

ACTION TRANSMITTAL No. 2017-03

DATE: January 9, 2017
TO: TAC Funding & Programming Committee
FROM: Technical Advisory Committee
PREPARED BY: Steve Peterson, Manager of Highway Planning and TAB/TAC Process
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SUBJECT: Programming Regional Solicitation Projects for FY 2022
REQUESTED ACTION: Recommend a course of action for programming 2016 Regional Solicitation projects for 2022
RECOMMENDED MOTION: That TAC Funding & Programming Committee recommend to TAC whether to program projects for 2022 when programming the 2016 Regional Solicitation

BACKGROUND AND PURPOSE OF ACTION: This topic was referred to the Funding and Programming Committee by TAC at its January 4, 2017, meeting for further clarification on the process, schedule, and potential impacts on the 2018 Regional Solicitation.

As part of the Regional Solicitation process, TAB must approve a program of projects to be funded for fiscal years 2020 and 2021. Traditionally, after TAB has programmed Regional Solicitation projects, funds become available because of increases in federal funds, project withdrawals, or scope changes that occur with already-programmed projects.

Looking back at the 2014 Regional Solicitation, an additional seven originally unselected projects were funded following the original TAB award. These projects were funded through TAB's Federal Funds Management Process as funds became available to the region. However, because development of some projects had discontinued, the highest-scoring projects were not funded through this reallocation process. Further, some of the funds went to increase the federal funding share of already-programmed projects.

By officially selecting a small number of projects to program for 2022 (i.e., guaranteeing them funds by 2022) and expecting sponsors of those projects to prepare them for 2021 authorization, the region will be better prepared to deliver high quality projects when reallocation of funds is needed. This approach would put these projects first in line when a 2021 project in the same mode withdraws or when additional 2021 funding becomes available for other reasons. This should prove beneficial as it helps assure selection of projects that are consistent with regional practices, can address tight scoring gaps, and can be used to promote regional balance. It will prompt seamless reprogramming of extra funds that meets TAB's general philosophy of funding projects that have been through a scoring process as opposed to providing more funds to higher-cost projects with federal capacity.

If 2021 funds do not become available or the 2022 sponsors are unable to move their projects up to 2021, these projects would reduce the 2022 funds available for distribution as part of the 2018 Regional Solicitation. History, however, indicates that funds will likely become available. This

approach will program conservatively for 2022, rendering it less likely that projects will reduce funds from the next Regional Solicitation.

If this approach is endorsed by TAB, it is recommended that one project per mode be selected for 2022 as an extension of the 2018-2021 program. The full program, including these projects, will be selected based on where there were small scoring gaps between the last funded project and the first unfunded project or to enhance geographic balance.

Features of this approach would include:

1. Projects selected for 2022 are guaranteed funding in 2022 at the latest. However, if 2021 funding becomes available prior to release of the draft 2019-2022 TIP for public comment or release of the 2018 Regional Solicitation (whichever comes first), a 2022-funded project unable to advance to 2021 would be considered withdrawn.
2. Projects slated for 2022 funding would be expected to prepare to meet program year requirements for 2021.
3. Once 2021 funding becomes available, a 2022 project would be moved to 2021. Any 2022 project would be the first priority if earlier year funds become available. This movement of 2022 projects to an earlier year would occur before the Federal Funding Reallocation process is used. The top priority for 2022 projects would be a project in the same mode as the withdrawn or delayed project. The second priority would be the project with the smallest amount of federal funding from another mode.
4. As is the case with all projects funded through the Regional Solicitation, the Program Year Policy would apply. Once funds are freed up and the project is advanced to 2021, that would become the "program year."
5. Should 2021 funding not become available prior to TAB release of the 2019-2022 TIP for public comment or release of the 2018 Regional Solicitation (whichever comes first), the project would remain in the 2022 program year. The project would not be scored in the 2018 Regional Solicitation process since it was already competitively scored and selected as part of the 2016 Solicitation.
6. If, upon TAB project selection of 2018 Regional Solicitation projects, any of the projects are still programmed for 2022, less total funding would be available for distribution in the 2018 Regional Solicitation.

RELATIONSHIP TO REGIONAL POLICY: The Regional Solicitation is a key responsibility of the TAB and is part of the Metropolitan Council's federally required continuing, comprehensive and cooperative transportation planning process for the Twin Cities Metropolitan Area.

COMMITTEE COMMENTS AND ACTION: At its December 15, 2016 meeting, the Funding & Programming Committee voted to recommend programming of one 2022 project per mode from the 2016 Regional Solicitation.

Discussion was generally supportive of the staff-suggested 2022 projects in the "Base" scenario (members did not address specific projects for the other scenarios):

- Roadway (Roadway Expansion): Highway 169/101st Ave. Interchange (City of Brooklyn Park)
- Transit (Transit Expansion): Expansion of Electric Bus Service in Eden Prairie, Chanhassen, Carver, and Chaska (SouthWest Transit)
- Bike/Pedestrian (Multiuse Trails and Bicycle Facilities): Minnesota Valley State Trail, Bloomington Section (DNR)

There was, however, some concern that two of the three projects are in Hennepin County. However, the transit project does make an investment in Carver County and helps achieve greater regional balance. There was discussion of whether projects could be skipped over in favor of lesser-scoring projects. Some felt this could be done to further geographic balance, while others felt it would be contrary to the Regional Solicitation's data-driven scoring and selection process. Skipping of projects has not historically occurred and runs counter TAB's Project Selection Process and Changes policy, adopted in 2002.

At its January 4, 2017, meeting TAC directed this topic back to the Funding & Programming Committee, citing uncertainty with what happens to a 2022 project that is unable to move to 2021, what happens if projects have not moved up when the 2018 Regional Solicitation is programmed, and the lack of immediate urgency to program 2022 projects into the upcoming draft 2018-2021 TIP, which does not extend to 2022.

ROUTING

TO	ACTION REQUESTED	DATE COMPLETED
TAC Funding & Programming Committee	Review & Recommend	
Technical Advisory Committee	Review & Recommend	
Transportation Advisory Board	Review & Adopt	