

# Action Transmittal

Transportation Advisory Board



**Committee Meeting Date:** February 19, 2025

**Date:** February 12, 2025

## Action Transmittal: 2024-40

Scope Change Policy Update

**To:** Transportation Advisory Board  
**From:** Technical Advisory Committee  
**Prepared By:** Joe Barbeau, Planning Analyst, 651-602-1750

### Requested Action

The Scope Change and Program Year Policy working group requests approval of an updated Scope Change Policy.

### Recommended Motion

That the Transportation Advisory Board approve the updated Scope Change Policy.

### Background and Purpose

Projects funded through the Regional Solicitation process are selected based on how well they will address safety, congestion, air quality and other criteria used in the scoring evaluation. TAB wants to ensure that the benefits from any re-scoped projects are essentially intact. Therefore, applicants that want to make changes to a project's scope are subject to the Scope Change Policy, last updated in 2019. That change defined administrative, informal, and formal scope changes.

In recent years, most scope change requests have been related to eliminating a part of a project that will be completed as part of a different project. This is beyond the scope of the existing policy, which assumes requests concern on-the-ground changes related to termini, changing needs for bus types, and other changes that occur during project development. In the absence of policy language written to address transfers of project elements to other projects, TAB has allowed scope changes with full retention of federal funds, provided the projects are to be completed as applied for when split among multiple contracts. Given this and the routine nature of the requests, a working group of technical committee representatives and contracting professionals was formed to suggest key changes to the policy. The working group also addressed the Program Year Policy, which is discussed in action item 2024-41. Members agreed that the primary objective is to do what is in the public's best interest; for example, avoid creating situations in which something that was recently built needs to be torn up to accommodate the next project. Therefore, members favored codifying the ability for parts of projects to be transferred when needed.

A secondary discussion occurred around to the ability to allow for otherwise informal scope changes to remain informal if a small amount of funding was involved. Staff has been hesitant to administratively allow keeping of any federal funds despite the consistent keeping smaller amounts intact.

The attached policy tracks suggested changes. The below bullets summarize these changes:

- Inclusion of several examples of project changes that should be approved for a scope change provided the projects are going to be completed as applied for. The project absorbing these project elements must be included in the existing Transportation Improvement Program (TIP) or in the case of non-federal projects, an agency-approved capital program within the next four years.
- These requests would be able to be approved informally provided the value being removed is less than 10% of the awarded amount up to \$500,000. If the value exceeds this, requests will need to go through the formal process. Regarding projects with multiple requests, the working group recently added “subsequent requests of this nature will be considered formal requests if the cumulative movement of project elements is over 10% of the awarded amount or over \$500,000.”
- If all project elements are retained (i.e., nothing changes on-the-ground), federal funding is retained.
- No scoring analysis is needed for requests that lead to no on-the-ground changes.
- During this review, the entire policy was examined. Changes not specifically related to moving project elements to other projects include:
  - Any federal funding reduction resulting from reduction of project elements determined to be less than \$50,000 will be retained by the applicant. This is meant to address the dilemma of when to reduce federal funding for project elements that are removed. This applies to both formal and informal requests. This solves the issue of staff’s discomfort with allowing for funding retention at an administrative level for minor changes.
  - Informal scope changes can have federal reduction of up to \$100,000 completed administratively. Any reduction above that amount would need to be a formal scope change.
  - Clarification that changing a transit project from a vehicle purchase to leasing vehicles is not subject to the formal scope change process. This was added following a recent request.

In short, this change reflects three key changes:

1. Moving project elements to another project with no “on-the-ground” changes should be approved in one of two ways:
  - a. Administratively if under the threshold shown in the second bullet above.
  - b. Through the committee process if above that threshold. While this does not eliminate process, it does provide TAB the guidance that the current policy lacks.
2. Federal removal amounts of up to \$50,000 will not result in federal funding being returned by the applicant.
3. For otherwise administrative modifications, up to \$100,000 in federal funding can be returned by the applicant through administrative action. Up until this time, all changes in federal funding amount have gone through the committee process.

### **Relationship to Regional Policy**

Projects that receive funding through the Regional Solicitation process are subject to policies and scrutiny when sponsors want to change project scopes. When TAB approves a program of projects, it does so with the expectation that projects will be completed as shown in the applications. A scope change policy is needed to ensure that projects are designed and constructed according to the plans and intent described in the original application.



