



**Program Evaluation and Audit**

***Metropolitan Planning Organization***

***Process Review***

29 June 2011

# INTRODUCTION

## Background

Transportation planning within the seven-county region is prescribed through the Metropolitan Planning Organization (MPO) process. The federal government beginning in the 1970s required that metropolitan regions have an MPO that approves the regional transportation plans in order for federal transportation funds to be prioritized and expended. The MPO process is authorized by several federal statutes: 23 U.S.C. 134 and 135, 49 U.S.C. 5303 and 5304, and 49 U.S.C. Chapter 53. The federal MPO process regulations are established in 23 CFR Part 450.

A key aspect of the MPO process is that elected officials of general purpose governments be part of the process. Governor Wendell Anderson designated the Metropolitan Council as the region's MPO in 1973. The MPO designation was reaffirmed by statute in 1974. Minnesota Statutes §473.146 designates the Metropolitan Council as the MPO in order to comply with federal law. In order to comply with the requirement of having modal representatives and elected officials part of the process, the act established the Transportation Advisory Board (TAB) which is comprised of elected officials, state agency officials, modal transportation representatives, and citizens appointed by the Met Council.

Several transportation documents are the products of the MPO process including the Transportation Policy Plan (TPP), the Transportation Improvement Plan (TIP), and the Unified Planning Work Program (UPWP). There are some differences between the roles of various entities of the MPO process during the approval process of the various plans. Local implementation of federal requirements are guided by the 1996 Prospectus for the Transportation Planning Process Twin Cities Metropolitan Area (Prospectus) and the 2008 Memorandum of Understanding on Metropolitan Transportation Planning Responsibilities for the Twin Cities (Minnesota) Metropolitan Area (MOU).

## Purpose

This consultation was conducted to document the requirements of the MPO process, document how the MPO process is designed for the Twin Cities region, and evaluate the compliance of the participating agencies with the prescribed MPO process. The consultation was also intended to review the draft Planning Handbook for adequacy and consistency to the MPO process. The consultation would make recommendations for correcting any deficiencies found within the MPO process.

## Scope

The evaluation of compliance with existing federal rules, state statutes, and regional MPO process focused on the 2008 to 2010 time period during which the 2030 Transportation Policy Plan, the 2011-2014 Transportation Improvement Program for the Twin Cities, and the 2011 Transportation Unified Planning Work Program for the Twin Cities Metropolitan Area were drafted and approved, although the evaluation will research the processes in place before 2008. The engagement included review of the recently drafted, but not yet adopted MPO Planning Handbook, which will replace the 1996 Prospectus.

## Methodology

To understand the MPO process and practices, the following methods of inquiry were used:

- Personnel were interviewed within Metropolitan Transportation Services and the Met Council.
- Reviewed statutes, regulations, agreements, meeting minutes, transportation plans, and other relevant documents.
- Reviewed relevant Council staff work papers.
- Reviewed the draft Planning Handbook, as well as the MPO process mapping, and identified weaknesses within the process flow and review for clarity of roles and responsibilities.

## Assurances

This audit was conducted in accordance with the Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing* and the U. S. Government Accountability Office's *Government Auditing Standards*.

## OBSERVATIONS

### *MPO Process Requirements*

Audit staff relied on federal statutes, regulations, and the U.S. DOT's transportation planning guides to identify the various required components of the MPO process. Federal guidance for the metropolitan transportation planning process is found in 23 CFR 450 Subpart C. A good summary of the requirements is provided in a publication of the U.S. DOT's Transportation Planning Capacity Building Program titled, The Transportation Planning Process Key Issues: A Briefing Book for Transportation Decisionmakers, Officials, and Staff, written by the Federal Highway Administration and the Federal Transit Administration (2008, 2009).

Five essential functions served by an MPO are listed below.

