



# Transitway Advancement

TAC Planning



April 2023

# Transitway Advancement



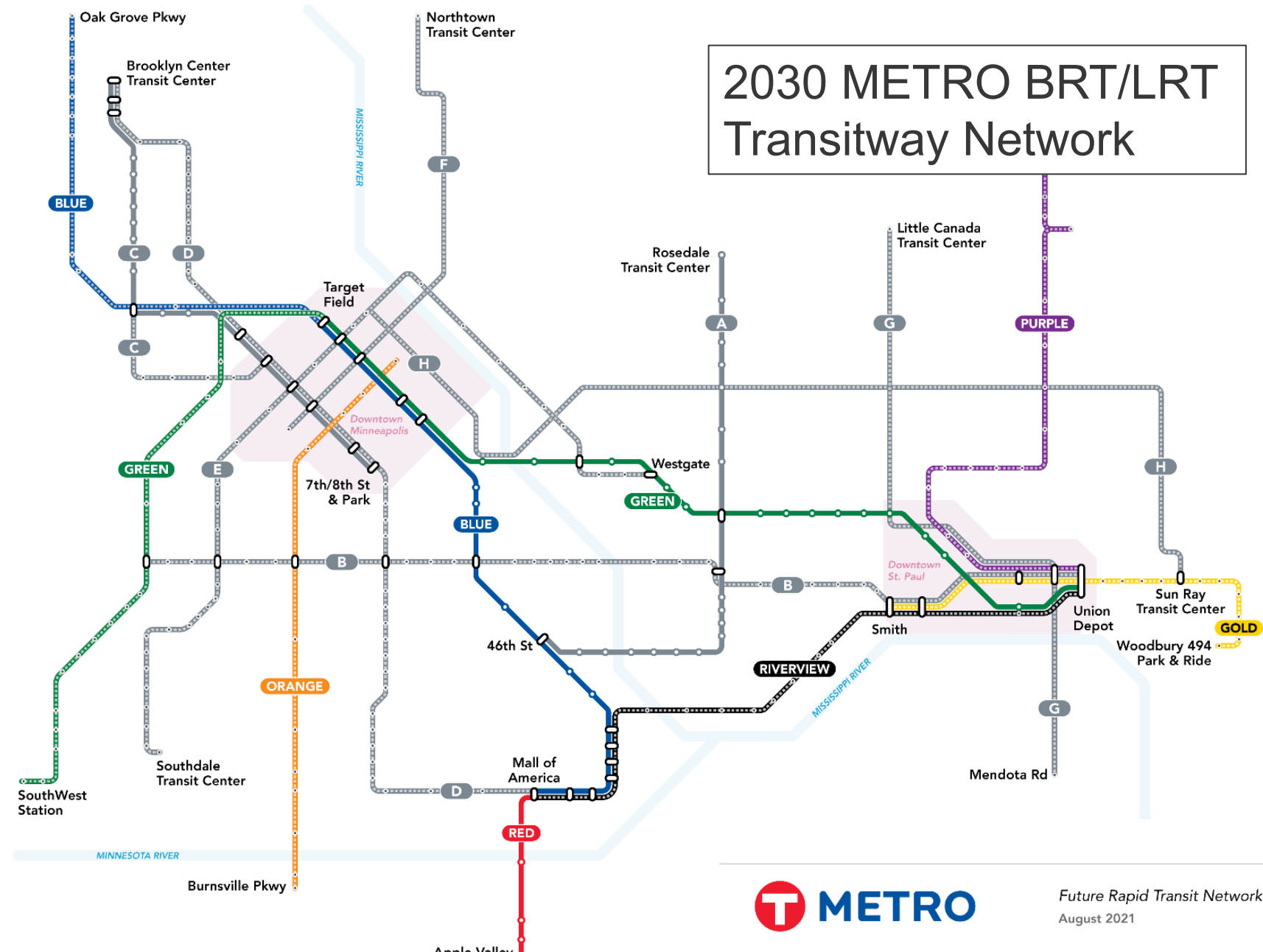
## Topics

- Key Council decision points in transitway project planning and implementation
- Risk management through the project implementation process
- New policy to clarify expectations and manage transitway project risk as projects advance through planning and implementation

# Implementing the METRO system

## Transitways

- Provide high-capacity, frequent, all-day regional transit service
- Connect people and places, drives regional economic prosperity
- Advance the Council's mission as regional planning agency, MPO, and transit operator
- Product of significant partnerships led by the Council with federal, state, and local governments
- Stations enable cities to shape land use, guides Council investment in TOD and other programs



