



MEMORANDUM

TO: Southwest Washington Regional Transportation Council Board of Directors
FROM: Dean Lookingbill, Transportation Director
DATE: June 25, 2013
SUBJECT: **Metropolitan Transportation Improvement Program Call For Projects**

AT A GLANCE

The purpose of this memorandum is to provide the RTC Board with key information regarding the Metropolitan Transportation Improvement Program call for projects, update the Board on current project status, and request their concurrence regarding the revised MTIP development procedures.

BACKGROUND

The Metropolitan Transportation Improvement Program (MTIP) prioritizes and programs federally funded-regionally significant transportation projects for the Clark County region. The RTC Board as the Metropolitan Planning Organization for the region has selection and programming authority for the following regionally allocated, federal transportation programs: Surface Transportation Program (STP), Congestion Mitigation and Air Quality (CMAQ) Program, and the Transportation Alternatives Program (TAP). The MTIP project selection process begins with a call for projects in June and is completed with the adoption of MTIP targeted for the October RTC Board meeting. The first part of this memorandum outlines the process and funding available for programming this year.

As the Board may recall, staff provided a briefing on WSDOT's "use it or lose it" statewide Local Agency Federal Obligation Authority Policy at the March meeting. The new policy requires that the region receive FHWA funding approval (obligation) for its combined list of regionally selected projects that exceeds that year's obligation authority. If the region fails to reach this level, it will lose the portion of funding that falls below the obligation level for that year. Because of the WSDOT "use it or lose it" policy, RTC staff is proposing that the MTIP development procedures be updated to ensure that the region will meet its obligation authority targets. The second and third parts of this memorandum outline the current status of FY 2013 project obligation and the proposed policies to ensure that the region will reach its future year obligation authority levels in a timely manner.

MTIP CALL FOR PROJECTS

Consistent with the MTIP adopted policies, procedures and project criteria, RTC has initiated a call for projects to local agencies in the Clark County region. Project applications are to be submitted to RTC by July 26, 2013 for FY 2017 federal STP and CMAQ funds. Once project applications are submitted, they will be evaluated per the adopted project criteria, ranked by RTAC at their August meeting and reviewed by the Board at their September 3 meeting. Following the September ranking of projects and given the funding levels listed below, the

projects will be programmed into the FY 2014-2017 MTIP and presented for Board approval at the October 1 meeting.

The federal FY 2017 funding levels are listed below.

- Urban Surface Transportation Program (STP-TMA) - \$7.3 million
- Rural Surface Transportation Program (STP-Rural) - \$2.2 million
- Congestion Mitigation and Air Quality (CMAQ) - \$4.5 million

FEDERAL FY 2013 PROJECT OBLIGATION STATUS

For federal fiscal year 2013, RTC was given an obligation authority (OA) target of \$11.98 million. The OA target includes STP, CMAQ and TAP program funding and represents the minimum amount of federal transportation funding to be delivered to projects in FY 2013. Because of RTC's well-established working relationship with local agencies and the diligence of agency staff to deliver their projects, our region has obligated \$14.27 million, exceeding the target by \$2.29 million. If the other MPO's around the state were to fail in meeting their targets, RTC would be eligible to receive a portion of those unobligated funds.

RTC METROPOLITAN TRANSPORTATION IMPROVEMENT PROGRAM PROCEDURES

Now that the RTC region has met the federal 2013 OA target, the focus shifts to modifying the MTIP project delivery procedures to ensure that the region meets its OA target in future years. At the March 2013 meeting, the Board agreed with four broad strategies to frame the revised procedures. The following strategies were identified:

- Improve project status communication between local agencies and RTC staff
- Encourage the delivery (obligation) of projects programmed in years 2-4 on a "first come, first served basis".
- Reduce the allowable project delay from three years to one.

The attached MTIP procedures are the result of RTC staff working with member agency staff to modify the MTIP project delivery procedures. The Regional Transportation Advisory Committee has helped to develop the procedures and is recommending the Board's endorsement. These procedures apply only to federal-regionally allocated STP, CMAQ, and TAP programs. While the full text of the MTIP project delivery procedures is attached, the key changes are listed below.

- Project cost limitations will be increased to \$4 million per mile.
- Project delay policies will be modified.
- Construction cannot be programmed until substantial progress has been completed on design.
- Agencies will document project accomplishments.

Attachment: Draft RTC Transportation Improvement Program Policies and Procedures

RTC Transportation Improvement Program Procedures

Background

The Metropolitan Transportation Improvement Program (MTIP) is a list of all federally funded and regionally significant transportation projects within Clark County, Washington. The RTC Board as the Metropolitan Planning Organization for Clark County has selection and programming authority for regionally allocated federal transportation funds that include the following: the Surface Transportation Program (STP), Congestion Mitigation and Air Quality (CMAQ) program, and the Transportation Alternatives Program (TAP). The purpose of this paper is to clarify and update RTC's federal transportation funding program procedures.

For the regionally allocated federal transportation funds, the RTC Board has adopted a three step development process:

- Project Screening: Projects are reviewed for consistency with the Metropolitan Transportation Plan, land use plans, air quality goals, and regional screening criteria.
- Evaluation and Ranking by Needs Criteria: Each project is evaluated and ranked against a set of needs criteria which have been adopted by the RTC Board.
- Project Selection and Programming: Projects are programmed for funding utilizing the project information from the evaluation and ranking step.