## Staff Analysis

Over the past several years, many applications for changes to Regional Solicitation-funded projects have been reviewed with no existing policy. The proposed updates to the Scope Change Policy provide guidance and enable some of these requests to be recognized as formalities. Note that moving project elements to other projects would be subject to the formal scope change process if on-the-ground changes to the original scope are proposed. This adjustment also addresses the issue of applicants keeping small funding amounts by allowing for reductions of less than \$50,000 to be retained by the applicant.

As currently drafted, the proposed policy update would have allowed for four of the last 17 scope change requests to be completed administratively, while another six would have been approved with the backing of guidance that currently does not exist.

While there are nearly limitless options for how TAB can act, the key overriding options pertaining to the issue of project elements being moved without on-the-ground changes are:

1. Approve the updated policy as proposed.
2. Approve part(s) of the proposed updated policy
3. Deny the proposed updated policy.

## Committee Comments and Action

At its August 7, 2024, meeting, the TAC Funding and Programming Committee voted unanimously to recommend the approval of the updated Scope Change Policy. The committee discussed the merits of specifying that movement from an off-road to on-road trail does not fit a “slight change of trail alignment” noted as an informal change. Because “changing designs from an off-road trail to on-road bicycle route” is listed as an example of a formal request, members decided that no change was needed. However, following that discussion, staff recommended adding “or eliminating/reducing separation or protection from roadways” to the formal request example, as a shift from an on-road trail to an off-road trail is not a broad enough example of a potential diminishment to a trail.

At its September 4, 2024, meeting, the Technical Advisory Committee voted unanimously to recommend the approval of the updated Scope Change Policy. This included a staff recommendation for additional clarification regarding changes from off-road to on-road trails that the elimination or reduction of separation or protection from roadways be added as an example of a formal scope change request.

At its September 18, 2024, meeting, the Transportation Advisory Board referred the item to the Technical Advisory Committee. The rationales for not approving the update were:

1. Members were concerned that the movement of 10% of the project value to another project could lead to moving, for example, \$3M from a \$31M project without committee review. Members suggested a flat amount be added. (This has been addressed by adding a \$500,000 cap alongside the 10%.)
2. Members were concerned that multiple changes to a project would cause committees to lose sight of the projects. (This has been addressed by considering the cumulative movement of funds vs. the threshold that was added in #1 above. Staff will also add project histories for any projects undergoing a second (or beyond) change.

At its January 23, 2025, meeting, the TAC Funding and Programming Committee recommended adoption of the updated Scope Change Policy.

At its February 5, 2025, meeting, the Technical Advisory Committee recommended adoption of the updated Scope Change Policy.



## Routing

To	Action	Date Completed (Date Scheduled)
TAC Funding & Programming Committee	Review & Recommend	August 15, 2024
Technical Advisory Committee	Review & Recommend	September 4, 2024
Transportation Advisory Board	Review & Refer to TAC	September 18, 2024
TAC Funding & Programming Committee	Review & Recommend	January 23, 2025
Technical Advisory Committee	Review & Recommend	February 5, 2025
Transportation Advisory Board	Review & Adopt	<i>February 19, 2025</i>



## SCOPE CHANGE POLICY

Projects awarded ~~federal funds~~ through ~~by~~ the Transportation Advisory Board (TAB) as part of the Regional Solicitation, ~~or~~ Highway Safety Improvement Program (HSIP) or Active Transportation Solicitation are often concepts that are further developed in the period from project application to implementation. Project sponsors work on activities after funds are awarded such as preliminary and final design, environmental studies, and public involvement. Sometimes during this project development process, the project sponsor wants to make changes to the scope of the project. Changes to a project's scope could affect its benefits to the region. It is important to the TAB that any change in a project's scope does not substantially reduce these benefits.

### Scope Changes

A scope change is any revision that changes the physical characteristics of the project and has the potential to add to or detract from the project's benefits to the region. The project description in the original funding application serves as the project's scope for the purpose of determining whether a scope change is needed.

### Three Levels of Scope Changes

There are three types of scope changes described below. The TAB Coordinator, the MnDOT Metro District Federal Aid Program Coordinator (for Federal Highway Administration-administered projects), and ~~the Transit Federal~~ Metropolitan Council Grants Managers (for Federal Transit Administration-administered projects) will determine the type of scope change.

