

Minutes

TAC Funding and Programming Committee



Meeting date: May 18, 2023

Time: 1:00 PM

Location: Virtual

Members present:

- | | | |
|--|--|--|
| <input checked="" type="checkbox"/> Bloomington – Karl Keel (Vice Chair) | <input checked="" type="checkbox"/> TAB Coordinator – Elaine Koutsoukos | <input checked="" type="checkbox"/> Anoka Co. – Jerry Auge |
| <input checked="" type="checkbox"/> Lakeville – Paul Oehme | <input checked="" type="checkbox"/> MnDOT Metro District – Aaron Tag | <input checked="" type="checkbox"/> Carver Co. – Darin Mielke |
| <input checked="" type="checkbox"/> Eden Prairie – Robert Ellis | <input checked="" type="checkbox"/> MnDOT Metro District State Aid – Colleen Brown | <input checked="" type="checkbox"/> Dakota Co. – Gina Mitteco |
| <input checked="" type="checkbox"/> Fridley – Jim Kosluchar | <input type="checkbox"/> MnDOT Bike/Ped – Mackenzie Turner Bargaen | <input checked="" type="checkbox"/> Hennepin Co. – Jason Pieper |
| <input checked="" type="checkbox"/> Maple Grove – Ken Ashfeld | <input type="checkbox"/> MPCA – Innocent Eyoh | <input checked="" type="checkbox"/> Ramsey Co. – Scott Mareck |
| <input checked="" type="checkbox"/> Minneapolis – Katie White | <input checked="" type="checkbox"/> DNR – Nancy Spooner-Walsh | <input checked="" type="checkbox"/> Scott Co. – Adam Jessen |
| <input checked="" type="checkbox"/> Plymouth – Michael Thompson (Chair) | <input checked="" type="checkbox"/> Suburban Transit Assoc. – Heidi Scholl | <input checked="" type="checkbox"/> Wash Co. – Madeline Dahlheimer |
| <input checked="" type="checkbox"/> St. Paul – Anne Weber | | <input checked="" type="checkbox"/> = present, E = excused |
| <input checked="" type="checkbox"/> Met Council – Cole Hiniker | | |
| <input checked="" type="checkbox"/> Metro Transit – Scott Janowiak | | |

Call to order

A quorum being present, Committee Chair Thompson called the regular meeting of the TAC Funding and Programming Committee to order at 1:00 p.m.

Agenda approved

Chair Thompson noted that a roll call vote was not needed for approval of the agenda unless a committee member offered an amendment to the agenda. Committee members did not have any comments or changes to the agenda.

Approval of minutes

It was moved by P. Oehme, seconded by K. Keel, to approve the minutes of the April 20, 2023, regular meeting of the TAC Funding and Programming Committee.

Motion carried.

Public comment on committee business

There were no public comments.

TAB report

E. Koutsoukos presented the report from the May 17, 2023 TAB meeting.

Business

1. **2023-30:** Program Year Change Request: Highway 252 Projects

It was moved by K. Keel, seconded by J. Pieper, that the committee recommend approval of the program year extension request.

Steve Peterson, Metropolitan Council, presented background information on the action item. Brooklyn Center, Brooklyn Park, Hennepin County, and MnDOT are requesting to shift four projects related to the Highway 252 corridor from program year 2026 to 2029.

Jesse Struve, City of Brooklyn Park, spoke on behalf of the applicants stating this is a unique situation in that while all projects applied for grants individually, they have evolved into a much larger project with regional implications and the delays that have happened are outside the applicants' control. Thus, they're requesting the program year be shifted.

Carla Steuve, Hennepin County, also spoke on behalf of the applicants highlighting the complex and intertwined nature of the four projects, their regional significance, the extensive environmental review, and the benefits of tying the projects together. She also stated that the Highway 252 corridor is regionally important for safety and mobility performance and the projects will reduce serious and fatal incidents on Highway 252 as well as Interstate 94, help transit in the area be more reliable and improve walkability.

Liz Heyman, City of Brooklyn Center, also spoke on behalf of the applicants echoing the comments from J. Struve and C. Steuve.