1. **Establish a setting:** Establish and maintain a fair and impartial setting for effective regional decisionmaking in the metropolitan area.
2. **Identify and evaluate alternative transportation improvement options:** Use data and planning methods to generate and evaluate alternatives.
3. **Prepare and maintain a Metropolitan Transportation Plan:** Develop and update a long-range transportation plan for the metropolitan area covering a planning horizon of at least twenty years that fosters mobility and access for people and goods, efficient system performance and preservations, and good quality of life.
4. **Develop a Transportation Improvement Plan:** Develop a short-range (four-year) program of transportation improvements based on the long-range transportation plan. The TIP should be designed to achieve the area's goals, using spending, operating, management, and financial tools.
5. **Involve the public:** Involve the general public and affected constituencies in the four essential functions listed above.

*A fair and impartial setting is maintained for regional transportation decisionmaking, which is in compliance with federal and local requirements.*

Minnesota Statutes §473.146, the Prospectus, and the MOU in combination establish a decisionmaking setting that ensures a diversity of perspectives. No single government entity has exclusive control over the process. Although the three primary transportation planning documents (TPP, TIP, UPWP) require Met Council approval, the process requires State agencies and advisory committees to actively participate in the development of the plans. In addition, the TAB is given the greatest decisionmaking opportunities in the development of the TIP.

The TAB is composed of a range of stakeholders including locally elected officials, State agencies, transportation modal representatives, and citizens, thus giving it a range of perspectives within its membership. Ten elected officials from the cities are appointed by

the Association of Metropolitan Municipalities including one each from Minneapolis and Saint Paul. Seven county board commissioners, one from each of the seven metropolitan counties, are appointed by the respective county boards. The commissioners of Transportation and Pollution Control or their designees, one representative of freight transportation appointed by the Commissioner of Transportation, one representative of non-motorized transportation appointed by the Met Council, and two representatives of transit appointed by the Met Council. Eight citizen members appointed by the Met Council are geographically dispersed because each is selected from eight different Council precincts. The TAB is, furthermore, assisted by the Transportation Technical Advisory Committee (TAC), which includes transportation professionals from all levels of government and representatives of transit providers. Additionally, the Met Council's Public Participation Plan attempts to involve other stakeholders and the general public to participate in plan development throughout the process.

The resulting diffusion of decisionmaking and the inclusion of various perspectives create a decisionmaking setting that is impartial. The reliance on objective scoring criteria during the regional solicitation process (described elsewhere in the report) further lends the process toward fairness in the outcomes. A review of TAB and Met Council minutes indicate that each decisionmaking body undertook its prescribed roles and responsibilities in accordance with the local transportation planning process.

***Alternative transportation improvement options are identified and evaluated in compliance with federal regulations and the local process.***

The annually adopted Unified Planning Work Program (UPWP) describes and documents proposed transportation and transportation-related planning activities in the Twin Cities Metropolitan Area. The resulting studies inform the development of the Transportation Policy Plan (TPP) and the Transportation Improvement Program (TIP), as well as other regional plans. Both the TAC and TAB review and comment on the proposed UPWP prior to final approval by the Met Council as required by the Prospectus and the MOU. A formal public comment process is not included during development of the UPWP. A review of TAB minutes did not find variance from the routine of review and comment of the UPWP and approval of the regional solicitation package and selected projects. Terminology consistent with the Prospectus was used by the TAB and the Met Council as recorded in their minutes from 2008 to 2010 at major decision points during the UPWP development process.

Several of the studies identified by the UPWP are presented to the TAC, TAB, Met Council, and supporting committees during the course of a typical year.

The biannual Regional Solicitation for Federal Transportation Project Funding cycle is facilitated by the TAB, with evaluation and scoring of the proposed projects conducted by the TAC as required by the Prospectus and the MOU. The TAB reviews and revises the scoring criteria prior to the solicitation of projects. A public hearing is held by the TAB to discuss the solicitation criteria and process prior to adoption. The TAB will then forward the resulting regional solicitation process for Met Council concurrence. The

scoring criteria enable the TAC to compare and rank competing transportation projects for later inclusion in the TIP.