#### Administrative scope changes:

Minor changes that typically occur when projects move into detailed design or minor additions such as project amenities or aesthetic items do not need TAB Coordinator/Metropolitan Council staff review. The MnDOT Metro District Federal Aid Program Coordinator or Metropolitan Council ~~Transit Federal~~ Grants Managers can review and approve minor changes including, but not limited to:

- Removing or adding of minor items, such as benches, waste receptacles, signage, etc.
- Changing the design of aesthetic items, such as lighting, railings, benches, etc.
- Adding items due to normal detailed design of a project such as noise walls, retaining walls, storm sewers, bike racks, wi-fi, etc.
- Adding new project elements/improvements funded through another source (e.g., a change to a more fuel-efficient bus) or combining a TAB-funded project with one or more separate non-TAB funded projects to improve efficiency and reduce construction impacts (e.g., combining a roadway project with an adjacent mill and overlay project). These changes should not detract from the original scope.
- Changing the width of a bike path (must still meet standards).

#### Informal scope changes:

Scope changes that exceed the standards of administrative scope changes are brought for a consultation between the TAB Coordinator; the MnDOT Metro District Federal Aid Program Coordinator or Metropolitan Council ~~Transit Federal~~ Grants Managers; and Council staff. The consultation will determine if the scope change can be approved through an informal process

or if a formal scope change request is needed due to the potential negative impacts of the changes. An informal scope change may include, but is not limited to:

- Slightly changing a bike or pedestrian trail route alignment while still making the major connections.
- Combining two separate TAB-funded projects, provided this does not threaten to negatively impact either project.
- Changing the termini of a project, provided this does not threaten to negatively impact the project.
- Changing a pedestrian overpass to an underpass; or an underpass to an overpass.
- Changing an intersection treatment (e.g., a traffic signal to a roundabout) or an interchange design.
- Changing bus length, fuel source, type, or number, provided there is no resulting decrease in transit service.
- Changing transit project from purchasing vehicle to leasing vehicles.
- Reversion to the original scope (or a previously approved scope change). Note that any federal funds taken away in a previous scope change cannot be returned; the entire scope would need to be completed with the reduced federal contribution.
- Moving elements such as a trail, sidewalk, pedestrian bridge, traffic signal, transit stop, transit vehicle, etc., to another project, provided that the on-the-ground result does not change, and the value being removed is less than 10% of the awarded amount up to \$500,000. The project absorbing these project elements must be included in the existing Transportation Improvement Program (TIP) or in the case of non-federal projects, an agency-approved capital program within the next four years. A letter of commitment from staff representing the recipient project sponsor is also required. Because the entire applied-for project is being completed, federal funds will be fully retained. Any resulting projects must meet the federally required minimum non-awarded match. Subsequent requests of this nature will be considered formal requests if the cumulative movement of project elements is over 10% of the awarded amount or over \$500,000.

Some informal changes lead to project cost reductions. Any scope change request that a) otherwise meets the definition of informal and b) does not move all removed elements to another project and includes a cost reduction<sup>1</sup> above \$100,000 is a formal scope change.

## Formal scope changes:

Any change that may significantly alter the estimated benefits to the region (particularly if altered to the degree where the revised scope may not have justified its original selection) must go through the formal committee process and be approved by TAB. A formal scope change request process is likely to be needed in instances including, but not limited to:

- Removing significant elements such as a trail, sidewalk, pedestrian bridge, traffic signal, transit stop, transit vehicle, etc.
- Adding elements that detract from the value or intent of the original application.
- Removing proposed access closures, if the closures are described in the project description and used to score points in the application.

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<sup>1</sup> Cost reduction is calculated by estimating the value, at the time of application, of any project elements being removed. While project elements may be allowed to be added to the scope, their costs do not offset the costs of removed elements.

- Reducing the frequency or hours of transit service.
- Reducing the number of parking spaces in a park-and-ride facility.
- Changing the number of travel lanes.
- Shifting from a bridge replacement project to a bridge rehabilitation project.
- Changing designs from an off-road trail to on-road bicycle route or eliminating/reducing separation or protection from roadways.

## Ineligible Requests

The TAB Coordinator may inform the project sponsor that the proposed revisions exceed the limits of a scope change and that the proposed change constitutes a new project. Such requests will not be processed through the TAC and TAB and that the original project should either be completed or withdrawn. If the project is to be withdrawn, staff representing the project sponsor should submit a formal letter to the TAB Coordinator stating that the project is being withdrawn and federal funds are being returned to the region for reallocation. A proposed change will be considered a new project and therefore not eligible for a scope change if it is:

- Relocating the project away from the defined problem, need, or location, such as switching transit start-up service from one market area to another
- Moving funding from one project to another, such as moving funds awarded to a project on County Road A to the same, similar, or different work on County Road Z.
- Eliminating the primary improvement proposed in the project description (e.g., a bridge will not be improved for a project submitted in the bridge application category or a trail will not be improved in the multiuse trails application category).