# Council and partner roles in transitways



## Council role in transitway corridors

- Leads regional long-range transportation planning
- Develops and operates transitway projects
  - Federal project development and funding processes
  - Design, construct, operate, maintain, renew

## Council partner roles (typically counties)

- Lead early planning, including evaluation and recommendation of projects' "Locally Preferred Alternative" (mode and alignment)
- Environmental evaluation: preliminary or full initial evaluation of project effects during projects' local planning phase
- Capital investment funding: share of non-federal funds
- Operating funding: share of annual net operating subsidy
- Ongoing capital maintenance: role not currently defined

# Transitway project issues and risks

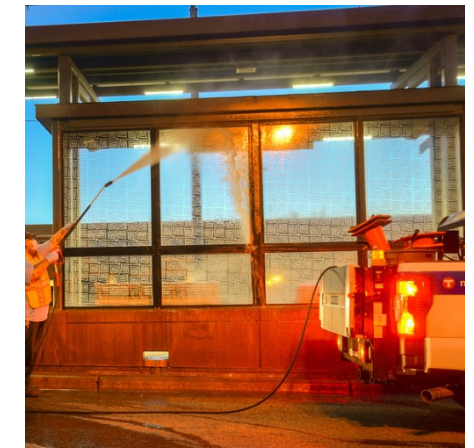
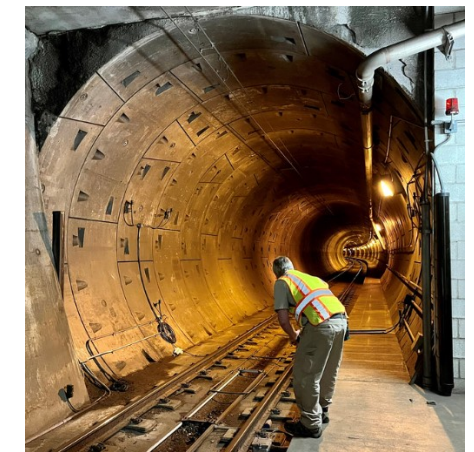
## Project setbacks and unresolved issues pose system-level risks during and after project implementation

### Individual projects have faced implementation challenges

- Local community support
- Construction challenges
- Cost increases beyond project budgets and contingency plans
- Undefined roles or expectations for local partners in issue resolution

### Cumulative system-level operations and capital maintenance risks

- Undefined roles for operations and maintenance of project assets
- Capital maintenance has emerged as a significant financial issue for the region, particularly for rail lines.
  - Long-term needs are not currently defined during projects' planning and design phases
- Transitway operations require significant staffing additions



# Recent changes to project development



## Recent Council and partner practices

- Clearer expectations for planning phase data and inputs
- Increased efforts and participation in risk management work
- Development of ownership, operating, and maintenance responsibilities throughout phases of project implementation
- Promising results include increased understanding between all project partners, informed decisions before construction
- Some unresolved risks remain- including planning for capital maintenance of project and system assets, other risks

New Metropolitan Council administrative policy 1-7 clarifies and strengthens the advancement process by requiring specific information at key project planning and implementation decision points.

# What the policy does:

## Planning Role:

- Formalizes required project information for plan adoption or modification:
  - Documentation of selection process
  - Local support for the project
  - Capital and operating costs and revenues
  - Documentation of public engagement
- Requires new information based on system needs and identified risks
  - Lifecycle cost and revenue information
  - Operating plans
- Compares project information to existing 2040 TPP standards
- Implemented through TPP Modification

## Developer-Operator Role:

- Risk Management
  - Participation in risk management process and development of risk registers
  - Identify risks to reduce or resolve prior to Council-led project advancement
  - Define partner and Council roles and responsibilities in ongoing risks
- Implemented through project agreements with local partners/funders
- Conducted for each phase of transitway project development and for operations
- Anticipates greater levels of detail and issue resolution as projects move toward opening