***The Transportation Policy Plan is prepared and maintained in compliance with federal and local requirements.***

The Transportation Policy Plan is updated at least every four years, prepared by Met Council staff, reviewed and commented on by TAB, and approved by the Met Council as required by the Prospectus and the MOU. A review of the four TPP updates (2001, 2004, 2009, 2010) following the adoption of the Prospectus indicates that the same process of plan development, review, comment, and approval was followed. Terminology consistent with the Prospectus was used by the TAB and the Met Council as recorded in their minutes from 2008 to 2010 at major decision points during the TPP development process.

The TAB forwarded comments to the Met Council during the public comment period for the TPP processes of 2001 and 2004. During the 2009 and 2010 TPP updates, the TAB forwarded its formal comments to the Met Council prior to the formal public comment period.

With the possible exception of the 2009 TPP process, the TAB had not reviewed the public comments and proposed responses prior to Council adoption of the TPP. The 2009 TPP process was unusual in that a second public hearing was required after changes were made to the draft plan to take advantage of the unexpected American Recovery and Reinvestment Act (ARRA) funding. During the 2009 TPP process, the TAB Policy committee received an informational presentation summarizing public comments received during the first public comment period. However, the TAB did not review the public comments received during the second public comment period.

Table 1. Comparison of Selected TAB Actions during the TPP Process

|  | 2001 | 2004 | 2009                | 2010 |
|--|------|------|---------------------|------|
| <b>Review draft TPP</b>  | Yes  | Yes  | Yes                 | Yes  |
| <b>Provide comments and review proposed staff responses</b>                    | Yes  | Yes  | Yes                 | Yes  |
| <b>Recommend draft TPP for public comment</b>                                  | Yes  | Yes  | Yes                 | Yes  |
| <b>Forward comments to the Met Council during the public comment period</b>    | Yes  | Yes  | No                  | No   |
| <b>Review public comments and proposed responses prior to Council adoption</b> | No   | No   | Yes/No <sup>1</sup> | No   |

<sup>1</sup>Reviewed public comments after first public comment period, but not after the second public comment period.

The Prospectus assigns the TAB the responsibility to “[a]dvise and assist Metropolitan Council on development of Transportation Development Guide Chapter/ Policy Plan (TPP) and Aviation Guide Chapter Plan.” A related responsibility assigned within the Prospectus is to “[r]eview and comment on relevant plans and/ or projects that are of regional significance.”

The TAB in 2010 met its obligation to actively participate in the development of the TPP through its previous committee meetings and Board discussions. The TAB also met its responsibility to review and comment on the TPP in 2010. Extensive public outreach efforts during the most recent update of the TPP began prior to the formal plan development and continued through the formal public comment period.

A review of TAB minutes from 2000 through 2010 indicates that TAB had actively discussed the TPP updates and forwarded comments to the Met Council. The TAB had fulfilled its responsibility to advise and assist the Met Council to develop the TPP during the time period reviewed.

***The Transportation Improvement Program is developed in compliance with federal and local requirements.***

The Transportation Improvement Program adopted annually for the succeeding four-year period, is prepared by Met Council and Mn/DOT staff, adopted by TAB, and approved without modification by the Met Council as required by the Prospectus and the MOU. As previously described, the regional solicitation process is facilitated by the TAB. Met Council staff is directed to include the approved projects from the regional solicitation process in the TIP, which also includes projects funded from other sources not selected through the TAB. The draft TIP is reviewed by the TAB and a public hearing is convened by the TAB prior to adoption of the TIP. A review of TAB minutes did not find variance from the routine of review and adoption of the TIP. Terminology consistent with the Prospectus was used by the TAB and the Met Council as recorded in their minutes from 2008 to 2010 at major decision points during the TIP development process.

***Public involvement is sought throughout the transportation planning process in compliance with federal and local requirements.***

The Met Council’s Public Participation Plan (PPP) frames how the Met Council will involve the public and stakeholders in the development of regional plans in which the Met Council is the lead agency. The PPP provides guidance on how to give the general public and stakeholders meaningful involvement in the development of transportation plans. The PPP acknowledges that at times public participation may only require public access to documents.

