- ▶ Entire Minnesota Delegation voted in its favor



FAST Act Main Points

- ▶ \$70 billion in general funds needed for the Highway Trust Fund
- ▶ No solution for long term sustainability of the Trust Fund
- ▶ Multi-modal investment emphasis
- ▶ Continues MAP-21 outcome-based program implementation



FAST Act Review

- ▶ Highway Funding
- ▶ Highway Programs
- ▶ New Freight Provisions
- ▶ Mass Transit
- ▶ New Passenger Rail Section



FAST Act Funding

	National Highway Performance Program	Surface Transportation Block Grant	Highway Safety Improvement Program & Rail Crossings	Congestion Mitigation & Air Quality	Metropolitan Planning	National Highway Freight Program (NEW)	Apportioned Total
Year	NHPP	STBG	HSIP	CMAQ	Planning	NHFP	Apportionment
2015**	\$377.6	\$173.7	\$41.5	\$32.2	\$4.4	\$0.0	\$629.4
2016	\$376.5	\$188.0	\$41.3	\$32.1	\$4.6	\$19.0	\$661.4
2017*	\$384.8	\$192.4	\$42.2	\$32.8	\$4.6	\$18.2	\$675.1
2018*	\$392.1	\$196.5	\$43.0	\$33.4	\$4.7	\$19.8	\$689.7
2019*	\$400.2	\$200.0	\$43.8	\$34.0	\$4.8	\$22.3	\$705.3
2020*	\$408.5	\$204.4	\$44.7	\$34.7	\$5.0	\$24.8	\$722.1

Year	NHPP	STBG	HSIP	CMAQ	Planning	NHFP	Obligation
2015	\$342.1	\$157.3	\$37.6	\$29.2	\$4.0	\$0.0	\$570.2
2016	\$342.7	\$171.1	\$38.6	\$30.0	\$4.6	\$17.7	\$604.6
2017*	\$348.9	\$174.4	\$39.3	\$30.5	\$4.6	\$16.9	\$614.7
2018*	\$355.6	\$178.2	\$40.0	\$31.1	\$4.7	\$18.5	\$628.1
2019*	\$362.9	\$181.4	\$40.8	\$31.7	\$4.8	\$20.8	\$642.3
2020*	\$370.4	\$185.3	\$41.6	\$32.3	\$5.0	\$23.1	\$657.7

*Estimated

**FY2015 Based on FHWA Notice N4520.235 and N4510-788



FAST Act Funding

Based on the November 2015 Forecast	State Fiscal Year (FY)				
	shown in millions				
	2016	2017	2018	2019	2020
Estimated FAST Act Obligation	\$604.6	\$614.7	\$628.1	\$642.3	\$657.7
Estimated Local Share	\$156.1	\$159.0	\$163.8	\$168.1	\$173.1
Estimated MnDOT Share*	\$448.5	\$455.7	\$464.3	\$474.1	\$484.6
<i>Nov 2015 Forecast for MnDOT</i>	\$419.3	\$419.3	\$438.5	\$438.5	\$447.6
Difference	\$29.3	\$36.4	\$25.8	\$35.6	\$36.9
<i>*Includes National Highway Freight Program funding</i>	\$17.7	\$16.9	\$18.5	\$20.8	\$23.1



Highway Formula Program Changes

Program	Changes
National Highway Performance Program (NHPP)	<ul style="list-style-type: none">• Bridge projects on non-NHS Federal-Aid highways now eligible
STP (Renamed Surface Transportation Block Grant Program –(STBGP)	<ul style="list-style-type: none">• Urban/rural suballocation changed from 50% to 55%• Set asides for Transportation Alternatives (no longer a program, keeps all current eligibilities)
CMAQ (Congestion Mitigation and Air Quality)	<ul style="list-style-type: none">• Exception from PM2.5 set-aside for low population density states
HSIP (Highway Safety Improvement Program)	<ul style="list-style-type: none">• Removes current eligibility to use funds for non-infrastructure programs