## Steps and Requirements to Determine Scope Change Type and Request a Formal Scope Change

The following steps must be followed to determine a scope change type and whether the proposed change needs to go through the formal scope change request process. It should be noted that once a MnDOT Metro District State Aid project has been authorized, the project scope cannot change.

1. The project sponsor informs the TAB Coordinator and the MnDOT Metro District Federal Aid Program Coordinator or ~~the~~ Metropolitan Council ~~Transit~~ Grants Managers that it wants to change a project. At this time, the MnDOT Metro District Federal Aid Program Coordinator or ~~the~~ Metropolitan Council ~~Transit Federal~~ Grants Managers may determine that the change is minor in scope and no further action is needed. If the requested change is more substantial, the project sponsor will be asked to provide a written description of the proposed scope change and a map or schematics showing how the proposed scope change affects the project.
2. Upon this submittal, the TAB Coordinator will consult with the MnDOT Metro District Federal Aid Program Coordinator or ~~the~~ Metropolitan Council Grants Managers to discuss the extent of the changes and whether the scope change will require a formal scope change request. The TAB Coordinator will contact the project sponsor and inform them whether the proposed modification can be accomplished administratively

or whether it will trigger a formal scope change request and/or TIP amendment<sup>2</sup> request.

3. For a formal scope change request, the project sponsor must provide data on the revised project scope to the TAB Coordinator, including a complete project description; location map; project layout, sketches, or schematics; and a discussion of project benefits being retained, gained, or lost. Applicants must provide a cost breakdown of the TAB-eligible items proposed for removal and addition (in the year of costs used in the original application) using the attached project cost worksheet. Failure to do so can result in the request not being included on the TAC Funding & Programming Committee's agenda.
4. Council staff and will conduct an analysis of the requested change, including the background information provided by the project sponsor for consideration by the TAC Funding & Programming Committee. The Committee will discuss the staff analysis and recommend one the following to TAC and TAB (see detailed sections below and on the following page about determining scope change and federal funding amount recommendations):
  - Approval of the scope change as requested;
  - Approval of the scope change request with modifications to the scope and/or a recommended reduction of ~~federal~~ awarded funds; or
  - Denial of the requested change

## Determining the Scope Change Approval Recommendation

To determine whether the scope change request should be approved, the TAC Funding & Programming Committee will discuss the merits of the proposed changes and weigh the overall benefits or reduction of benefits to the region. Council staff will provide a written analysis regarding the potential impacts of the proposed changes. The affected scoring measures, except for cost-effectiveness (any cost increases are paid for by the local agency and not awarded~~federal~~ funds), will be analyzed by Council staff to determine if each sub-score would have likely increased, decreased, or stayed the same with the scope change (a precise rescoring of the application is not possible since applications were scored against each other at a specific moment in time). Council staff will then evaluate whether the total score would have likely increased, decreased, or stayed roughly the same based on the summation of the sub-score changes. This relative change in the total score will be compared to the scoring gap between the project's original score and the highest unfunded project in the same application category. The TAC Funding & Programming Committee may consider recommending denial of the scope change request if it is clear that the project would have scored fewer points than the highest-scoring unfunded project (i.e., the project would have been undoubtedly below the funding line). Council staff may confirm their findings with the original scorer of the measure and/or request additional information of the

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<sup>2</sup> A TIP amendment request is only required to accompany a scope change request if the project is in the current fiscal year and either the project description changes in the TIP, the project termini change by 0.3-mile or greater, or the funding amount changes enough to meet federal TIP amendment thresholds.



applicant, if necessary. Project sponsor must attend TAC Funding & Programming, TAC, and TAB meetings, where the item is on the agenda.

Staff will recommend approval of requests moving elements such as a trail, sidewalk, pedestrian bridge, traffic signal, transit stop, transit vehicle, etc., to another project. The project absorbing these project elements must be included in the existing Transportation Improvement Program (TIP) or in the case of non-federal projects, an agency-approved capital program within the next four years. A letter of commitment from staff representing the recipient project sponsor is also required.

NOTE: for project requests that result in the on-the-ground project not changing (i.e., project elements being moved directly to another project), this analysis is not necessary.

## Determining the ~~Federal~~-Awarded Funding Amount Recommendation

To determine whether ~~federal~~-awarded funds should be recommended to be removed from a project, Council staff will assess the project elements being reduced or removed and provide this information to the TAC Funding & Programming Committee. While adding eligible project elements is permitted, ~~federal~~-awarded funds cannot be shifted away from any removed elements to new project elements unless the removed elements are being done as part of some other programmed project. ~~Federal~~-Awarded funds cannot be added to a project beyond the original award as part of a scope change.

