

STATE OF COLORADO

DEPARTMENT OF TRANSPORTATION
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DATE: March 11, 2014
TO: STAC
FROM: Debra Perkins-Smith, Director, Division of Transportation Development
SUBJECT: Formula Programs

Background

The allocation methodologies for formula programs are revisited and updated with each Statewide Plan cycle. A STAC Subcommittee on Program Distribution met between May and October to develop recommendations for the allocation of formula programs. The full STAC reviewed the work of the Subcommittee and forwarded STAC recommendations to the Transportation Commission (TC). With the exception of RPP, the Statewide Plan Committee of the TC has provided initial concurrence with the STAC recommendations. **Attachment A** provides an overview of each program along with an explanation of the distribution methodology and an example allocation based on FY 15 budget amounts.

RPP

Both STAC and the TC have discussed RPP at meetings over the past few months. A number of options have been considered and data to support various factors has been shared with both STAC and the TC. STAC originally recommended the 45/40/15 formula, but some members expressed the desire to alter the formula should the RPP budget increase beyond the \$10 million proposed at the time. The TC also asked that other options be explored. A staff recommendation for an RPP formula was presented to STAC and at a TC workshop in February. The recommended RPP formula balances population with lane miles and truck VMT, with population weighted 50%, lane miles 35%, and truck VMT 15%. This takes into account the entire state highway system, the importance of freight corridors, and the synergy between population and travel demand. STAC requested one month to review this recommendation and other options and is expected to make a recommendation on RPP at its March meeting. **Attachment B** illustrates the RPP formula scenarios considered by the STAC Subcommittee, additional scenarios developed by staff or suggested by STAC, and the staff recommendation from February. **Attachment C** includes information requested at the February meeting comparing the 45/40/15 formula under old and new Region boundaries.

Other Formula Programs

The allocation methodology for STP-Metro is determined by federal statute. Metro-PL funds go to the five MPOs per federal statute and an updated distribution was agreed upon by CDOT, MPOs, and FHWA as required by statute early last year. The other formula programs were the subject of discussion by the STAC Subcommittee. The Subcommittee recommendations were presented to the TC Statewide Plan Committee in October, 2013. At that time, the Committee provided concurrence with the allocation methodologies presented for STP-Metro, TAP, and Metro-PL. Further discussion with STAC occurred

on a CMAQ formula and the STAC recommendation was presented to the Statewide Plan Committee in January. The Committee provided concurrence with that recommendation.

A summary of the allocation methodology for other formula programs is as follows:

- 1) Surface Transportation - Metro (STP-M): Pursuant to federal statute, based on population of Urbanized Areas with a population greater than 200,000;
- 2) Congestion Mitigation and Air Quality Improvement Program (CMAQ): Off the top funds to statewide CEO program in FYs 14-17, with remaining funds allocated 80% to Ozone areas, 15% to CO areas, and 5% to PM-10 areas with a minimum base for each rural recipient of \$200,000 (federal and local), with allocations to Ozone and CO areas based on 75% population and 25% on and off-system NHS VMT;
- 3) Transportation Alternatives Program (TAP): 50% of funds based on population pursuant to federal statute and 50% of funds based on 45% VMT / 40% Lane Miles / 15% Truck VMT;
- 4) Metropolitan Planning (Metro-PL): Based on population of Urbanized Areas over 50,000, with a minimum dollar base of \$330,000 (federal and local) for Grand Valley MPO and \$350,000 for PACOG, as agreed by CDOT and MPOs and approved by FHWA;

Additional information is included in the following attachments:

- **Attachment D** is a map of Colorado air quality non-attainment and maintenance areas showing the boundaries of the areas eligible for CMAQ funds.
- **Attachment E** illustrates the estimated formula program allocations to recipients. TAP is separated into the 50% of funds that must be allocated to population categories pursuant to federal statute, and the 50% of funds that are flexible.

Next Steps: STAC recommendation on RPP. The TC will be asked to adopt formula program allocation methodologies at the regular TC meeting on March 20.