

Federal Funds Reallocation - TAC Work Group Recommendations

Transportation Committee – March 23, 2015



Purpose of Work Group

- Assess current policy on federal funding reallocation in light of MAP 21 changes and project timing needs
- Establish proposed principles for funding reallocations
- Develop recommendations to manage funding reallocations
- Finalize scope change policy and process

Background

- 2002 Policy
- 2013 Policy eliminated extra year; now results in very few project deferrals (1 each in 2013 and 2014)
- Project withdrawals still an issue; tend to occur late in year, causing region to scramble to spend available funds
- FHWA and FTA processes are different from each other

Work Group Recommendations

1. Confirm principles
2. Establish priorities to reassign federal funds in current year; more options in future years

Confirm Principles

- Keep funds in the region- be sure to spend all available funds.
- Fund or advance projects selected through the regional process first.
- Projects, not agencies, are funded.
- Maintain transparency, inclusiveness, fairness and geographic balance.
- Use a performance-based evaluation.
- Reward project readiness.
- Keep funding within the same mode when possible.

Establish Priorities - Current Year

If a Regionally-selected project is deferred or withdrawn in current year, use these priorities for reassigning federal funds:

Same Mode

1. Regionally selected projects slated for advanced construction (AC) payback—local initiated
2. AC payback- project deferrals
3. Regionally selected projects that can be advanced
4. Pro-rate remaining federal funds to regional projects in current program year up to allowable federal maximum

Different Mode

- Regionally selected projects – follow steps 1-4

Establish Priorities-Future Year

- First priority is to include funds in a future TAB solicitation if possible
- Should consider items 1-3 and 5 from First Year list
- Can consider other options such as selecting unfunded project from recent solicitation that's deliverable, special solicitation, or other measures as TAB deems appropriate to address unique opportunities
- Consider “Guiding Principles” in decisions

Finalize Scope Change Policy

- Definition of scope changes with examples:
 - Minor changes subject to State Aid review
 - Project modifications allowed through informal consultation process among TAB Coordinator, State Aid and FHWA
 - Scope changes requiring TAB approval
- Adding locally-funded project to federally-funded project does NOT require scope change
- Scope change vs. new project
- Consultation and Scope Change Request Process