Applicants must provide a revised cost estimate including a cost breakdown of the items proposed for removal using the attached project cost worksheet. Any removed or added items should use the costs in the year requested in the original application instead of the year of construction costs. Regional Solicitation projects must continue to maintain at least a 20% non-federal match, while HSIP projects must continue to maintain at least a 10% non-federal match.

For requests moving elements such as a trail, sidewalk, pedestrian bridge, traffic signal, transit stop, transit vehicle, etc., to another project, federal funds will be fully retained. Any resulting projects must meet the federally required minimum non-federal match.

Staff may recommend awarded funding reduction options, if applicable, based on the ~~federal~~ awarded share of the cost of the project elements being removed or the proportionate reduction of project benefits in cases in which that is discernable (e.g., number of parking spaces or length of sidewalk) and/or another method developed by staff or the TAC Funding & Programming Committee. Any awarded funding reduction determined to be less than \$50,000 will be retained by the applicant. A recommendation will move from TAC Funding & Programming Committee to the TAC and TAB for approval. If applicable, a TIP amendment request will also be moved for approval through the Metropolitan Council.

**ATTACHMENT 1: FUNDING DATA FOR SCOPE CHANGE REQUEST**

**Original Application:**

Regional Solicitation Year	
Application Funding Category	
HSIP Solicitation?	Yes          No
Application Total Project Cost	
<del>Federal</del> -TAB Award	
Application Federal Percentage of Total Project Cost	

<b>Project Elements Being Removed:</b>	<b>Original Application Cost</b>

<b>New Project Elements:</b>	<b>Cost (Based on Year of Costs in Original Application)</b>

The below table shows the history of scope change requests dating to February 2021. Eighteen requests have been made since. Seven of these requests involved on-the-ground changes and would not have been impacted by the proposed Scope Change Policy Update. Of the 11 requests that involved the simple moving of some project elements, to another project, seven (italicized) exceed the proportionate threshold in the current draft policy update and could be approved through the committee process with the backing of the proposed policy, while the four highlighted requests would have avoided the formal process.

Month	Project	Value Moved to Other Project	% Value Moved to Other Project	Request	New Policy Impact
2024, Dec	<i>CSAH 153 Reconstruction</i>	\$1,001,000	14.3%	<i>Move one intersection to another project.</i>	<i>Still a formal request because over 10% (\$1,001,000 out of \$7,000,000) is moved.</i>
2024, Sep	SW Transit MOA Service	N/A	N/A	Change route alignment	None. On-the-ground change.
2024, May	Metro Transit Mobility Hub	N/A	N/A	Move two hub locations	None. On-the-ground change.
2024, Apr	<i>Hennepin Co Intersection Safety (HSIP)</i>	\$643,333	33%	<i>Remove 1 of 3 intersections to complete with larger project. No on-the-ground change.</i>	<i>Still a formal request because over 10% (\$643,333 out of \$1,930,000) is moved.</i>
2024, Feb	St. Louis Pk Cycle Track Movement	N/A	N/A	Change bike lane from protected to unprotected.	None. On-the-ground change.
2024, Feb	MnDOT Bikeway DT Mpls	N/A	N/A	Add additional block of bike lane	None. On-the-ground change.
2024, Jan	<i>S St Paul Marie Avenue Bike/Ped</i>	\$306,000	13.6%	<i>Remove already-completed work on 2<sup>nd</sup> and 7<sup>th</sup> Ave.</i>	<i>Still a formal request because over 10% (\$306,000 out of \$2,246,000) is moved.</i>
2024, Jan	IGH Curb Ramp Safety	N/A	N/A	Remove four of 30 curb ramps; two to another project and two entirely eliminated.	Still a formal request due to eliminating two intersections. (On-the-ground change.)
2023, Oct	SW Transit Mobility Hubs	N/A	N/A	Removal of carshare vehicles from project	None. On-the-ground change.
2023, Aug	<i>Mpls E Line Route Signals</i>	\$550,000	25%	<i>Remove 1 of 4 intersections to complete in another project</i>	<i>Still a formal request because over 10% (\$550,000 out of \$2,200,000) is moved.</i>
2023, May	<b>Hennepin Co Lowry Ave Reconstruction</b>	\$800,000	7.6%	Remove 1 intersection to complete in another project.	<b>CHANGED TO INFORMAL. No on-the-ground change, and less than 10% of the cost (\$800,000 out of \$10,490,000) moved.</b>
2023, Feb	<i>MnDOT Cable Median Barrier</i>	\$201,393	39.2%	<i>Remove 1.3 mi from 2.9 mi cable median barrier to complete within another project</i>	<i>Still a formal request because over 20% (\$201,393 out of \$513,000) is moved.</i>
2023, Feb	<b>St Paul Fish Hatchery Trail</b>	\$324,000	9.8%	Remove slope stabilization and move to future MnDOT project	<b>CHANGED TO INFORMAL. No on-the-ground change, and less than 10% of the cost (\$324,000 out of \$3,292,800) moved.</b>
2022, May	<b>St Paul Vento SRTS</b>	\$23,000	2.2%	Remove small connecting trail for work in local project	<b>CHANGED TO INFORMAL as only \$23,000 of a roughly \$1M project is moved.</b>
2022, Jan	Hennepin Co Vernon Bridge	N/A	N/A	Increase project length and remove channelized turn island	None. On-the-ground change.
2022, Jan	<i>Hennepin Co CSAH 42 Signal Revisions</i>	\$190,000	15.9%	<i>Remove 1 intersection for completion in another project</i>	<i>Still a formal request because over 10% (\$190,000 out of \$1,193,600) is moved.</i>
2021, Sep	<i>Hennepin Co Signal/Ped</i>	\$174,000	10.5%	<i>Remove 1 of 6 intersections for completion in another project</i>	<i>Still a formal request because over 10% (\$174,000 of \$1,650,000) is moved.</i>
2021, Feb	<b>St Louis Park Beltline Blvd Ped</b>	\$14,700	1.8%	Remove two segments of projects for completion in other projects	<b>CHANGED TO INFORMAL. Only \$14,700 in removed elements.</b>