### *Transportation Policy Plan*

The public and stakeholders were involved at all stages of TPP development in recent years as evidenced by the outreach activities undertaken by Met Council staff in 2010. Public comments received during the formal public comment period are recorded and addressed by Met Council staff in the public comment report. The public comment report is reviewed and accepted by the Met Council. A review of Met Council minutes did not show any variation from this process of public comment review.

Review by the TAB of public comments has varied over the time period reviewed. In 2004, the TAB Programming Committee received proposed staff responses from the Met Council to the TAB's comments forwarded during the public comment period, but did not review comments and responses from other members of the public. During the most recent TPP updates in 2008 and 2010, the TAB minutes indicated that the TAB received an information presentation of the public comment report in 2010 and the TAB Policy Committee received a presentation of public comments received in 2008. The TAB, though, took no action on the presentations. The Met Council has the responsibility to prepare and approve the TPP, so review by the TAB of the public comment report is not required.

### *Transportation Improvement Program and Regional Solicitation*

The TAB, which is responsible for adoption of the TIP and facilitation of the regional solicitation process, involves the general public later in the TIP development process during the formal public hearing process. The regional solicitation process, though, offers public comment early in the process during the TAB's public hearing for consideration of the proposed scoring criteria. The technical nature of the solicitation process, though, likely discourages active participation by the general public. The selected projects resulting from the regional solicitation are then included in the following year's TIP.

TAB meetings in recent years include a time for public comment at the beginning of every meeting. Because projects are sponsored by local governments, public participation during project development is controlled at the implementing agency level.

### *Unified Planning Work Program*

The UPWP lists the transportation planning activities to be undertaken by various agencies. The technical nature of the document does not require citizen participation to develop the program. However, the UPWP is available to the public in printed format in the Data Center. The 2010 UPWP is on the Met Council's website, but the current 2011 UPWP is not available on the Met Council's website.



## CONCLUSIONS

1. *The MPO process as established for the Twin Cities area complies with federal requirements.*

The MPO process for the Twin Cities area complied with federal requirements from 2008 to 2010, as well as in earlier years. Review of TAB and Council meeting actions, as well as their respective committees, during the 2000 to 2010 period indicated that discussions and decisions were based around studies and other fact gathering activities. Policy preferences during the meetings were evaluated in part using data and planning methods. The most recent round of development of the TPP (2009, 2010) and TIP (2008, 2009, 2010), especially coupled with the October 2008 MPO certification review by the FHWA and FTA, did not show deficiencies in the content of the various plans. The 2008 MPO certification found no areas of deficiency and instead identified several areas of commendation of the MPO process. Public participation was encouraged at critical decisionmaking points.

2. *TAB's role within the MPO process is not clear to stakeholders and the general public.*

Both the 2001 and 2008 MPO certification reviews indicated some confusion among the general public of the role and procedures of the TAB. The public comments submitted at the 2001 certification public hearing criticized the perceived undue influence of local elected officials, the dominance of city and county professional staff on the TAC, and inadequate public participation during the TIP process. In 2008, two people submitted public comments, with one of the people recommending that the TAB improve its visibility to the general public through better use of the website and more clearly identify points in the review process when public input is needed. More recently, a local elected official and member of the TAB has asserted that the TAB, and not the Met Council, is the designated MPO. This assertion was made despite the TAB's bylaws stating that the Met Council is the designated MPO, and that the Met Council, the TAB, and the TAC in combination serve as the certified MPO.

## RECOMMENDATIONS

Program Evaluation and Audit recommendations are categorized according to the level of risk they pose for the Council. The categories are:

- **Essential** – Steps must be taken to avoid the emergence of critical risks to the Council or to add great value to the Council and its programs. Essential recommendations are tracked through the Audit Database and status is reported twice annually to the Council’s Audit Committee.
- **Significant** – Adds value to programs or initiatives of the Council, but is not necessary to avoid major control risks or other critical risk exposures. Significant recommendations are also tracked with status reports to the Council’s Audit Committee.
- **Considerations** – Recommendation would be beneficial, but may be subject to being set aside in favor of higher priority activities for the Council, or may require collaboration with another program area or division. Considerations are not tracked or reported. Their implementation is solely at the hands of management.
- **Verbal Recommendation** – An issue was found that bears mentioning, but is not sufficient to constitute a control risk or other repercussions to warrant inclusion in the written report. Verbal recommendations are documented in the file, but are not tracked or reported regularly.