Performance Measure Rules

Rule	NPRM Closed	Final Rule Expected	Notes
Safety Performance Measure (PM1)	June 2014	March 15, 2016	Effective April 16, 2016
Highway Safety Improvement Program	June 2014	March 15, 2016	Effective April 16, 2016
FHWA/FTA Metropolitan and Statewide Planning	September 2014	July 29, 2016	FHWA/FTA staff developing final rule
CMAQ Weighting Factors	October 2014	May 27, 2016	Sent to OST on November 10, 2015
Planning and Environmental Linkage (supplemental to Planning NPRM)	November 2014	See Planning NPRM Above	Combined with updated Metro/Statewide Planning
Pavement/Bridge Performance Measure (PM2)	May 2015	July 17, 2016	FHWA staff developing final rule
Asset Management Plan	May 2015	July 17, 2016	FHWA staff developing final rule
System Performance Measure (PM3)	Published Jan 29, 2016	Unknown (Q2 2018*)	Sent to OMB on August 20, 2015 (90 day review)



FAST Changes to STBGP

- ▶ Higher increase for STBGP relaxes focus on the NHS.
- ▶ STBGP is required to be sub-allocated by area population with an increasing percentage from 51% in 2016 to 55% in 2020.
- ▶ The Off-System Bridge set-aside was retained.
- ▶ A new “enhancement” set-aside is created in the STBGP which will be the new home of the former “TAP” program from MAP-21.



Minnesota Impact – Local STP

- ▶ A target formula is applied to the overall Area Transportation Program (ATP) funding target level in order to determine each ATP's target amount.
 - Currently 50% population / 50% MSAS/CSAH needs
- ▶ Each ATP then selects and programs projects up to their target amount.



Off-System Bridge Program

- ▶ Funds come from the statewide share of the STBGP program.
- ▶ Funding is provided to MnDOT's State Aid office.
- ▶ State aid solicits projects for the funding and selects which projects to fund.



STBGP Enhancement Set-aside

- ▶ Transportation Alternatives Program (TAP) is folded into STBGP and renamed as an “STBGP Set-aside”
- ▶ Recreational Trails eligibility remains the same.
- ▶ The same target formula used for local STP is applied to the total in order to determine each ATP’s target level.
- ▶ A standardized solicitation process is utilized by all ATPs to solicit potential TAP projects.
- ▶ Each ATP ranks and selects projects for programming up to their respective target level



Potential STP Program Issues

- ▶ The current distribution of STP funds uses a target formula with many factors in it.
- ▶ The ATP managed target alone would not currently distribute STBGP funds along the required 51% to 55% urban/rural population lines.
- ▶ It is unclear at this time how if MnDOT's expenditure of STBGP will be impacted by the split.



Potential STP Program Issues

- ▶ The urban/rural split is guaranteed, so changes must be made if the final distribution is not compliant.
- ▶ The sub-allocation requirement begins in FY 2016, therefore changes may impact the current fiscal year.
- ▶ Likewise, future years of the current STIP and the 2017–2020 STIP under development may need to be adjusted.



OTSM Approach Recommendation

- ▶ Discuss all STBGP issues at the Programming Update Workgroup.
- ▶ Research and analyze the new bill's sub-allocation to urban areas requirement.
- ▶ Develop potential ATP target formula change options if needed.
- ▶ Review the new enhancement set-aside.



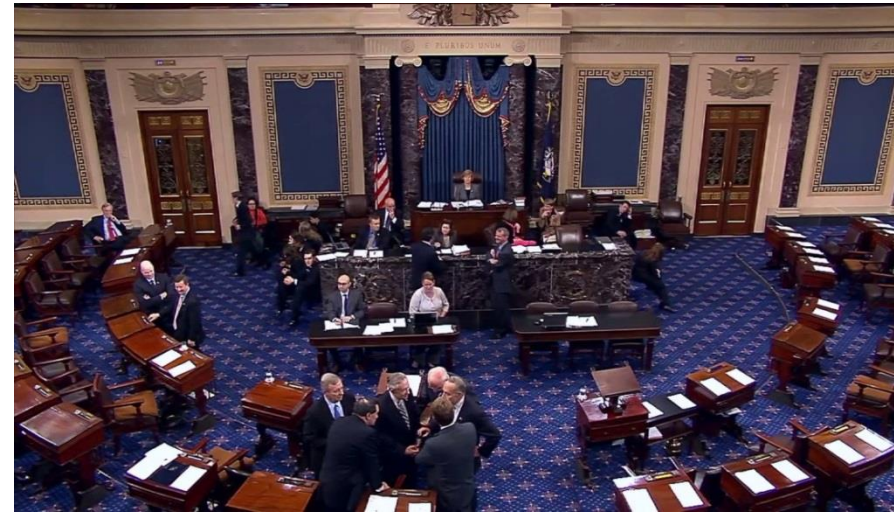
Congestion Management & Air Quality (CMAQ)

- ▶ Funding level for projects is provided to the Metropolitan Council, as they are the only area eligible to use the funding at this time.
- ▶ Met Council solicits and selects projects to be programmed with the funding.