## PROPOSED SCOPE CHANGE POLICY – CHANGES ACCEPTED

Projects awarded funds through the Transportation Advisory Board (TAB) as part of the Regional Solicitation, Highway Safety Improvement Program (HSIP) or Active Transportation Solicitation are often concepts that are further developed in the period from project application to implementation. Project sponsors work on activities after funds are awarded such as preliminary and final design, environmental studies, and public involvement. Sometimes during this project development process, the project sponsor wants to make changes to the scope of the project. Changes to a project's scope could affect its benefits to the region. It is important to the TAB that any change in a project's scope does not substantially reduce these benefits.

### Scope Changes

A scope change is any revision that changes the physical characteristics of the project and has the potential to add to or detract from the project's benefits to the region. The project description in the original funding application serves as the project's scope for the purpose of determining whether a scope change is needed.

### Three Levels of Scope Changes

There are three types of scope changes described below. The TAB Coordinator, the MnDOT Metro District Federal Aid Program Coordinator (for Federal Highway Administration-administered projects), and Metropolitan Council Grants Managers (for Federal Transit Administration-administered projects) will determine the type of scope change.

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- Removing or adding of minor items, such as benches, waste receptacles, signage, etc.
- Changing the design of aesthetic items, such as lighting, railings, benches, etc.
- Adding items due to normal detailed design of a project such as noise walls, retaining walls, storm sewers, bike racks, wi-fi, etc.
- Adding new project elements/improvements funded through another source (e.g., a change to a more fuel-efficient bus) or combining a TAB-funded project with one or more separate non-TAB funded projects to improve efficiency and reduce construction impacts (e.g., combining a roadway project with an adjacent mill and overlay project). These changes should not detract from the original scope.
- Changing the width of a bike path (must still meet standards).

#### Informal scope changes:

Scope changes that exceed the standards of administrative scope changes are brought for a consultation between the TAB Coordinator; the MnDOT Metro District Federal Aid Program Coordinator or Metropolitan Council Grants Managers; and Council staff. The consultation will determine if the scope change can be approved through an informal process or if a formal scope change request is needed due to the potential negative impacts of the changes. An informal scope change may include, but is not limited to:

