

AGENDA ITEM #14: TRANSPORTATION PROGRAMMING SUBCOMMITTEE REPORT
John Mihaly, HRTPO

The most recent meeting of the Transportation Programming Subcommittee (TPS) was held on March 16, 2018. The TPS agenda included the following items:

- A. FY 2019 – 2020 Transportation Alternatives Set-Aside: Project Selection.
- B. *HRTPO CMAQ and RSTP Project Selection Process Guide*: Policy Update.
- C. FY 2019 – 2024 CMAQ and RSTP Marks/Reserves: Update.

Regarding Item A – During the March 2018 TTAC meeting, HRTPO staff provided an FY 2019-2020 Transportation Alternatives (TA) Set-Aside update, noting that the Transportation Programming Subcommittee (TPS) would meet on March 16, 2018 to review the scored project proposals and submit a recommended set of TA Set-Aside projects and allocations for consideration by the TTAC in April. Prior to the March TPS meeting, HRTPO staff met with the Commonwealth Transportation Board (CTB) member for the Hampton Roads District to determine the projects on which he intended to allocate the portion of TA Set-Aside funds designated to him.

A total of 25 applications were submitted from within the Hampton Roads Metropolitan Planning Area (MPA) of which two were for existing projects and 23 were for new projects. For FY 2019-2020, the total of TA Set-Aside funds to be allocated by the HRTPO is \$3,614,909. In Virginia, District members of the Commonwealth Transportation Board (CTB) are each provided \$1 million per year (\$2 million per cycle) in TA Set-Aside funds to allocate to projects in their Districts.

The attached table (Attachment A) includes the 25 projects proposed within the Hampton Roads MPA, plus one additional new project and one existing project submitted within the Hampton Roads Construction District, but outside of the MPA. The table also shows the projects selected to receive FY 2019-2020 allocations, the allocation amounts by the CTB member, and the allocation amounts recommended by the TPS. The TPS has recommended TTAC approval of the project selection and funding allocations as shown in Attachment A.

Regarding Item B – Given the various programs from which projects may receive funding – SMART SCALE, State of Good Repair, TA Set-Aside, CMAQ/RSTP, etc. – and the obvious benefit of sometimes applying for funding under multiple programs, HRTPO staff drafted a new policy to be added to the *HRTPO CMAQ/RSTP Project Selection Process Guide* to clearly document how CMAQ/RSTP allocations will be affected in situations in which a project receives duplicate funding from the HRTPO CMAQ/RSTP Project Selection Process and other funding sources. A draft of the updated policy is attached (Attachment B). The TPS has recommended TTAC approval of the updated policy.

Regarding Item C – HRTPO staff received updated CMAQ and RSTP “marks” for fiscal years 19-24 from VDOT on March 8, 2018. The updated marks resulted in funding increases in FY19 of \$3,855 CMAQ and \$1,247,699 RSTP.

The following attachments are included:

- Attachment 14-A: Recommended FY 2019-2020 TA Set-Aside project selections and allocations.
- Attachment 14-B: *HRTPO CMAQ/RSTP Project Selection Process Guide Policy Update: Draft*
- Attachment 14-C: FY 2019-2024 CMAQ and RSTP “Marks”/Reserves Update
- Attachment 14-D: Minutes of the March 16, 2018 TPS meeting

Mr. John Mihaly, HRTPO Senior Transportation Planner, will brief the TTAC on this item.

RECOMMENDED ACTIONS:

- A. Recommend HRTPO Board approval of the TA Set-Aside projects and allocations shaded in green in Attachment A.
- B. Recommend HRTPO Board approval of the new policy, highlighted in yellow in Attachment B, regarding projects that receive duplicate funding from the HRTPO CMAQ/RSTP Project Selection Process and other sources.
- C. For discussion and informational purposes.

CMAQ AND RSTP FUNDING POLICIES

The following are the funding policies of the HRTPO regarding CMAQ and RSTP funds:

1. Priority for new CMAQ and RSTP allocations will be given in the following order:
 - a. Previously approved and underway CMAQ and RSTP project phases will be funded to completion.
 - b. Other on-going project phases eligible for CMAQ and RSTP funding will be evaluated in order to be considered.
 - c. Unfunded and new candidate projects will be evaluated and ranked in order to be considered.
2. Whenever possible, a reserve account of approximately 5% of the CMAQ or RSTP mark per fiscal year will be established to cover potential cost overruns or future reductions in marks. The reserve amount for a particular year should be allocated by the end of that fiscal year.
3. Program six years of CMAQ and RSTP preliminary allocations in accordance with project schedules and estimates. Allocate funds consistent with how they will be obligated and expended.
4. CTB members will work with MPOs and VDOT/DRPT staff to identify projects and allocations for CMAQ. VDOT Central Office, working with DRPT, will manage programming CMAQ allocations.
5. Considerations for funding cost overruns:
 - a. If the cost/annual allocation and/or scope of a project change less than 10% on any one CMAQ or RSTP funded project, the locality/agency should notify the TTAC with a request and justification for a change in funding. The TTAC must review the request and recommend use of the reserve account or, if possible, commit future year funding to preserve the project.
 - b. If the cost/annual allocation and/or scope of the project change by more than 10% on any one CMAQ or RSTP funded project, the locality/agency should notify the TTAC and HRTPO Board with a request and justification for a change in funding and/or scope. The TTAC and HRTPO Board must review the request and may recommend one or any combination of the following:
 - i. Scale back the project
 - ii. Use local funds
 - iii. Use CMAQ or RSTP reserve account funds
 - iv. Use existing CMAQ or RSTP funds from another project
 - v. Use future CMAQ or RSTP allocations
 - vi. Use future non-CMAQ/non-RSTP funds
 - vii. Drop the project

6. Policy for handling surplus CMAQ and RSTP allocations on completed or canceled projects:

While the handling of surplus CMAQ and/or RSTP allocations on completed or canceled projects may be determined by the TPS, TTAC, and HRTPO Board on a case by case basis, in general, if there are unused CMAQ and/or RSTP funds allocated to a project that has been completed or canceled, the transfer of the available funds will be handled as follows:

Within 180 days after a project has been completed (VDOT C5 form processed and final reimbursement received or equivalent from other agencies) or canceled:

- a. The project sponsor (locality or agency) will request that the available funds be transferred to one or more of the sponsor's previously approved CMAQ or RSTP projects, depending upon the type of funds available; or
- b. The project sponsor (locality or agency) will request that the available funds be transferred to the CMAQ or RSTP reserve account.

7. Policy for handling surplus CMAQ and RSTP allocations on a project that occur as a result of an award of funding from other programs, such as SMART SCALE, State of Good Repair, TA Set-Aside, TIGER, INFRA, etc.:

Within 90 days after VDOT or DRPT confirms that an approved CMAQ/RSTP project is overfunded due to receipt of funds from other programs resulting from duplicate funding requests, any CMAQ and/or RSTP funds in excess of what is needed to fully fund the project will be handled as follows:

- a. The project sponsor (locality or agency) will request that the available funds be transferred to one or more of the sponsor's previously approved CMAQ or RSTP projects, depending upon the type of funds available; or
- b. The project sponsor (locality or agency) will request that the available funds be transferred to the CMAQ or RSTP reserve account.

In the event a project has been allocated CMAQ and/or RSTP funds from the HRTPO and those allocations are subsequently removed due to the project being fully funded from other sources, the project will retain its status as a previously-approved CMAQ/RSTP project should it require additional funding from the CMAQ/RSTP reserve account, at a later date to cover a cost overrun.