# What the policy does NOT do:

## Planning Role:

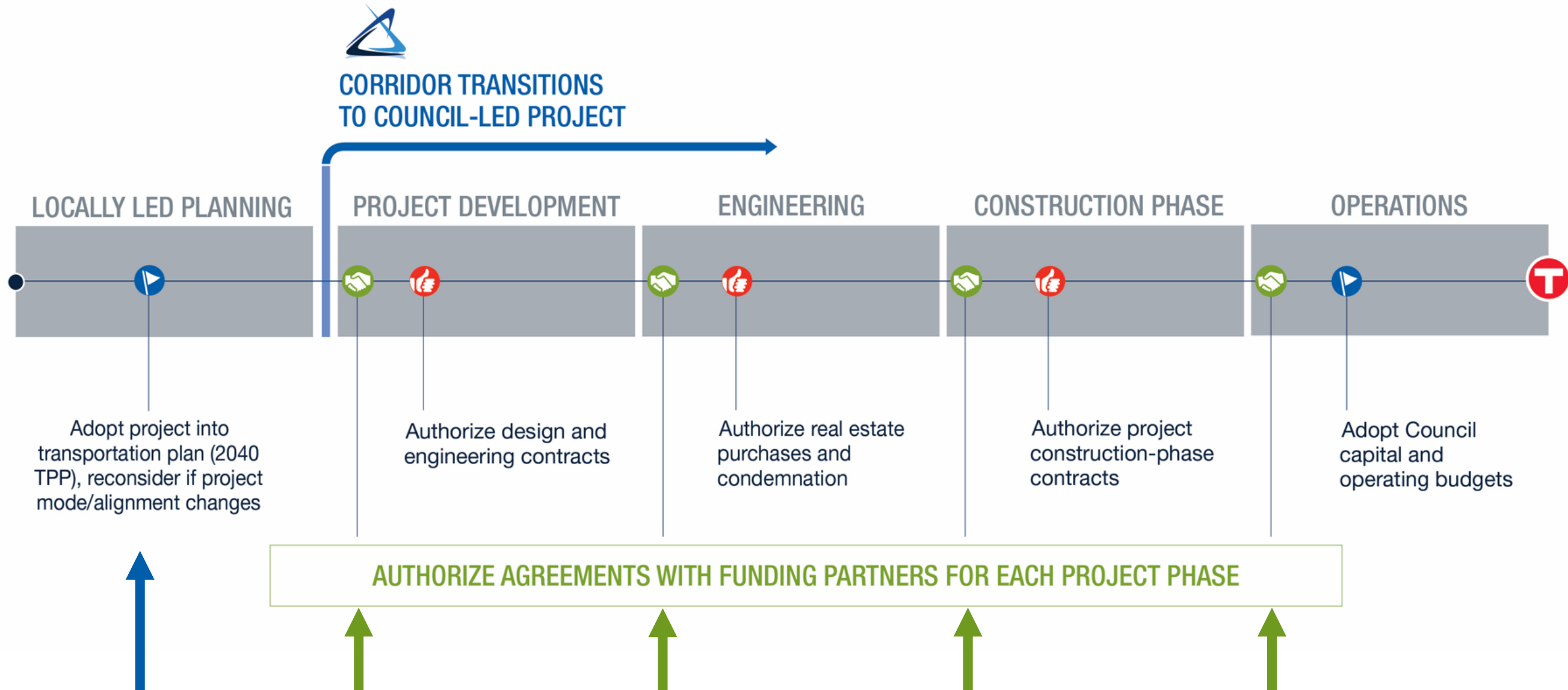
- Implementing TPP Modification does not:
  - Change any project's status in the TPP
  - Change performance standards, guidelines, or set new expectations for project performance
  - Change other regional transportation policies related to transitways
- These changes may be considered in future TPPs through ongoing planning and *2050 TPP* work developed in collaboration with regional transportation partners and with the Transportation Advisory Board

## Developer-Operator Role:

- Does not require Metro Transit to be the developer-operator of any transitway (applies only to lines with Council involvement)
- Does not create new decision points or approvals for projects' advancement
- Does not change or modify existing agreements for projects in development
- Does not prioritize projects for implementation
- Does not single out any transitway projects or project sponsors; applies to all projects including projects initiated by the Council