Highway Project Delivery

- **Project Delivery**
 - Focus on accelerating project delivery
 - DOT to maximize use of authority to delegate project oversight to States
 - Adds to Procedural Requirements
 - Adds New Flexibilities

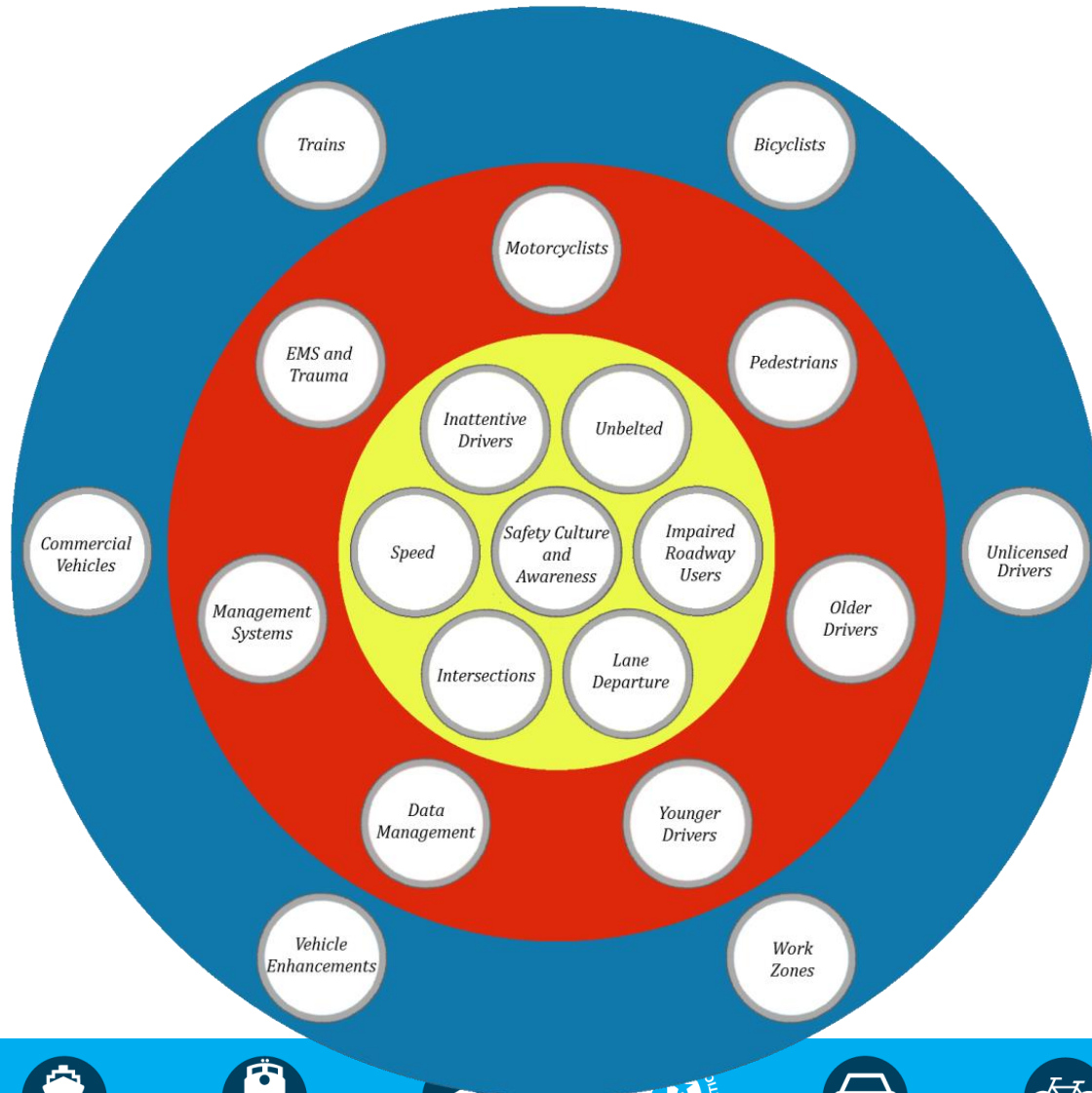