### 1. (Consideration) The role of the TAB should be made clear to the general public.

The role of the TAB in the Metropolitan Planning Organization (MPO) process is neither clear to the public nor, in one instance, to a member of TAB. The draft Transportation Planning Handbook is an opportunity to clarify the responsibilities of TAB and the timing of the work of the TAB and its committees. The inclusion of process flow charts would help illustrate when the TAB and other deliberative bodies, agencies, stakeholders, and the public, have opportunities to participate in regional transportation planning. Other tables summarizing the responsibilities of the various stakeholders, similar to charts within the Prospectus, should be included within the Planning Handbook.

The Planning Handbook’s tables and flow charts should be updated whenever practices change. For instance, during the April, 2011 meeting of the TAB, process flow charts were distributed from the 1996 Prospectus and updated flow charts to reflect current practice as of March, 2011. There was confusion as to whether it was possible to alter the process flow charts that were exhibits in the Prospectus.

**Management Response:** *Council staff concurs with the recommendations for the new Planning Handbook and subsequent updates when practices change. This new handbook, which will replace the 1996 Prospectus, represents an opportunity to work with TAB and other stakeholders to clarify the roles and responsibilities of the TAB, the Metropolitan Council and MnDOT.*

*Staff Responsible: Connie Kozlak, Manager of Systems Planning*

*Timetable: December 2011 – Draft Planning Handbook available for review by TAB  
April 2012 – Planning Handbook finalized*

**2. (Consideration) Opportunities for public participation in the MPO process should be identified including timing of participation, methods to participate, and the outcome of participation.**

Although Met Council's outreach efforts are comprehensive during the Transportation Policy Plan (TPP) update process, greater efforts are required to engage the general public during all phases of the MPO process. Best practices exist with regards to greater use of social media, electronic communications, design charrettes, focus groups, classroom activities, and public polling, for the purpose of engaging the public in transportation planning. The Atlanta Regional Commission's (ARC) regional transportation participation plan, as well as the ARC's current outreach activities, may be a useful model to study.

Documents and website pages describing transportation planning activities should always include information as to how and when the public can effectively participate.

*Management Response: Council Transportation and Communications staff concur with this recommendation. The new Planning Handbook is an opportunity to better address the public participation process.*

*Staff Responsible: Connie Kozlak, Manager of Systems Planning and Council's Communications Director or designee; TAB staff as may be assigned by TAB.*

*Timetable: Ongoing.*

**3. (Consideration) Metropolitan Transportation Services and the TAB should strengthen their general public outreach efforts.**

Government officials, both elected and professional staff, are informed and have opportunity to meaningfully participate in the regional and TIP processes. Though historically the general public may not have been as actively engaged as officials have been, there are opportunities to encourage more active participation from the public. Public hearings are held both for commenting on the regional solicitation package and the draft TIP, yet, the comments provided are largely from government agency staff. At its April 2011 meeting, the TAB recommended greater efforts to seek general public engagement in the regional solicitation process. MTS and the TAB may consider collaborating with Communications staff to determine goals for outreach and consider a range of methods to engage the public and stakeholders in processes for both the TIP and regional solicitation in an effort to achieve those defined goals. The TAB and MTS staff could work collaboratively with Communications staff to implement outreach strategies.

**Management Response:** *Council Transportation and Communication staff concur with this recommendation. The new Planning Handbook is an opportunity to better address general public outreach efforts.*

**Staff Responsible:** *Connie Kozlak, Manager of Systems Planning and Council's Communications Director or designee; TAB staff as may be assigned by TAB.*

**Timetable:** *Ongoing.*