- Slightly changing a bike or pedestrian trail route alignment while still making the major connections.
- Combining two separate TAB-funded projects, provided this does not threaten to negatively impact either project.
- Changing the termini of a project, provided this does not threaten to negatively impact the project.
- Changing a pedestrian overpass to an underpass; or an underpass to an overpass.
- Changing an intersection treatment (e.g., a traffic signal to a roundabout) or an interchange design.
- Changing bus length, fuel source, type, or number, provided there is no resulting decrease in transit service.
- Changing transit project from purchasing vehicle to leasing vehicles.
- Reversion to the original scope (or a previously approved scope change). Note that any federal funds taken away in a previous scope change cannot be returned; the entire scope would need to be completed with the reduced federal contribution.
- Moving elements such as a trail, sidewalk, pedestrian bridge, traffic signal, transit stop, transit vehicle, etc., to another project, provided that the on-the-ground result does not change, and the value being removed is less than 10% of the awarded amount up to \$500,000. The project absorbing these project elements must be included in the existing Transportation Improvement Program (TIP) or in the case of non-federal projects, an agency-approved capital program within the next four years. A letter of commitment from staff representing the recipient project sponsor is also required. Because the entire applied-for project is being completed, federal funds will be fully retained. Any resulting projects must meet the federally required minimum non-awarded match. Subsequent requests of this nature will be considered formal requests if the cumulative movement of project elements is over 10% of the awarded amount or over \$500,000.

Some informal changes lead to project cost reductions. Any scope change request that a) otherwise meets the definition of informal and b) does not move all removed elements to another project and includes a cost reduction<sup>1</sup> above \$100,000 is a formal scope change.

### Formal scope changes:

Any change that may significantly alter the estimated benefits to the region (particularly if altered to the degree where the revised scope may not have justified its original selection) must go through the formal committee process and be approved by TAB. A formal scope change request process is likely to be needed in instances including, but not limited to:

- Removing significant elements such as a trail, sidewalk, pedestrian bridge, traffic signal, transit stop, transit vehicle, etc.
- Adding elements that detract from the value or intent of the original application.
- Removing proposed access closures, if the closures are described in the project description and used to score points in the application.
- Reducing the frequency or hours of transit service.
- Reducing the number of parking spaces in a park-and-ride facility.
- Changing the number of travel lanes.

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<sup>1</sup> Cost reduction is calculated by estimating the value, at the time of application, of any project elements being removed. While project elements may be allowed to be added to the scope, their costs do not offset the costs of removed elements.

- Shifting from a bridge replacement project to a bridge rehabilitation project.
- Changing designs from an off-road trail to on-road bicycle route or eliminating/reducing separation or protection from roadways.

### Ineligible Requests

The TAB Coordinator may inform the project sponsor that the proposed revisions exceed the limits of a scope change and that the proposed change constitutes a new project. Such requests will not be processed through the TAC and TAB and that the original project should either be completed or withdrawn. If the project is to be withdrawn, staff representing the project sponsor should submit a formal letter to the TAB Coordinator stating that the project is being withdrawn and federal funds are being returned to the region for reallocation. A proposed change will be considered a new project and therefore not eligible for a scope change if it is:

- Relocating the project away from the defined problem, need, or location, such as switching transit start-up service from one market area to another
- Moving funding from one project to another, such as moving funds awarded to a project on County Road A to the same, similar, or different work on County Road Z.
- Eliminating the primary improvement proposed in the project description (e.g., a bridge will not be improved for a project submitted in the bridge application category or a trail will not be improved in the multiuse trails application category).

### Steps and Requirements to Determine Scope Change Type and Request a Formal Scope Change

The following steps must be followed to determine a scope change type and whether the proposed change needs to go through the formal scope change request process. It should be noted that once a MnDOT Metro District State Aid project has been authorized, the project scope cannot change.

1. The project sponsor informs the TAB Coordinator and the MnDOT Metro District Federal Aid Program Coordinator or Metropolitan Council Grants Managers that it wants to change a project. At this time, the MnDOT Metro District Federal Aid Program Coordinator or Metropolitan Council Grants Managers may determine that the change is minor in scope and no further action is needed. If the requested change is more substantial, the project sponsor will be asked to provide a written description of the proposed scope change and a map or schematics showing how the proposed scope change affects the project.
2. Upon this submittal, the TAB Coordinator will consult with the MnDOT Metro District Federal Aid Program Coordinator or Metropolitan Council Grants Managers to discuss the extent of the changes and whether the scope change will require a formal scope change request. The TAB Coordinator will contact the project sponsor and inform them whether the proposed modification can be accomplished administratively

or whether it will trigger a formal scope change request and/or TIP amendment<sup>2</sup> request.