Highway Safety (HSIP) Program

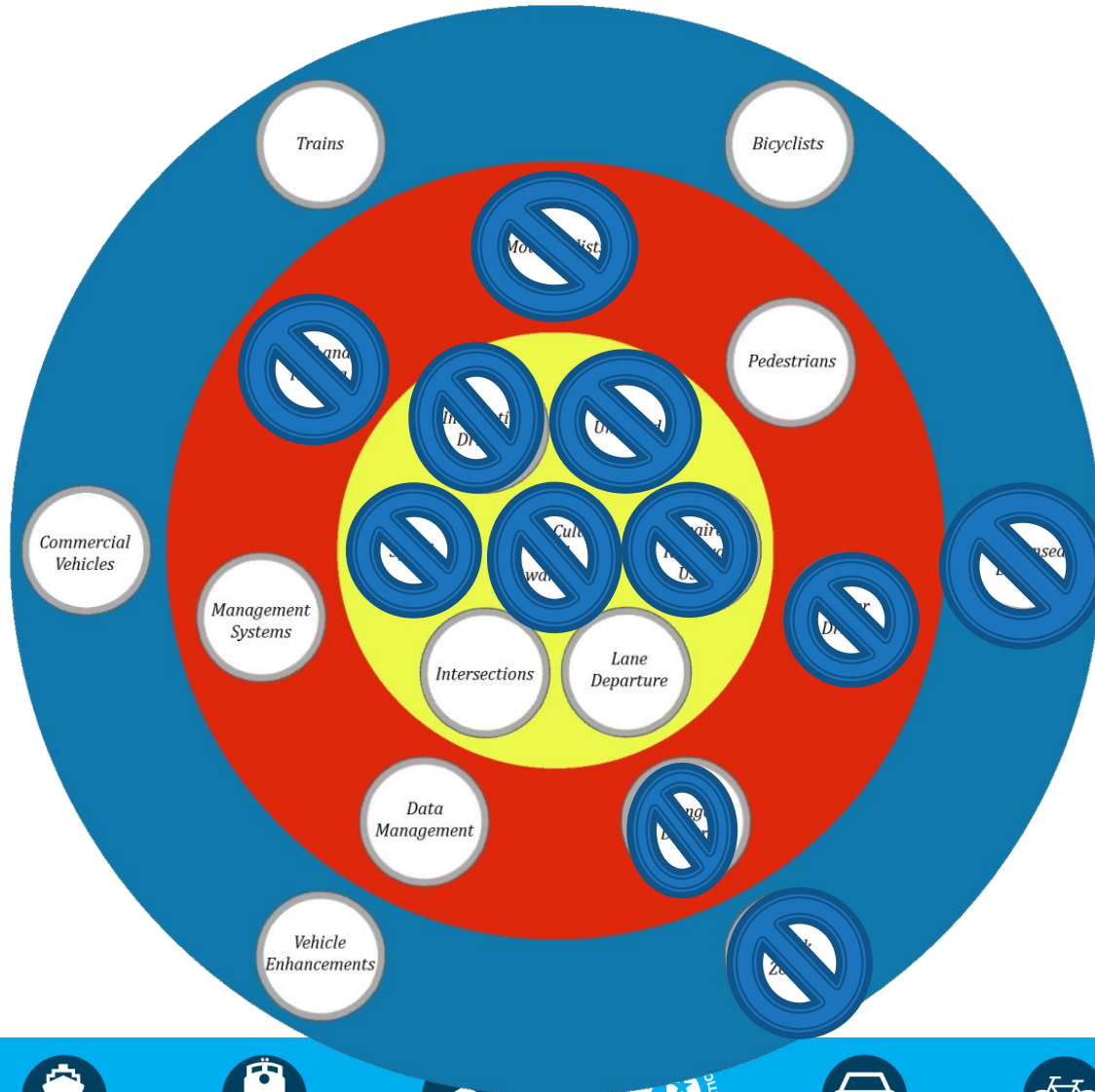
- ▶ Funding is up
- ▶ What we can do with the funding has become more limited
- ▶ Previous bills introduced flexibility with HSIP
- ▶ This bill limits flexibility and may impact safety and performance overall.