K. White asked if the remedy for the risk that the environmental process does not select the location or project elements described in the Regional Solicitation applications would be a different kind of scope change. She added that the risk may not be a con, and she wouldn't want unknowns from the environmental process to hold us back from approving this request.

S. Peterson asked for clarification from member K. White if wanted the mention of the risk to be removed. K. White responded yes.

S. Mareck asked if the request is ultimately approved would there be an adequate number of projects to use the funding programmed for these projects in 2026.

S. Peterson replied we are overprogrammed in 2026. If we approve this request and the Blue Line Extension, the net result would be \$3.7 million available in 2026 to put towards additional projects either in the short term or the next Regional Solicitation cycle which is manageable and not an issue.

K. White stated that Minneapolis is in favor of this request. The more detailed environmental impact statement is important and the City is supportive of taking the time to deliver a good outcome for system users and the community.

K. Keel stated that the current program year extension policy was created to provide accountability for applicants to make progress on and deliver projects. Met Council was having issues with applicants actually delivering projects, needing to move funding around, and then causing problems for programming. He asked if it is accurate that this is not an issue in this case but about coordinating activities on the corridor.



S. Peterson responded he thinks that is correct. Environmental Impact Statements (EIS) are often done; only for the biggest projects and slowing this project down to allow time for the EIS process is likely the right thing to do.

K. Keel stated that should be noted in the report somewhere and that the programming impacts are manageable.

J. Kosluchar agreed with K. Keel's comments and suggested the policy maybe did not conceive of projects this large. There might be another reason for limitations on extensions and that is MnDOT's ability to appropriately staff and move these projects forward. He asked C. Brown to weigh in on potentially changing the policy.

C. Brown did not have anything to add. MnDOT is comfortable with the change as long as the programming can be balanced and it was stated this has been addressed for this change.

M. Thompson added that this is a regional project and that it is holistically coordinated. While some of these projects have already had a one-year extension, this is a unique situation and we should document that.

Motion carried unanimously.

2. **2023-31: Program Year Change Request: Brooklyn Park's CSAH 103 Reconstruction**

It was moved by S. Mareck, seconded by K. White, that the committee recommend the program year change request be granted.

S. Peterson presented background information on the action item. Brooklyn Park provided a letter, also signed by Hennepin County, requesting to shift a road project from 2025 to 2026 to align with the Blue Line extension project. This roadway project, beyond reconstructing the roadway, is also doing the final grading for the Blue Line Extension, which will run down the center of said roadway. The one-year, \$7 million shift works from a programming perspective.

J. Struve spoke on behalf of the applicant stating that this is a crucial project and it is important that it happens in alignment with the Blue Line Extension project.

M. Thompson asked for a brief update on the Blue Line Extension project in terms of approval or moving toward construction.

S. Peterson replied that the Blue Line Extension project is working through its supplemental environmental impact statement process with a draft expected this fall and the final document anticipated in 2024. This summer a recommendation for the southern portion of the alignment is expected, however that will not impact the applicant's project.

K. Keel asked if a score sheet was used in the past to evaluate program year extension requests.

S. Peterson responded there is a score sheet, however this project had already requested and received a program year extension.

J. Struve added that the design through Brooklyn Park is largely set and the supplemental environmental impact statement is nearing completion.

K. Keel stated those score sheets were used to evaluate project progress and they seem to be making progress here.



C. Brown asked if this project is moving from 2025 to 2026 is the funding moving as well or is that outside the current TIP?

S. Peterson responded that the funding would also shift from 2025 and 2026.

S. Mareck stated that he will support the request and suggested, for future reference, when we consider Regional Solicitation projects that are tied to larger projects like the Blue Line Extension we should recognize the risks due to that relationship with the larger project.

M. Thompson concurred that maybe a checkbox indicating if a project has independent utility or is tied to a larger regional project could be used. That could be looked into in the Regional Solicitation evaluation.

E. Koutsoukos stated that this did come up in discussion of changes for the last Regional Solicitation. A similar issue happened when projects submitted independently became tied to larger regional projects such as a project funded by Corridors of Commerce. In this scenario, applicants would not know ahead of time.

Motion carried unanimously.