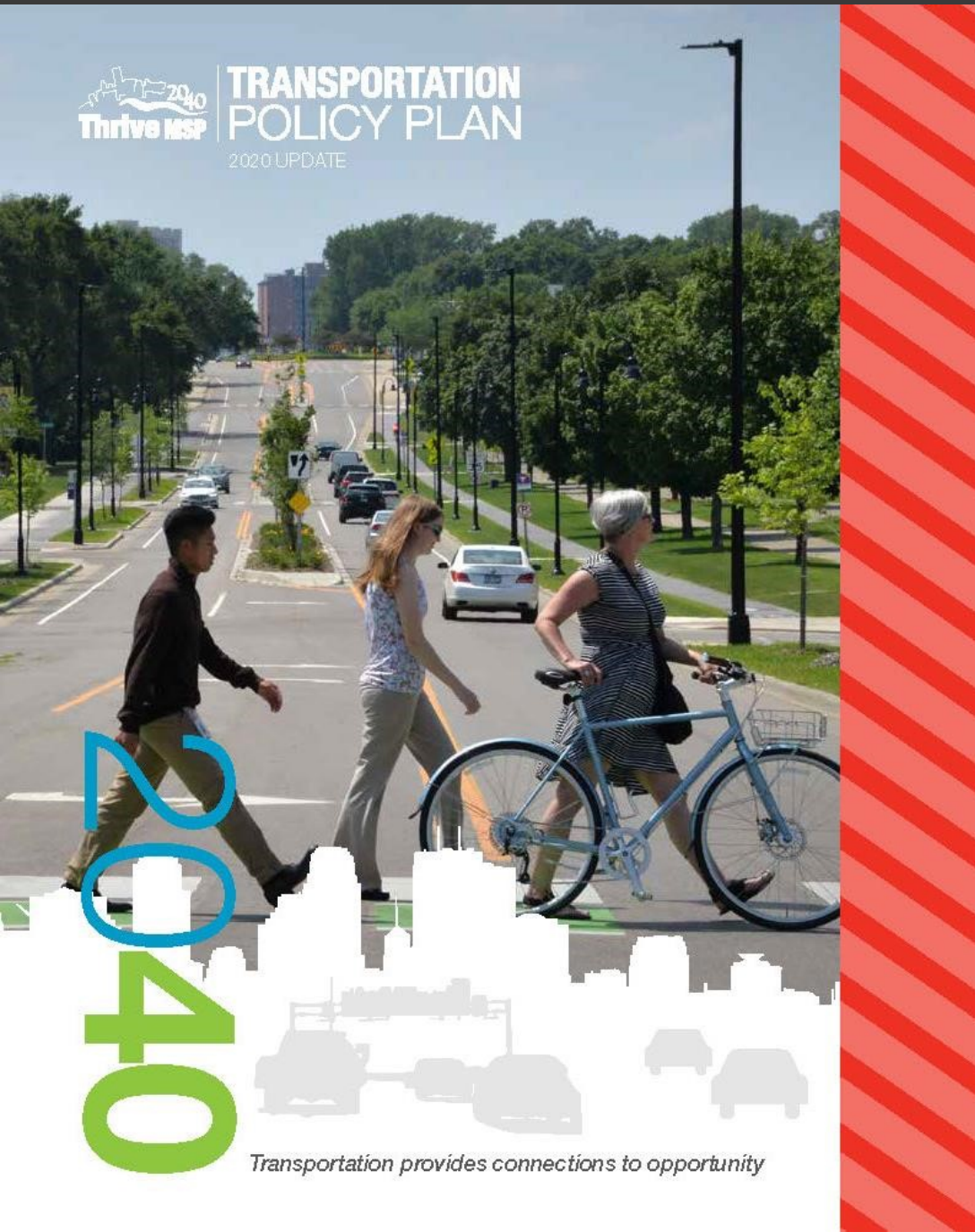


# Application of new policy



Application of proposed new policy occurs **at plan amendment/adoption** and **at each project phase agreement**  
Each phase's risk assessment will consider all subsequent phases of implementation and operation/maintenance

# TPP Admin Modification Development



## Stakeholder Involvement

- Introduced to Transit Planning Technical Working Group – Dec 2022
- Council staff created draft document to circulate to Transit Planning Technical Working Group in January 2023
- Received comments in February and March 2023
- Met with all commenters to discuss their comments and changes to the draft March 23, 2023
- Updated TPP Administrative Modification attached to the agenda

# Summary



## Desired Outcome: Informed decisions, managed risks for transitways

### Next Steps:

1. Q2 2023: Adopt 2040 TPP Administrative Modification to define expected project information for planning review
2. Ongoing: Manage risk through Council's developer-operator role in project funding agreements that:
  - Incorporate proactive risk management practices
  - Define Metropolitan Council and partner roles and responsibilities in the management of project and system-level risks
  - Develop these roles at and for each phase of transitway implementation and for ongoing operations and maintenance

Thank you

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