State Highway Safety Plan (SHSP) Priorities



SHSP Priorities in the FAST Act



Freight Provisions

- ▶ Freight Planning – required state freight plan
- ▶ State Freight Advisory Committees
- ▶ Designation of National and State Freight Networks
- ▶ New National Highway Freight Program
- ▶ Projects of National and Regional Significance Grant Program



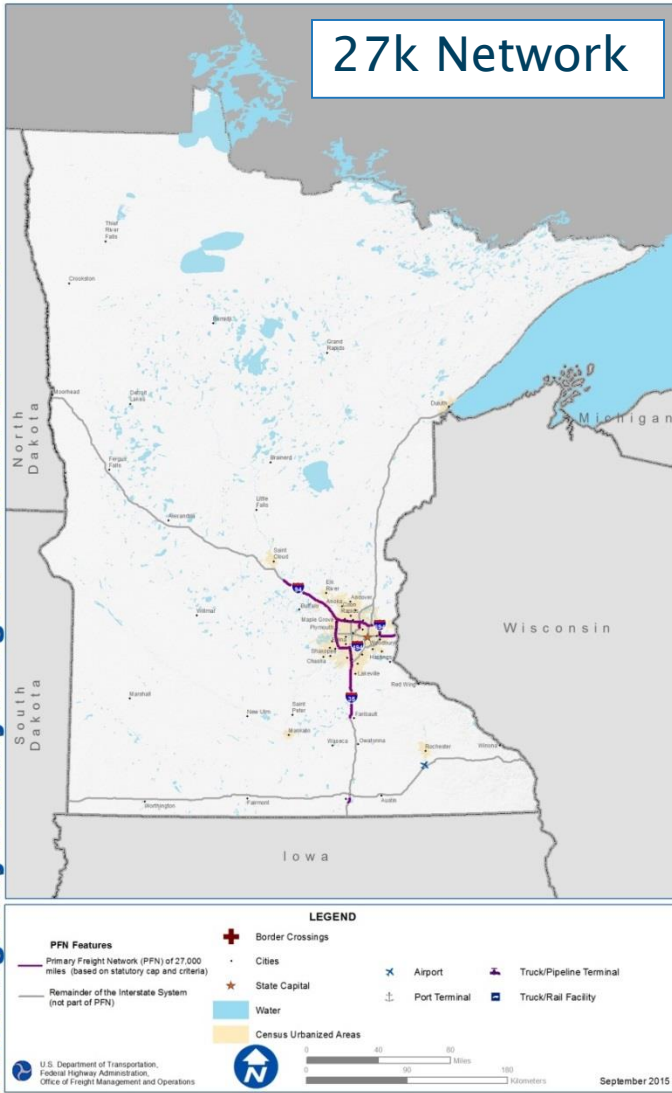
National Highway Freight Program

- ▶ National Highway Freight Network (NHFN) with four components:
 - A Primary Highway Freight System (PHFS)
 - 41,000 mile nationwide highway network
 - (Mostly) on Interstate System
 - The remainder of the Interstate System not on the PHFS
 - Critical rural freight corridors
 - Critical urban freight corridors