3. **2023-32:** Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) funding allocation options for FY 2025-2027

It was moved by S. Mareck, seconded by R. Ellis, that the committee recommend applying PROTECT funds to the Washington County and Carver County projects as shown in option 2, excluding the Hennepin County project, and to also include \$2.5 million of STP money to those projects while moving \$1.2 million to the next solicitation.

S. Peterson presented background information on the action item. The PROTECT program is meant to improve the resiliency of the transportation system. Brian Shekleton from MnDOT is managing the PROTECT program for the state. The Met Council, as one of the state's Area Transportation Partnerships, will distribute the funds within the region.

K. Keel asked whether the first priority to move it to a solicitation so money is spent on projects that are picked by the solicitation process.

S. Peterson replied that the federal funds re-allocation policy says options include putting funds into a future Regional Solicitation. If that is not possible other options outlined in the policy can be considered including moving projects forward that have already been selected. However, there were no projects that could be moved forward.

K. Keel asked if we could put these funds in a future solicitation and whether that is the first priority.

S. Peterson replied yes and read the future program year funds policy. Staff wanted to bring options to the committee.

K. Keel asked whether following the policy written would mean allocating the funding to a future solicitation.

S. Peterson replied yes, that would be his reading of the second paragraph of the policy.

J. Pieper stated he was surprised to see Hennepin County's spot mobility and safety project on the list given the scope of PROTECT funds, advancing stormwater and green streets. The purpose of the County's project is to address a known safety problem so funding this project



doesn't support the County's priorities for stormwater. The County's preference would be to have these funds available for the next solicitation. Regardless, Hennepin County's preference for the project would be to not award funding through this mechanism.

M. Thompson asked if that is because the County does not want the project federalized.

J. Pieper replied that the County is working on its Capital Improvement Program (CIP) currently with the understanding that this is an unfunded project. The County has also been learning of some other partner agency priorities and wants to prioritize those first.

M. Dahlheimer asked for clarification on what reasons would make it not possible to use these funds in a future Regional Solicitation.

S. Peterson replied that it is usually a timing issue. The next Regional Solicitation will not be approved until fiscal year 2025 and the PROTECT funding is for 2026. That does limit the opportunities for projects that could be developed into a federal project in that amount of time. So that would be the constraining factor the committee should consider.

D. Mielke asked if PROTECT funding was for fiscal years 2025, 2026, and 2027 and, if so whether we would need to allocate a portion of the funding for 2025 as well.

S. Peterson clarified that that the policy discussed earlier is in regard to the \$3.7 million in STP funding. We should make some selections on the PROTECT funding based on the rigidity of that funding source. It's unlikely that we could identify projects in the next solicitation that would have the focus required by the PROTECT program.

D. Mielke asked if Hennepin County's project is not ready, could the other two be funded with a combination of PROTECT funding and STP funds that were made available today?

M. Thompson said yes, the \$200,000 would be removed from the Hennepin County project.

S. Peterson replied in that case \$2.5 million of STP funds would be used and \$1.2 million would be pushed to the next solicitation.

M. Thompson asked for more information regarding the Washington County project. At a previous meeting it looked like only a small portion of the project qualified for PROTECT and now it looks like the whole project does.

S. Peterson replied that at the TAC meeting it was requested that staff go back to each of the project sponsors and get additional information on eligibility for projects submitted through the Regional Solicitation.

M. Dahlheimer stated that Washington County submitted a memo and looked at the PROTECT funding requirements to tease out what elements were eligible. The County found around \$7 million fit the program criteria, which was not apparent in the Regional Solicitation application's very broad cost categories.

J. Kosluchar asked if it is practical to go to the awarded group for the 2022 solicitation and allow agencies themselves to apply for PROTECT eligible elements of their projects or add elements that would qualify. He also asked if there could be a brief selection process that would meet the intent and criteria of the program.

S. Peterson replied that is an option and given the time constraints with 2025 being the first funding year that may be difficult to do. For the next Regional Solicitation, the plan is to add it on to existing projects. As part of the Regional Solicitation evaluation, we will be able to use



MnDOT's statewide resiliency plan to evaluate the best approach to use PROTECT money to meet the federal program intent. It may be add-ons to projects or we may get new projects that would meet the program intent. However, it is a few months away from being there so staff saw this as the best approach to use the funds in a short amount of time.

