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TRANSPORTATION ADVISORY BOARD
Metropolitan Council
390 N. Robert St., St. Paul, Minnesota 55101-1805

Minutes of a Meeting of the
FUNDING AND PROGRAMMING COMMITTEE
May 17, 2012

MEMBERS PRESENT: Karl Keel (Chair), Greta Alquist, John Sass, Craig Jenson, Joe Lux, Colleen Van Wagner, Kate Garwood, Brian Isaacson, Lyndon Robjent, Carl Ohrn, Ted Schoenecker, Jenifer Hager, John Powell, Jennifer Levitt, Richard McCoy, Adam Harrington, Tom Johnson, Susan Moe, Chuck Ahl, Kevin Roggenbuck, Karl Keel, and James Andrew (staff)

OTHERS PRESENT: Pat Bursaw - MnDOT

I. Call to Order

The meeting was called to order at 1:34 p.m.

II. Adoption of Agenda

C. Ahl **moved** to approve the agenda. B. Isaacson seconded the motion. **The motion carried.**

III. Approval of the Minutes from the April 19, 2012 Meeting – Action Item

C. Ahl **moved** to approve the minutes. J. Powell seconded the motion. **The motion carried.**

IV. TAB Report (Kevin Roggenbuck) – Information Item

TAB met the previous day. The board approved the transportation planning and programming guide and adopted two TIP amendments. TAB adopted the TIP for the purpose of public hearing. This hearing is scheduled for June 20 at 3:30 pm. TAB voted to accept the scores and directed the TAC to forward funding options to them for June 20 to allocate 100% of the federal funds available based on estimates from previous solicitations and to develop contingency plans for a scenario with less funding.

V. 2011 Regional Solicitation Funding Options (based on direction from TAB) – Discussion Item

K. Keel welcomed Pat Bursaw, the Chair of TAC, to discuss the TAB direction from the meeting the previous day. She said there was a lot of discussion about uncertainty but that each time we transition to a new act, there is uncertainty. The only thing that is different this time is the length of time that we have gone through and the lack of uncertainty around the nature of the next act. The most recent proposals are suggesting a level of funding similar to what we have seen before but there are no revenues attached to them. There has also been a little bit of a shift on eligibility more toward something that is flexible for regional decisions. MnDOT has a contingency plan for the first year of the STIP of 30% (51 million) of federal projects that would be deferred if the levels go down. MnDOT does contingency to make sure that the most critical projects are delivered on

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time and the others are sent back. This kind of planning is a lot easier to do for one agency than for a multi-jurisdictional decision-body like TAB.

The TAB discussion about contingency had a policy element: one idea was to commit to all projects but would require deferral of some of the projects. There was some discomfort with this because this fills the region's program for many years to come and the TAB may be interested in setting some new priorities in the Solicitation Re-evaluation.

K. Keel suggested that TAC Funding & Programming Committee present a couple of options for TAB to consider and since there was no knowledge about eligibility changes, to assume the same eligibility requirements as existed under SAFETEA-LU.

The committee had a discussion about all of the issues that would need to be considered for presenting options for the TAB. After considering the possibility of applying an uncertain funding amount to selected projects, the committee favored instead that it develop more definitive options because uncertainty burdens some communities quite a bit. The guarantee would then be that the projects would all be fully funded but the timing would be uncertain. The TAB could use the deliverability score for the applications to decide which projects are asked to move to later years if it turns out there is less funding available than is being programmed. Another contingency option that was discussed was to reduce the federal funds awarded to projects if the funding amounts are less than what is programmed.

The possibility of having to move projects out into years 2017 and perhaps 2018 would mean that the next solicitation would need to be delayed but it was noted that if the TAB wants to re-design the solicitation, this extra time may be necessary anyway.

The uncertainty of federal funding also affects the ability of the region to advance construct because it would not know if the money would be available for projects in the AC payback year. Project sponsors would need to be aware that the timing of funding is still uncertain and will need to plan for contingencies themselves when deciding to use tools like advance construction.

The committee asked staff to develop two funding options with contingency options to discuss at a special meeting of the F&P Committee held on Thursday, May 31 at 9AM.

VI. Other Business

There was no other business.

VII. Adjourn

The meeting adjourned at 3:12 p.m.

Submitted by:
James Andrew

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Minutes of a Meeting of the
FUNDING AND PROGRAMMING COMMITTEE
May 31, 2012

MEMBERS PRESENT: Karl Keel (Chair), Greta Alquist, Craig Jenson, Kate Garwood, Brian Isaacson, Mike Klassen, Lyndon Robjent, Carl Ohrn, Ted Schoenecker, Jenifer Hager, Charles Carlson (for Adam Harrington), Tom Johnson, Chuck Ahl, Kevin Roggenbuck, and James Andrew (staff)

OTHERS PRESENT:

I. Call to Order

The meeting was called to order at 9:10 a.m.