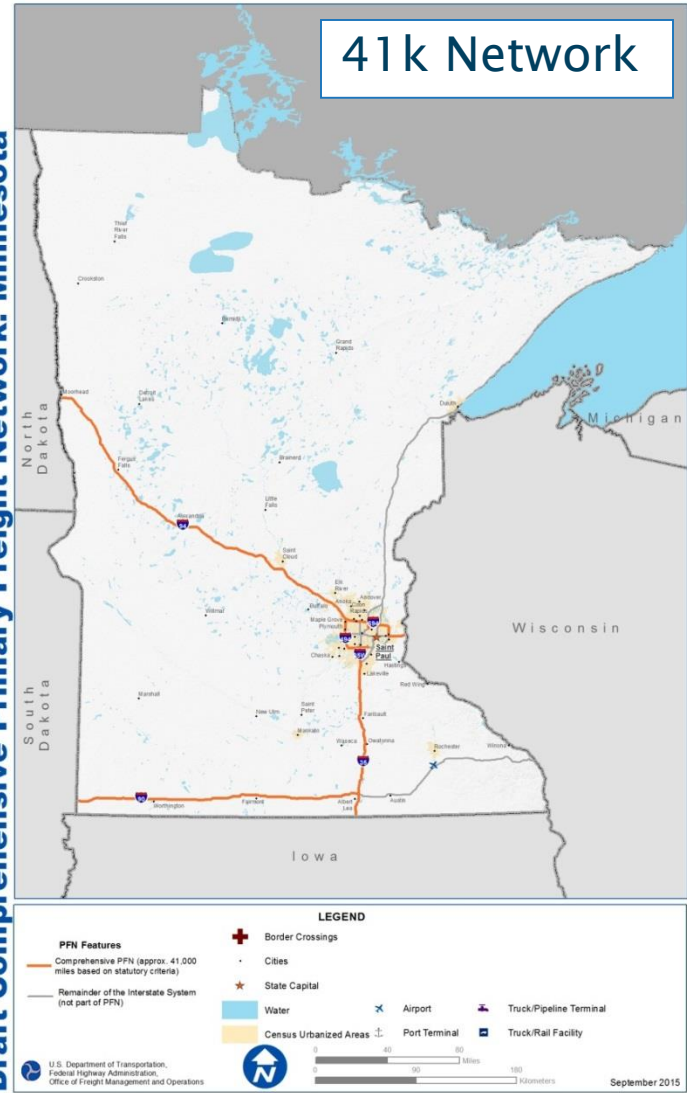


Primary Highway Freight System Evolution

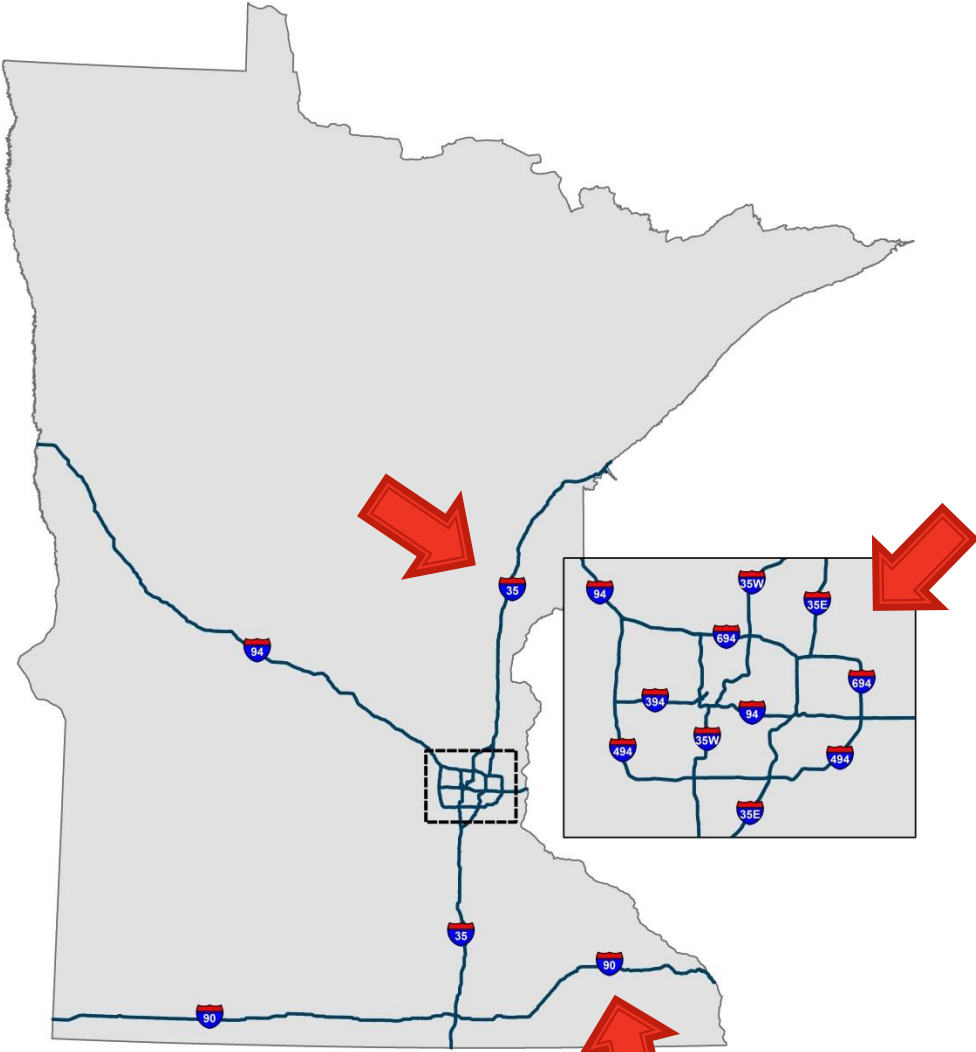
Final Highway Primary Freight Network: Minnesota



Draft Comprehensive Primary Freight Network: Minnesota



Interstates in Minnesota



0 50 100 Miles

MnDOT "Maps and related data" disclaimer:
www.mn DOT.state.mn.us/information/disclaimer.html