J. Kosluchar said the three candidate projects could use the funding. If Met Council were to request a quick turnaround submittal from projects that were funded for other project types like trails or bridges it would be able to allocate the funding. The crux would be the details.

M. Dahlheimer asked if J. Kosluchar is suggesting that among already selected projects Met Council could apply PROTECT funds to resiliency elements, which would in turn free up some STP money to fund additional projects.

J. Kosluchar said he was not sure but that that the program is overprogrammed. He added that he would rely on staff to identify the best way to distribute funds.

M. Thompson asked whether it is even possible to distribute additional federal funds beyond what they've asked for.

S. Peterson replied that J. Kosluchar has a good idea and time is the limitation in this situation so you may end up with the same dilemma as now but it could be applied to the next Regional Solicitation.

C. Hiniker asked if transferring these funds to another federal program like the Carbon Reduction Program (CRP) with identified needs has been discussed. Statewide 50% of funds can be flexed to other federal programs. He asked if MnDOT is open to something like that.

B. Shekleton replied the key challenge is the purpose of PROTECT is to enhance system resilience to future disasters. If there are project elements that fit the project criteria, they could be an eligible use of the funds.

C. Hiniker noted planning and environmental work is generally not eligible in the Regional Solicitation but is eligible for PROTECT funds.

B. Shekleton replied that one struggle is the Regional Solicitation has not addressed resiliency previously so identifying vulnerabilities has been a challenge.

S. Peterson replied we have tried with CRP to use the Regional Solicitation process available that had been agreed to previously to best use the funding source. Starting in August we'll have a subgroup specifically to address PROTECT funding in the regional solicitation evaluation team.

C. Hiniker stated that one thing that came out of a TPP workshop is identifying a critical resiliency network.

S. Peterson replied that MnDOT is hiring a consultant to complete a statewide resiliency plan.

B. Shekleton replied that the project team had its kick off meeting this week and the intent is to be done by January, 2024. The project scope is to outline different vulnerabilities along our right-of-way and identifying segments of roadway in the STIP that are vulnerable to different climate hazards. By submitting that plan to FHWA we'd have a 7% reduction in our required federal cost share. Regions and MPOs can carry out similar plans and get similar benefits. MnDOT is managing the planning funds at the statewide level to maximize the benefit. The first planning document is the resiliency improvement plan and the next is an extreme flooding vulnerability assessment.



M. Dahlheimer clarified that our options are to fund the two projects with PROTECT funding or to the PROTECT funding and STP funds to fully fund both projects and asked whether other options are being introduced. It seems like we don't have time to support other options.

M. Thompson asked if the applicants were asked if they could just take PROTECT funding and not take the full funding of their ask to maximize the allocation of the PROTECT funding.

S. Peterson replied he did not ask the applicants that. Both projects are bringing significant overmatch.

M. Dahlheimer asked if the PROTECT funding is used to fully fund one and partly fund the other, can that gap be filled with other funding if it becomes available like STP funds or would the project be removed from eligibility for other funding.

S. Peterson replied if another project dropped off and there was no overprogramming, the last option is to hand funding out to projects that can take additional money. Therefore that opportunity would not be missed if it did take place which is why the opportunity of the \$3.7 million surplus STP funds was mentioned.

M. Thompson said it seems we have two great projects that qualify for PROTECT funding. Hopefully today we can come to some consensus.

Motion carried unanimously.

4. **2023-32: TIP Recommendation**

It was moved by R. Ellis, seconded by P. Oehme, that the committee recommend adoption of the draft 2024-2027 Transportation Improvement Program (TIP) with the addition of the St. Michael multi-use trail project to be funded with Carbon Reduction Program funding from MnDOT District 3.

J. Barbeau and A. Tag presented background information on the action item and the TIP.

C. Hiniker asked if the legislature passes funding and projects start being identified for next year whether they would need to be added to the 2024-2027 TIP.

J. Barbeau responded that would depend on the program year of any additional projects.

Motion carried unanimously.

Information

There were no informational items.

Reports

There were no reports.

Adjournment

Business completed; the meeting adjourned at 3:00 p.m.

Council contact:

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Metropolitan Council