

ACTION TRANSMITTAL

2012-35

DATE: October 12, 2012
TO: TAC Funding and Programming Committee
REQUESTED BY: Federal Program Delivery Work Group
PREPARED BY: Kevin Roggenbuck, TAB Coordinator (651-602-1728)
Heidi Schallberg, Senior Planner (651-602-1721)
SUBJECT: Scope Change Consultation Process
MOTION: To recommend the Scope Change Consultation Process for approval to assist with the management and delivery of transportation projects awarded federal funds through the TAB's Regional Solicitation Process.

BACKGROUND AND PURPOSE OF ACTION: Projects selected through the Regional Solicitation Process are programmed in the region's Transportation Improvement Program (TIP) with a defined list of construction elements to be built or implemented. The project scope is the basis for how well these projects address safety, congestion, air quality, and other criteria used in the evaluation. Because these projects were selected to receive federal transportation funds based on the benefits they provide, the project scope is important.

From the Federal Highway Administration (FHWA) perspective, the project scope is important because it is used as the basis for authorizing the federal funds for the project to be built. From the regional perspective, the TAB wants to ensure that the benefits from any re-scoped projects are substantially the same as the original projects and justify using the federal funds that were awarded to the original projects.

Scope changes are brought to the TAC Funding & Programming Committee through consultation among staff from the MnDOT Metro State Aid Office, the Metropolitan Council and the project sponsor, sometimes through a consulting engineer. The Federal Program Delivery Work Group felt the consultation process should be part of the adopted scope change process to provide transparency and consistency.

RELATIONSHIP TO REGIONAL POLICY: In March 2011, the TAB recommended that a process be developed to evaluate project scope changes to assist with project implementation. The Federal Program Delivery Work Group met five times to develop recommendations to policy and processes to improve project implementation. The work group has recommended a consultation process to assist with scope changes to projects that receive federal funds through the TAB's Regional Solicitation Process.

The scope change consultation process and scope change evaluation process are regional policies adopted by the TAB and are not part of the federal guidance associated with the federal transportation funding Acts.

ROUTING

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

Regional Solicitation Projects: Scope Change Consultation Process Federal Program Delivery Work Group: September 10, 2012

Overview

Projects selected through the regional solicitation process have a defined scope, or description of improvements to be constructed or implemented. The project scope is the basis for how well these projects address safety, congestion, air quality, and other criteria used in the evaluation. Because these projects were selected to receive federal transportation funds based on the benefits they provide, the project scope is important.

From the FHWA perspective, the project scope is important to the FHWA because they use it as the basis for authorizing the funds for the project to be built. The FHWA staff must compare the scope of the project as described in the TIP to the project scope in the environmental document they review. As stewards of the federal funds, the two project scopes must match otherwise the FHWA will not authorize the use of federal funds to build or implement the project. The FHWA is concerned about oversight of public involvement and accountability to the public.

From the TAB perspective, these projects were awarded federal funds because they were evaluated and provide the most benefit to the travelling public. Projects are ranked by the cumulative score of many weighted criteria. Changes in the projects scope could affect the benefits of the project, reducing its score and possibly affecting its rank among the scored projects. The TAB wants to ensure that the benefits from the re-scoped projects are substantially the same as the original project and justify using the federal funds that were awarded to the original project. It is important to the TAB that any change in project scope does not substantially reduce the project's benefits and value to the public, especially if it would mean the revised project scope would not have scored as well as the original scope and may not have ranked high enough to be selected.

What is a scope change?

The TAB understands that the projects submitted in the regional solicitation are usually conceptual in nature and are subject to change during design and environmental study. A limited number of project scope change requests are likely to be necessary and the TAB adopted a policy in March 2011 on how to evaluate them.

A consultation process among the FHWA, MnDOT and the MPO would be helpful to determine whether a formal scope change and TIP amendment is needed, or whether the change in scope is minor and can be done administratively by MnDOT. The project description in the TIP and STIP can serve as the project scope for the purpose of making this determination. For these purposes, a scope change is considered to be any revision that changes the description of a regionally-selected project in the TIP and STIP.

Scope Changes requiring approval and a formal TIP amendment:

- Any change that triggers a formal TIP amendment (see guidance);
- Any change that may reduce the estimate of benefits and project score and lower its rank within its solicitation category to the degree where the revised scope may not justify selection.

Some examples where a formal scope change is likely to be necessary:

- Adding significant elements to a project
- Removing significant elements from a project
- Changing the termini of a project
- Changing the number of parking spaces in a park & ride facility
- Changing from reconstruction to replacement and vice versa

Scope Changes allowed through an administrative amendment:

- Slight changes in bike or pedestrian trail route alignment while still making the major connections and keeping the same termini
- Removal or addition of minor items, e.g., benches, waste receptacles, minor signing, etc...
- Change in the design of aesthetic items i.e. lighting, railings, benches, etc...
- Addition of items due to normal detail design of a project (e.g., noise walls, retaining walls, storm sewers, etc...)

- Change in roadway or trail profile, alignment, surfacing if the initial project termini and connections are not affected.