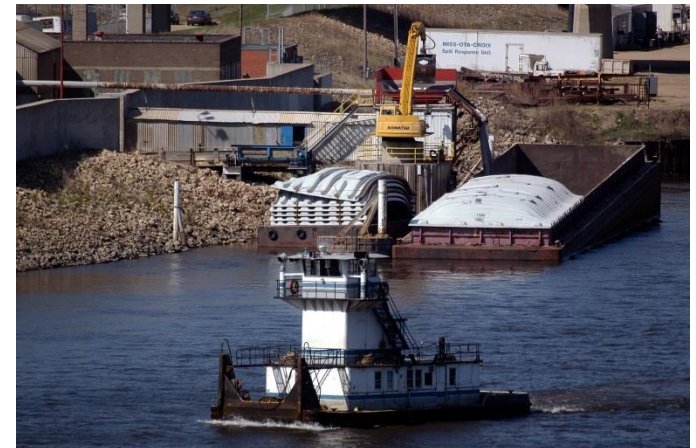
MnDOT OFCVG
www.dot.state.mn.us/ofcv
February 2016



National Highway Freight Program

▶ General Funding Rules

- MN may use Formula money on any component of the NHFN
- The list of eligible project types is inclusive
- Up to 10% of Formula funds may be used for rail freight and port projects
- The State has two years to develop a state freight
- Investment plan



Nationally Significant Freight and Highway Projects Program (FASTLANE)

- ▶ New five-year fully authorized program. \$760 M available for FY 2016
- ▶ FY 2016 Applications are due by April 14, 2016
- ▶ FASTLANE grant covers a maximum of 60% of project cost

- ▶ Two classes of projects:
 - Large projects \geq \$100 m
 - Small projects $<$ \$100 M
- ▶ Minimum dollar grant for each class
 - \$25 M for large projects
 - \$5 M for small projects

- ▶ 25% for projects in “rural” areas



Nationally Significant Freight and Highway Projects Program (FASTLANE)

▶ Eligible Activities

- Highway, Rail Crossings or Waterways

▶ Selection Criteria

▶ MnDOT Approach



FAST Act FHWA Connected Vehicle Deployment Grants

- Explicit funding eligibility for Vehicle to Infrastructure (V2I)
- Advanced Transportation and Congestion Management Technologies Deployment Program
 - Includes:
 - Vehicle to Vehicle and V2I
 - autonomous vehicles
 - integration of ITS with the Smart Grid
- Surface Transportation System Funding Alternatives



Mass Transit

- ▶ 5% increase in FY 2016 funding over FY 2015 levels
- ▶ Bus Funding increase: grant program supplements formula funding
- ▶ New Starts/Small Starts: Funding increases 21% over MAP-21

Transit Program	MAP-21	FAST Act
	FFY 2015 Funding	FFY 2016 Funding
Federal Transit Funding Passing Through MnDOT		
Section 5311: Rural Transit	\$15,403,957	\$15,637,443
Planning (MPOs)	\$1,537,464	\$1,559,411
Planning (State)	\$291,877	\$295,961
Rural Transit Assistance Program (Training)	\$239,061	\$244,630
Section 5310: Seniors and Disabled (Large Urban)	\$1,883,023	\$1,936,203
Section 5310: Seniors and Disabled (Small Urban)	\$601,583	\$615,573
Section 5310: Seniors and Disabled (Rural)	\$1,171,953	\$1,215,679
Section 5339: Bus and Bus Facilities (Small Urban)	\$689,622	\$635,929
Section 5339: Bus and Bus Facilities (Rural)	\$1,250,000	\$1,750,000
Total Federal Transit Funds through MnDOT	\$23,068,540	\$23,890,829
Federal Transit Funding to Greater Minnesota Not Passing Through MnDOT		
Section 5307: Small Urban in Greater Minnesota	\$8,453,236	\$8,667,839
Section 5311(c): Tribal Transit	\$1,834,992	\$2,313,787
Total Federal Transit Funds to Greater MN not thru MnDOT	\$10,288,228	\$10,981,626



FAST Act Rail Provisions

- ▶ Passenger Rail
- ▶ Crude Oil by Rail
- ▶ General Rail Safety
- ▶ Freight Rail



FAST Act Rail Provisions

- ▶ Passenger Rail Programs authorized for 5 yrs
- ▶ Funding comes from Appropriations, not HTF
- ▶ Separates NE Corridor and National network
- ▶ Positive Train Control deadline extended and funding of \$199M



