



DATE: February 17, 2016
TO: Transportation Commission
FROM: Debra Perkins-Smith, Director, Division of Transportation Development (DTD)
SUBJECT: Candidate Senate Bill (SB) 228 Projects

Purpose

To review updated candidate SB 228 projects and discuss priorities for additional SB 228 funding.

Action

Informational. Transportation Commission (TC) input.

Background

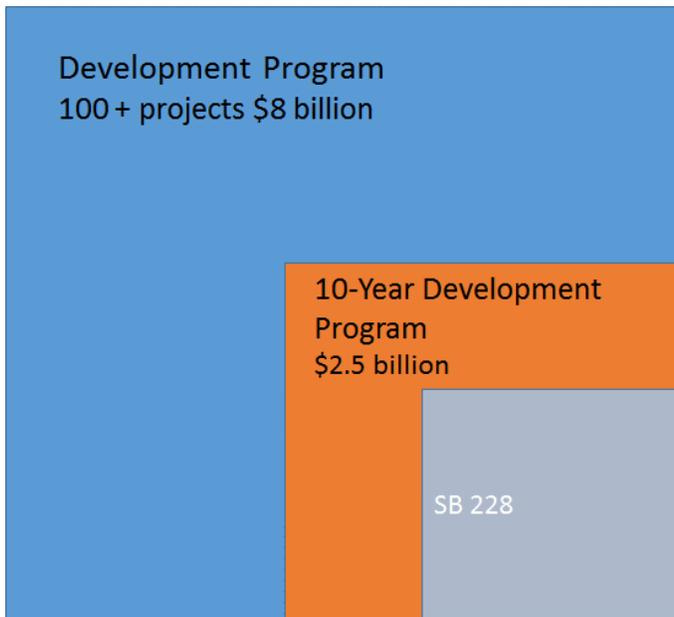
Current forecasts from the Office of State Planning and Budgeting (OSPB) and Legislative Council call for SB 228 transfers of roughly \$306 million in FY 16 and 17. Roughly \$200 million is anticipated in FY 16. When the initial draft FY 17 budget was developed this fall, forecasts called for no SB 228 funding in FY 17. More recent forecasts are now calling for approximately \$106 million in SB 228 revenue in FY 17. There are also a number of legislative proposals this session which, if successful, may increase the likelihood of SB 228 funding in subsequent years.

Candidate SB 228 projects were initially identified in November, 2014 and have since been included in the Development Program. The evaluation of SB 228 projects focused on two key areas - mobility and economic vitality. In order for an eligible project to compete well, the project needed to demonstrate strong mobility benefits (i.e. reduced congestion, increased reliability, improved connections, etc.) and the ability to significantly affect the economic vitality of the state or region (i.e. facility serves freight, agricultural, energy, or recreation needs, serves key jobs center, provides access to significant inter-/multi-modal facilities, etc.). Additional evaluation criteria included criteria relating to safety and asset life. The emphasis on mobility and economic vitality reflects both the SB 228 focus on strategic projects, as well as the availability of other funding dedicated to asset management and safety. The Central 70 (I-70 East) project was identified by the TC as the priority for the initial SB 228 transfers (assumed \$200 million, with 10 percent for transit), but the TC did not identify specific projects from the candidate list for additional SB 228 transfers. The STAC also discussed and supported the identification of the Central 70 project as the initial priority for SB 228 given its statewide significance.

In January, the Transportation Commission reaffirmed the previously identified SB 228 criteria and the focus on mobility and economic vitality. The Statewide Transportation Advisory Committee (STAC) met the week after the January Transportation Commission meeting and concurred that mobility and economic vitality remain the appropriate focus for this funding source.

January TC and STAC meetings also included discussion of further prioritization of the nearly \$8 billion in major highway projects included in the Development Program in order to identify a smaller subset of projects (i.e. "10 Year Development Program") with a target of closer to \$2 - \$2.5 billion. This is a related and parallel effort, with further discussion anticipated at subsequent TC meetings. While priorities for SB 228 are focused on mobility and economic vitality, the "10 Year Development Program" will include major projects of all types, including those that are focused on safety or asset life.





Details

Highway Projects

Attachment A includes the original candidate SB 228 highway projects, with updates reflecting the most current information on scope, cost, etc. Updates are summarized in column M. Two projects are recommended for removal and are identified at the top of Attachment A. Staff reviewed other projects included in the Development Program and the RTDs recommended several projects from the Development Program for further evaluation and consideration of inclusion on the list of candidate SB 228 projects. Fourteen projects have been identified for further consideration and are included in Attachment A under the heading “Potential NEW Candidate SB 228 Highway Projects.” The original projects met eligibility criteria relating to project readiness, strategic nature, and funding, in addition to the evaluation criteria identified above. If the TC chooses to consider these additional projects further, staff will review them based on the eligibility and evaluation criteria. With the removal of the projects identified above, candidate SB 228 highway funding needs total roughly \$2.1 billion. The additional projects identified total roughly \$537 million in need.

As noted previously, current projections for FY 17 SB 228 revenues total approximately \$106 million, with the possibility of additional funds in subsequent years (depending on forecasts, and the outcome of proposed legislation). Staff requests Transportation Commission input to assist in further screening or prioritizing projects. Questions to consider include:

- Should a project or projects be identified only for FY 17 funding (\$106 million), or for a higher amount assuming the possibility of additional SB 228 funding in subsequent years?
- Should there be a project readiness requirement? (The original eligibility criteria required a project be ready for construction within five years of selection).
- Should projects with other options for funding be considered a lower priority?
- How should geographic equity be considered?
- Should there be a focus on funding a very large project or in funding multiple smaller projects?

Transit Projects

Transit projects were also included in the original list of candidate SB 228 projects from November 2014 and are included in Attachment A under the heading “Original Candidate SB 228 Transit Projects.” One project has been removed and is identified at the top of the transit projects in Attachment A. One additional project has been identified for further consideration and is included in Attachment A under the heading “Potential NEW Candidate



SB 228 Transit Projects.” With the addition of this project, candidate SB 228 transit funding needs total roughly \$465 million.

Over the last several months the Division of Transit & Rail (DTR) has been working with the Transit & Intermodal (T&I) Committee to update, refine, and scale priorities for transit more in line with available SB 228 funding. Through the evolution of the SB 228 Transit process with the TC and the T&I Committee, DTR has developed a Conceptual Plan for a Rural Regional bus network to be operated with existing, sustainable federal and FASTER funds. The capital requirements (buses and park & rides) for the Rural Regional system, and park & ride deficiencies for the existing Bustang service will utilize the SB 228 Transit funds. Detailed cost estimates are being developed over the winter and spring as the Conceptual Plan comes closer to finalization with stakeholder input. Once finalized, it will be proposed and recommended to the TC that projects be implemented in the order of priority until the available funds are exhausted.

Next Steps

- February - STAC Workshop on priorities for SB 228 funding
- March - TC Workshop on priorities for SB 228 funding

Attachments

- Attachment A - Updated Candidate SB 228 Projects
- Attachment B - Map of Updated Candidate SB 228 Projects