Some examples where an administrative amendment is likely to be used:

- Addition of street furniture and wayfinding signs to a trail or streetscape project
- Change in the type of railing to be used on a pedestrian bridge; addition of decorative panels on a bridge abutment or sidewalks
- Construction of an additional entrance and exit from a park and ride facility
- Additional work to lower the profile of a road to provide adequate overhead clearance

When is a scope change a new project?

The FHWA does not approve goals, they approve projects. Although the TAC and TAB may approve a scope change and TIP amendment if it still meets the intent or serves the same purpose as the original project, the FHWA will not approve a TIP amendment if they judge the revised scope to be so different from the original scope that it is a different project. The region needs to develop boundaries for scope changes.

The project description in the TIP and STIP list the type of work, the most significant construction elements, the project location and length, where applicable. This could be considered the definition of a project's scope of work. A proposed scope change will be considered a new project not subject to the scope change evaluation if it:

- Changes the type of work. (e.g., intersection improvement to construction of a full or partial grade-separated interchange; purchase of transit buses to purchase of light rail vehicles; switching transit operating funds to a transit capital purchase or construction)
- Replaces the main construction elements. (pedestrian bridge to a pedestrian tunnel; construction of a bike/pedestrian bridge to at-grade intersection crossing treatments)
- Relocates the project away from the defined problem or need. (switching transit start-up service from one market area to another)
- Moving funding from one project to another. (like it says, moving funds awarded to a project on County Road A to the same, similar or different work on County Road Z)
- Significantly change the size of the project. (reconstruct two lane bridge to reconstruct as a four lane bridge)

Consultation and Scope Change Request Process

Project sponsors must initiate scope change requests with the Transportation Advisory Board Coordinator. The short process described below could be adopted into policy as how the region decides whether a scope change needs to go through the formal process with a TIP amendment or just done through an Administrative Modification.

1. Project sponsor informs the TAB Coordinator that it wishes to change their project. Preferably, the project sponsor would provide a written description of the scope change and a map or schematics showing how the proposed scope change affects the project.
2. The TAB Coordinator may consult with MnDOT Metro State Aid and the FHWA to discuss the extent of the changes and whether the scope change could impact the projects benefits, score and rank among the other projects in its category and solicitation year.
3. By agreement, the TAB Coordinator may contact the project sponsor and provide directions on how to request a scope change and TIP amendment through the TAC, TAB and Metropolitan Council. Also by agreement, the TAB Coordinator may inform the project sponsor that the proposed scope change does not trigger a formal scope change and TIP amendment, and the minor scope change can be performed through an Administrative Modification. The TAB Coordinator will inform the TAC Funding and Programming Committee of the Administrative Modification.

4. By agreement, the TAB Coordinator may inform the project sponsor that the proposed revisions exceed the limits of a scope change and is actually a new project. The project sponsor will also be informed that the request will not be processed through the TAC and TAB.

Process to evaluate scope change requests for regionally-selected projects.

Adopted by the Transportation Advisory Board on March 16, 2011

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Projects submitted for consideration through the regional solicitation are often just concepts or unrefined ideas. Project sponsors work on the preliminary and final design, environmental studies etc... after the TAB awards funds to the project. Sometimes during project development the project sponsor has to make significant design changes or finds that the construction cost was underestimated. When that happens, project sponsors may be required to request a scope change and TIP/STIP amendment because the scope and cost in the TIP/STIP has to be consistent with final project documentation that is sent to the FHWA.

Projects sponsors, Met Council and TAB staff, the TAC Funding & Programming Committee (F&PC) and the region would benefit from an adopted methodology to evaluate requested project scope changes. MN/DOT Metro State Aid has been very good at sorting out the significant scope changes that require action from the TAB. The FHWA has provided guidance on when a cost increase triggers a TIP/STIP amendment, and when a change in a project's design requires a scope change and TIP/STIP amendment (attached). The TAC and TAB want to be comfortable that the revised project scope of a regionally-selected project still provides about the same benefits as the original project scope and would have scored high enough to have been selected like the original project scope – to be fair to the other projects not selected. Below is a proposed outline of a process and guidelines for scope change requests.

- 1) Any construction elements added to the project scope must be eligible according to the solicitation criteria used to evaluate the original project submittal, unless the additional elements are already programmed in the STIP.
- 2) Additional federal funds will not be provided and federal funds cannot be swapped between projects of the same or different sponsor.
- 3) Met Council and TAB staff will provide data on the original project to the TAC F&PC, including cover page, project description, location map, layouts, sketches or schematics, and the original project cost estimate.
- 4) The project sponsor must provide data on the revised project scope to the TAC F&PC, including a complete project description, location map, project layout or sketches or schematics, checklist of work that still needs to be done and a revised project cost estimate.
- 5) The project sponsor must also recalculate the responses to certain key criteria based on the revised project scope and provide them to the TAC F&PC. Met Council and TAB staff may consult with the scoring group chair and individual project scorers if necessary to evaluate the recalculated responses and estimate the change in the original project score.
- 6) The TAC F&PC will base their recommendation on whether the estimated score of the revised project scope would have been high enough to have been awarded funds through the regional solicitation. A recommendation to approve the scope change and adopt a TIP amendment will go before the TAC, TAB Programming Committee and full TAB for adoption, then to the Metropolitan Council for concurrence. A recommendation to reject the scope change and TIP amendment will go before the TAC, TAB Programming Committee and full TAB for approval.