Passenger Rail Provisions

- ▶ National Passenger Rail Network Grants (\$5.5 B)
- ▶ Consolidated Rail Infrastructure & Safety Improvement Grants (\$1 B)
 - ▶ Safety Technology
 - ▶ Capital projects that address congestion
 - ▶ Highway-rail grade crossings
 - ▶ Rail line relocation
 - ▶ Capital projects to improve short-line or regional rail infrastructure
 - ▶ Preparation of regional rail and corridor service development plans



Passenger Rail Provisions

- ▶ Federal–State Partnership for State of Good Repair Grants (\$1 B)
 - ▶ Replace existing assets in-kind
 - ▶ Replace existing assets that increase capacity or level of service
 - ▶ Ensure maintenance of service while existing assets are improved
 - ▶ Bring existing assets into a state of good repair
- ▶ Restoration and Enhancement of Passenger Rail Service Grants (\$100 M)
 - ▶ Projects restoring passenger rail service
 - ▶ Service to regions and communities that are underserved
 - ▶ Economic development
 - ▶ Connectivity of intercity passenger rail service



Crude by Rail Overview

- ▶ Crude oil bought by truck rail loading facilities
- ▶ These facilities load “unit trains” consisting of up to 110 cars of solely crude oil
- ▶ Up to 80,000 barrels of oil per train are taken to refineries



Why Oil Travels by Rail

- ▶ Lack of pipeline capacity
- ▶ Flexibility of rail
- ▶ Gives oil producers the ability to shop around their product to various rail-served refineries
- ▶ Lack of refineries in ND



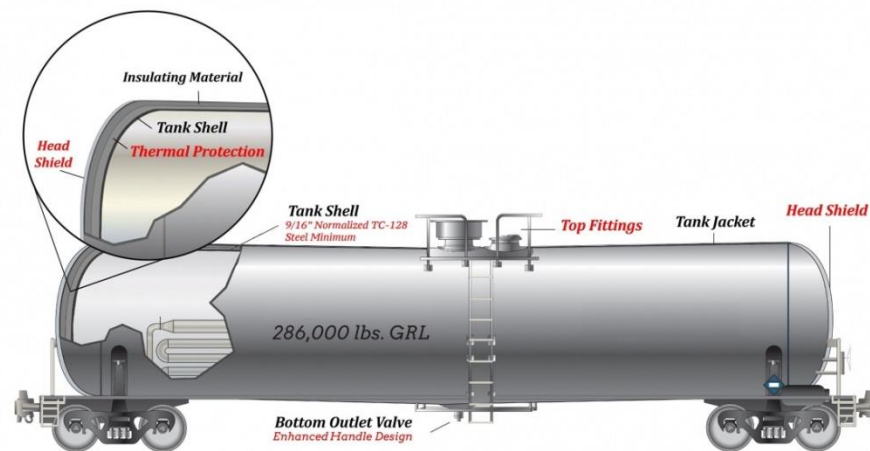
Safety Concerns

- ▶ Spills toxic to environment, hard to contain
- ▶ Different problems for different modes
- ▶ Pipeline has fewer but larger spills
- ▶ Pipelines carry most oil, but rail volumes have become significant and growing
- ▶ Rail exposure in urban areas, grade crossings create conflict points



Crude by Rail: Federal Response

- ▶ Enhanced tank car standards
 - Thicker, more puncture-resistant tank of stronger steel
 - Top-fitting protection and head shield
 - Thermal insulation encased in steel jacket
 - New cars must meet these standards and existing cars must be retrofitted between 2018 and 2025
 - FAST Act calls for ½” thermal blanket, top-fitting protection and ECP braking study



Crude by Rail: Federal Response

▶ Train operations

- Maximum train speed of 40 mph in high threat urban areas
- Requirement for routing analysis
- Electronically controlled train braking
- Information on hazmat movements to communities

▶ Hazardous Product Labeling

- Enhanced sampling and testing
- More accurate labeling



General Rail Safety Provisions

- ▶ State Grade Crossing Action Plans
- ▶ Railroad Bridge Reports can be requested
- ▶ Speed limit action plans
- ▶ Required Studies:
 - Private RR Data limits
 - Quiet zones
 - PTC and grade crossings
 - Commuter rail track inspections



FAST Act Rail Provisions:

Freight Rail Funding

- ▶ Highway grade crossing safety funds
- ▶ Environmental Streamlining
- ▶ Railroad Infrastructure Financing Improvement (RRIF)
- ▶ Freight rail eligible for FASTLANE grants program



Questions?



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