3. For a formal scope change request, the project sponsor must provide data on the revised project scope to the TAB Coordinator, including a complete project description; location map; project layout, sketches, or schematics; and a discussion of project benefits being retained, gained, or lost. Applicants must provide a cost breakdown of the TAB-eligible items proposed for removal and addition (in the year of costs used in the original application) using the attached project cost worksheet. Failure to do so can result in the request not being included on the TAC Funding & Programming Committee's agenda.
4. Council staff and will conduct an analysis of the requested change, including the background information provided by the project sponsor for consideration by the TAC Funding & Programming Committee. The Committee will discuss the staff analysis and recommend one the following to TAC and TAB (see detailed sections below and on the following page about determining scope change and federal funding amount recommendations):
  - Approval of the scope change as requested;
  - Approval of the scope change request with modifications to the scope and/or a recommended reduction of awarded funds; or
  - Denial of the requested change

### Determining the Scope Change Approval Recommendation

To determine whether the scope change request should be approved, the TAC Funding & Programming Committee will discuss the merits of the proposed changes and weigh the overall benefits or reduction of benefits to the region. Council staff will provide a written analysis regarding the potential impacts of the proposed changes. The affected scoring measures, except for cost-effectiveness (any cost increases are paid for by the local agency and not awarded funds), will be analyzed by Council staff to determine if each sub-score would have likely increased, decreased, or stayed the same with the scope change (a precise rescoring of the application is not possible since applications were scored against each other at a specific moment in time). Council staff will then evaluate whether the total score would have likely increased, decreased, or stayed roughly the same based on the summation of the sub-score changes. This relative change in the total score will be compared to the scoring gap between the project's original score and the highest unfunded project in the same application category. The TAC Funding & Programming Committee may consider recommending denial of the scope change request if it is clear that the project would have scored fewer points than the highest-scoring unfunded project (i.e., the project would have been undoubtedly below the funding line). Council staff may confirm their findings with the original scorer of the measure and/or request additional information of the

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<sup>2</sup> A TIP amendment request is only required to accompany a scope change request if the project is in the current fiscal year and either the project description changes in the TIP, the project termini change by 0.3-mile or greater, or the funding amount changes enough to meet federal TIP amendment thresholds.

applicant, if necessary. Project sponsor must attend TAC Funding & Programming, TAC, and TAB meetings, where the item is on the agenda.

Staff will recommend approval of requests moving elements such as a trail, sidewalk, pedestrian bridge, traffic signal, transit stop, transit vehicle, etc., to another project. The project absorbing these project elements must be included in the existing Transportation Improvement Program (TIP) or in the case of non-federal projects, an agency-approved capital program within the next four years. A letter of commitment from staff representing the recipient project sponsor is also required.

NOTE: for project requests that result in the on-the-ground project not changing (i.e., project elements being moved directly to another project), this analysis is not necessary.

### Determining the Awarded Funding Amount Recommendation

To determine whether awarded funds should be recommended to be removed from a project, Council staff will assess the project elements being reduced or removed and provide this information to the TAC Funding & Programming Committee. While adding eligible project elements is permitted, awarded funds cannot be shifted away from any removed elements to new project elements unless the removed elements are being done as part of some other programmed project. Awarded funds cannot be added to a project beyond the original award as part of a scope change.

Applicants must provide a revised cost estimate including a cost breakdown of the items proposed for removal using the attached project cost worksheet. Any removed or added items should use the costs in the year requested in the original application instead of the year of construction costs. Regional Solicitation projects must continue to maintain at least a 20% non-federal match, while HSIP projects must continue to maintain at least a 10% non-federal match.

For requests moving elements such as a trail, sidewalk, pedestrian bridge, traffic signal, transit stop, transit vehicle, etc., to another project, federal funds will be fully retained. Any resulting projects must meet the federally required minimum non-federal match.

Staff may recommend awarded funding reduction options, if applicable, based on the awarded share of the cost of the project elements being removed or the proportionate reduction of project benefits in cases in which that is discernable (e.g., number of parking spaces or length of sidewalk) and/or another method developed by staff or the TAC Funding & Programming Committee. Any awarded funding reduction determined to be less than \$50,000 will be retained by the applicant. A recommendation will move from TAC Funding & Programming Committee to the TAC and TAB for approval. If applicable, a TIP amendment request will also be moved for approval through the Metropolitan Council.



**ATTACHMENT 1: FUNDING DATA FOR SCOPE CHANGE REQUEST**

**Original Application:**

Regional Solicitation Year	
Application Funding Category	
HSIP Solicitation?	Yes          No
Application Total Project Cost	
TAB Award	
Application Federal Percentage of Total Project Cost	

<b>Project Elements Being Removed:</b>	<b>Original Application Cost</b>

<b>New Project Elements:</b>	<b>Cost (Based on Year of Costs in Original Application)</b>