

ACTION TRANSMITTAL No. 2014-27

DATE: March 26, 2014
TO: Technical Advisory Committee
FROM: TAC Funding and Programming Committee
PREPARED BY: Heidi Schallberg, Senior Planner (651-602-1721)
SUBJECT: 2014-2017 TIP Amendment for SFY 2014 Local Federal Program
REQUESTED ACTION: Metropolitan Council requests a TIP amendment to add XX placeholder projects in 2014 using \$XXX of federal INSERT FHWA PROGRAM funding (UPDATE HIGHLIGHTED TEXT AS DETERMINED)

RECOMMENDED MOTION: Recommend that the Transportation Advisory Board adopt an amendment to the 2014-2017 Transportation Improvement Program (TIP) to add XX placeholder projects using a total of \$XXX in federal INSERT FHWA PROGRAM funding in 2014 with the provision that project details would be submitted by sponsors to enable the air quality conformity exemption or analysis to be determined by the Minnesota Interagency Air Quality and Transportation Planning Committee (UPDATE HIGHLIGHTED TEXT AS DETERMINED)

BACKGROUND AND PURPOSE OF ACTION: The annual local program review to determine the status of project delivery in the region resulted in the identification of \$XX of federal funding programmed in 2014 that would not be delivered in that year either due to a project being withdrawn or moving to a later year because of a program year change. The federal funding total for withdrawn projects in 2014 is \$XX and the federal funding total for projects moving out of 2014 is \$XX. A portion of the 2014 funds will be allocated to existing projects through a TIP modification. A TIP amendment is needed to enable other projects to use the remaining \$XX of funding in the state fiscal year 2014. The list of X placeholder projects is attached. (UPDATE HIGHLIGHTED TEXT AS DETERMINED)

This situation was first encountered for state fiscal year 2013. A discussion at the March 20, 2013, meeting of the Transportation Advisory Board recommended a process to use SFY 2013 federal funds in that fiscal year:

1. MnDOT Metro District State Aid staff work with project sponsors to identify existing projects that could advance to 2013 from later years.
2. MnDOT Metro District State Aid staff identify projects that were not yet authorized and could accept additional federal funding for 2013. These projects were capped at a maximum federal funding level of 75% or \$2.5 million of additional federal funds, whichever was lower, to distribute the funds to more

- projects. This distribution also aided in managing risk so that a large amount of federal funding was not on one project.
3. The remaining balance of federal funds in 2013 were all Surface Transportation Program (STP) and were distributed to the seven counties within the region based on the state aid allocation formula. Any new county projects had to be able to move through the federal process quickly to use the 2013 funding; recommended project types included pavement preservation, ADA improvements, or safety enhancements. FHWA stated they could process a small number of existing federalized projects that could accommodate additional federal funds.

For SFY2014, the federal funding total from projects moving into 2014 from later years is \$XX, leaving \$XX unprogrammed for 2014. It was determined that \$XX of federal funding could be added to existing projects. For the Congestion Mitigation Air Quality (CMAQ) and Transportation Alternatives (TAP) programs, all available funding was used by existing projects. For STP, existing projects could use \$XX of the available funding, leaving \$XX of Surface Transportation Program (STP) funding still unused for 2013. Additional information about changes to existing projects will be available from MnDOT at the April TAC meeting.

Because of the short timeline for using these federal funds, project sponsors are still identifying project specifics, so placeholders will be added to the TIP and modified as needed through the administrative modification process.

(UPDATE HIGHLIGHTED TEXT AS DETERMINED)

RELATIONSHIP TO REGIONAL POLICY: Federal law requires that all transportation projects that will be partially funded with federal funds must be in an approved TIP and meet the following four tests: fiscal constraint; consistency with the adopted regional transportation plan; air quality conformity; and opportunity for public input. It is the TAB's responsibility to adopt and amend the TIP according to these four requirements.

STAFF ANALYSIS: The TIP amendment meets fiscal constraint because the federal and local funds are sufficient to fully fund these projects. The amendment is consistent with the Transportation Policy Plan, adopted by the Metropolitan Council on November 10, 2010, with FHWA/FTA conformity determination established on February 23, 2011. Due to the timeline of project identification, conformity exemption has not yet been confirmed. Due to the nature of project types under consideration for this amendment, projects should be exempt from air quality conformity analysis. After project specifics have been identified by each county, the project details will be forwarded to the Minnesota Interagency Air Quality and Transportation Planning Committee for confirmation. Public input opportunities for this amendment are provided through the TAB's and Council's regular meetings.

(UPDATE HIGHLIGHTED TEXT AS DETERMINED)

COMMITTEE COMMENTS AND ACTION: At its March 20, 2014, meeting, the Funding and Programming Committee discussed \$2.7 million in 2014 CMAQ funding that Metro Transit could not use by the deadline for the original project of bus purchases. Metro Transit clarified in response to a question that it is effectively withdrawing its project programmed for 2014. The committee asked if Metro Transit is talking with all the other

transit providers in the development of a proposal for the use of these funds. The discussion also included investigating the possibility of currently programmed CMAQ transit projects that could move forward.

The committee unanimously approved moving a placeholder action forward to TAC with direction to Metro Transit to reach out to the other transit providers to assess options before TAC, including looking at any projects that could move forward. In response to the committee's direction, the transit providers met on March 25, 2014, to discuss funding options, and additional information about the discussion will be forwarded to TAC before its April meeting.

ROUTING

TO	ACTION REQUESTED	DATE COMPLETED
TAC Funding & Programming Committee	Review & Recommend	March 20, 2014
Technical Advisory Committee	Review & Recommend	
Transportation Advisory Board	Review & Adopt	
Metropolitan Council Transportation Committee	Concurrence	
Metropolitan Council	Concurrence	