Call for Projects and Project Submittal

RTC will issue a call for projects for the three regionally allocated federal transportation programs. The call for projects will be conducted within the regional transportation planning process which includes technical review and recommendation by the Regional Transportation Advisory Committee (RTAC) and final RTC Board project selection. Formal notice about the process will be posted on RTC's web site. The call for projects will include information on submittal requirements and deadlines. Applications will only be accepted on projects that will be administered by a Certification Acceptance agency. Certification Acceptance is necessary for an agency to have authority to develop, advertise, award, and manage federal transportation projects.

Consistent with MTP

Only projects consistent with the adopted Metropolitan Transportation Plan (MTP) are eligible for federal transportation funding. Projects must be consistent with either project recommendation in the MTP (capital projects) or be consistent with project category recommendations such as safety, bicycle and pedestrian facilities, transit, and freight.

Project Completion

By submitting a project for regional federal funds, the respective entity is making the commitment to complete the project for which federal funding has been applied. If the project is not completed the local agency may be required to return the federal funds.

Screening Criteria, Needs Criteria, and Project Application

The screening criteria, needs criteria, and project applications will be developed for regional federal programs and clearly identified in the call for projects. The criteria and project applications will be used to evaluate and rank the project requests.

Cost Limitation

Each STP and CMAQ projects, regardless of length cannot exceed \$4 million per project. Project can reach the cap based on one of the follow methods:

- STP and CMAQ projects are limited to regional federal funds of \$4 million per mile, with a \$750,000 maximum per mile for preliminary engineering, \$1.25 million per mile for right of way, and remaining federal funds up to \$4 million per mile for construction.
- Intersection improvements are limited to \$1 million per intersection, with high volume intersections limited to \$2 million. High volume intersections are intersection with 20,000 entering vehicles per day.
- Shorter high cost projects (bridges, interchanges, park and ride) are limited to \$4 million per project.

Funding increases are not allowed for the preliminary engineering phase. Funds cannot be moved from later phases to preliminary engineering. If a project becomes divided into multiple segments, none of the project segments are eligible for additional preliminary engineering and design funds will be split based on mileage and applied toward the total funding limit.

Project funds up to the maximum per mile, can be moved back to later phases through MTIP amendment or correction process. For example, unused preliminary engineering funds could be moved to right of way or construction phases up to funding limits and within project delay limits.

Project funding increases or exceeding the funding limits will only be allowed with approval of RTAC and RTC Board on special circumstances.

Construction Programming

Except for low cost projects or projects that do not require right of way, the construction phase of a project cannot be programmed in the MTIP using regionally allocated federal funds until substantial progress (approximately 50%) has been made in the design of the project. Typically, each phase of a project will be programmed in a separate calendar year.

Obligation Authority

In 2013, WSDOT implemented a new Local Agency Federal Obligation Authority Policy. This policy can be characterized as a “use it or lose it” policy. The new policy requires that by August 1st of each year the respective MPO must obligate 100 percent of their regional obligation authority target for all regionally allocated federal funds for that year. Any federal funds that are not obligated will be sanctioned and be made available for statewide programming. The region will lose those funds for that year. In order to meet and ensure that our region meets its obligation target, RTC will institute the following strategies: more frequent project status communication, early obligation, minimize project delay, and selecting projects that can be implemented within three years. Project delays need to be communicated to RTC staff as soon as possible to reduce any risk.

Local agencies should not close or cancel a project (de-obligate funds) without first notifying RTC staff. De-obligated funds count against the region’s total obligation target and must be communicated to RTC staff as early as possible.

Project Delay

The date for project implementation of regionally allocated federal projects will be tied to the month and year provided in the RTC funding application. Although the state approval process for the MTIP begins on the calendar year, project implementation will be tied to the federal fiscal year to meet obligation authority. The federal fiscal year begins October 1st and ends on the following September 30th.

The preliminary engineering project phase must be obligated in the federal fiscal year for which funds were requested. Right-of-way and construction project phases can be delayed to the next fiscal year. If a project doesn't meet the delay deadline, the project can be removed from the MTIP and the applicant will need to reapply for regional federal funds.

By January of each year, RTC staff will notify agencies of all projects that must be obligated by August 1st of that year or project will be removed from MTIP. If a project cannot make the August 1st deadline the agency should reapply for funding as part of the upcoming MTIP funding cycle.

Applicants must notify RTC staff of project delay by March of each year. If the applicant does not communicate the delay in adequate time to allow the region to meet obligation targets and federal funds are lost to the region, the RTC Board will decide an appropriate action regarding the funding for that particular project.

MTIP Administration

Occasionally changes and amendments are needed to projects programmed in the MTIP. All changes will be administered according to the MTIP Administration policies.

The project scope and local match should remain the same as identified in the project application all the way through project implementation. Only minor modifications to project termini, addition or removal of project elements, or other minor changes associated with original project scope are allowed. Changes in project scope will not be allowed that move project funding to a different project. Changes in project scope that would significantly alter the original project and thereby its evaluation and ranking are not allowed. The local match should never decrease from that identified in the project application.

If a project is divided into phases or its length is reduced, the regional federal funds will be adjusted to match the mileage cost limitation.

Before and After Analysis

All projects will be required to complete a before and after analysis that is submitted to RTC. The before and after analysis is intended to provide a summary of project accomplishments. The intent is not to make this onerous but should include a listing of project goals prior to obligating regionally allocated funds and then a description of how the goals were attained within 18 months of project completion.