

ACTION TRANSMITTAL No. 2013-06

DATE: January 30, 2013
TO: Technical Advisory Committee
FROM: TAC Funding and Programming Committee
PREPARED BY: Heidi Schallberg, Senior Planner (651-602-1721)
Kevin Roggenbuck, TAB Coordinator (651-602-1728)
SUBJECT: Program Year Policy Implementation: Funding Priorities Policy
REQUESTED ACTION: The Metropolitan Council requests that the TAB adopt the Funding Priorities Policy.
RECOMMENDED MOTION: Recommend approval of the Funding Priorities Policy to assist with the management of transportation projects awarded federal funds through the TAB's Regional Solicitation.

BACKGROUND AND PURPOSE OF ACTION: In December 2012, the TAB approved a new Program Year Policy that eliminates the sunset date beginning with projects currently programmed in 2014 while providing for a process to request a one-year program year extension.

While this process allowed projects to move out one year, regional policy continued to state that project sponsors are expected to deliver projects in their program years.

With the new federal transportation legislation, MAP-21, funding is tied more directly to specific funding programs with specific outcomes, performance measures and targets, resulting in more difficulty in shifting funds to different years. MnDOT is no longer able to shift federal funds from programs under their control to accommodate program year changes among regionally-selected projects. In addition, the total available federal funding has been reduced from what was anticipated to be available when the regional projects were originally selected and programmed. When project sponsors request schedule extensions, balancing the fully-programmed regional program within the new constraints of MAP-21 becomes difficult.

Recently Metropolitan Council staff met with the TAC Funding and Programming chair and MnDOT staff to discuss options for setting funding priorities as project sponsors request to move projects and it is unclear if adequate funding will be available.

The discussion resulted in the following proposed funding priorities for TAB-selected projects within the regional program, in order of preference:

1. Projects in their original program year

2. Projects in their sunset date year (applies only to projects programmed through 2013)
3. Projects with an approved sunset year or program year extension
4. Projects using advance construction (AC) in order of priority based on year
5. Projects that could be advanced if needed but not currently using AC

When projects move to a later year, whether from a grandfathered-sunset date or an approved program year extension, funding will be programmed in the first available year, which could potentially be the last year of the next Transportation Improvement Program (TIP).

RELATIONSHIP TO REGIONAL POLICY: Since the first regional solicitation in 1993, the Transportation Advisory Board (TAB) has had a sunset date provision in place that applied to all projects awarded funding by the TAB. The sunset date is a regional policy adopted by the TAB and is not part of the federal guidance associated with each federal transportation funding act.

In December 2012, the TAB approved a new Program Year Policy that eliminates the automatic additional sunset year beginning with projects programmed in 2014 while providing for a process to request a one-year program year extension for extenuating circumstances.

COMMITTEE COMMENTS AND ACTION: At its January 17, 2013, meeting, the TAC Funding and Programming Committee unanimously approved a motion to recommend this policy to the TAB for adoption.

ROUTING

TO	ACTION REQUESTED	DATE COMPLETED
TAC Funding & Programming Committee	Review & Recommend	January 17, 2013
Technical Advisory Committee	Review & Recommend	
Transportation Advisory Board	Review & Adopt	
Metropolitan Council Transportation Committee	Informational	
Metropolitan Council	Informational	