II. Adoption of Agenda

The agenda was adopted unanimously.

III. TAB Report (Kevin Roggenbuck) – Information Item

There was no TAB Report as there was no TAB meeting between the last F&P Committee meeting and this one.

IV. 2011 Regional Solicitation Funding Options (based on direction from TAB) – Action Item

K. Roggenbuck and J. Andrew presented the staff memos that described the process for developing federal funding options and the various recommendations that F&P must make for TAB's consideration including funding alternatives. These alternatives consider all programs except for HSIP and RRX.

The memo included discussion of the urgency of making a decision on funding options in June. As discussed in the memo, staff believed that a TIP amendment with a public comment period would be necessary to add any projects selected from the 2011 Solicitation and that the TAB would not be able to simply add them to the TIP as part of the public comment period. This information would be presented to TAB but would be discussed with FHWA to better understand expectations for public involvement.

The memo also included a recommendation for applying an inflation factor to all projects selected to receive funding. The committee agreed to a lower inflation amount than what MnDOT is proposing which was 25% and agreed to the staff recommendation of half that amount which would apply an inflation rate of 10% for projects programmed in 2015 and 12% in 2016.

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There was considerable discussion about the two funding options described in the staff memo. The first was based on awarding an amount of funding as close as possible to what was requested by STP category and the other funded more Augmenters and fewer Bike/Walk and Connector projects.

Several members liked the Augmenter theme because the TAB asked for a policy based theme and had been recently discussing wanting to fund more preservation type projects. The Augmenter criteria were recently changed to give more credit to older more troubled roadways.

L. Robjent stated that if we have an Augmenter theme, we should also forward themes that fund more of the other types of minor arterials or principal arterials or bike/walk projects.

T. Johnson stated that the regional direction has changed when it comes to highway investment toward doing more with less funding and only doing expansion when preservation needs have been met. He pointed out that the first theme rewards more expansion projects because of the large number of Expanders submitted.

L. Robjent pointed out that there was preservation in all projects, not just those in the core and that some of the core projects included expansion elements.

There was some discussion of how much the "A" Minor Arterial system had expanded, mostly in the form of Expander roadways. Mary Karlsson from the Metropolitan Council approached the committee to clarify that the system has expanded by 20% from when it was established. K. Keel stated that the minor arterial categories do not necessarily match development patterns since Bloomington is outside of the ring but has no room for expansion as it is a built-out community and some relievers do not follow congested roadways.

On the question of what to do with the TDM program if the region ends up with far less money than is programmed, K. Garwood suggested that the region could keep the existing programs stable by removing the extra \$1.5M that they are scheduled to receive for the next two years and the following two years. This would allow them to keep their existing programs but would not allow any new activities to be funded.

A suggestion was made to only fund 5 Expanders and allow two more Connectors to be funded, which would fit the preservation theme better than funding 6 Expanders. There is a significant point break between the fifth and sixth Expander which would seem to justify this approach.

C. Ahl stated that we could instead just take one Bike/Walk project off instead of two and reduce the Expanders to five and allow for some overprogramming.

G. Alquist stated that at first glance it was alarming to see only one Bike/Walk project in the Augmenter option, but looking at all of the Augmenter projects that would be added,

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they all include significant bike and pedestrian elements that are real enhancements. We can't compare these in terms of quality but if we look at the regional plans and goals, she would feel more comfortable with exploring the Augmenter option because of this dynamic.

C. Carlson stated that there is a big gap between fifth and sixth project in the CMAQ transit category in terms of point breaks. He also felt that the sixth project also does not lend itself well to contingency because, as a major construction project, requires a timeline that is longer. Every other project can get less funding or deal better with funding uncertainty because they are buses and operations which require less lead time.

K. Roggenbuck reminded the committee that there is a recommendation in the works to remove sunset dates. If we move forward with these options, the working group might recommend elimination of the sunset date which would apply to these projects. That needs to be a part of TAB's action.

Mary Karlsson stated that the discussion today has not been reflected to the group doing the A Minor Arterial Study and asked that members communicate their thoughts on these issues to the steering committee for the study.

The committee had consensus to recommend two contingency options. The first reduces federal funding levels to what is available and at equal proportions for each project and the second is to push projects out through 2017. The committee agreed to forward the discussion to the TAC without a recommendation on funding options.

V. Other Business

The meeting adjourned at 11:10 a.m.

VI. Adjourn

Submitted by:
James Andrew