

STATE OF COLORADO

DEPARTMENT OF TRANSPORTATION
Division of Transportation Development
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MEMORANDUM

TO: STAC

FROM: Jennifer Finch, Director - Division of Transportation Development

DATE: December 3, 2009

RE: STIP Resource Allocation for CMAQ FY 12 – FY 17

As part of the modified resource allocation needed for the next TIP/STIP cycle, which will cover the years FY 12-17, the distribution of CMAQ funds for those years needs to be addressed. In September 2009 the Transportation Commission adopted Resolution TC-1766 which outlined the distribution of CMAQ funds for FY 10 and FY 11. The resolution indicated that further discussions would occur to address FY 12 – FY 17 as part of the STIP development process. Resource allocation control totals for the STIP will need to be approved by the Transportation Commission in March 2010. To allow OFMB sufficient time to develop those control totals, a decision on CMAQ distribution is needed by mid-February 2010.

The CMAQ allocation outlined in TC-1766 was developed in response to the 2007 EPA Ozone non-attainment boundary, which includes the Denver metro area, North Front Range and portions of Upper Front Range, as well as a recognition that CMAQ project selection processes for FY10 and FY11 were already underway and that a major change to CMAQ funds distribution would be disruptive. The resolution is attached for your information.

A number of issues will need to be addressed in a new resolution, including:

- Should CMAQ funds be allocated to non-attainment areas only, or to non-attainment and maintenance areas?
- Should there be an emphasis on ozone non-attainment areas?
- Should there be some provision addressing possible future allocations to “at risk” maintenance areas?
- Is there a need to set-aside CMAQ funds for a multiregional approach?

This topic is on the agenda for the December STAC meeting in order to point out the need to address the FY12-17 CMAQ allocation and to provide some information on anticipated developments in air quality regulations. Staff is planning to hold a meeting with the current CMAQ recipients in early January to discuss the matter in greater detail.

Proposed CMAQ Allocation Decision Timeline

- December 11- Brief discussion at STAC meeting
- Early January- Video conference with direct recipients
- January 14- Proposed allocation presented to STAC for comment and recommendation
- January 20- Transportation Commission workshop on Resource Allocation, including CMAQ Allocation
- February 18- Transportation Commission approval of Resolution for CMAQ allocation for FY 12-17.

**Transportation Commission of Colorado
September 17, 2009**

Resolution Number TC-1766

WHEREAS, the Congestion Mitigation and Air Quality (CMAQ) improvement program was developed under the Intermodal Surface Transportation Efficiency Act (ISTEA), and was continued with the Transportation Equity Act for the 21st Century (TEA-21), and is currently being conducted under the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU); and

WHEREAS, the purpose of the CMAQ program is to provide a flexible funding source for transportation projects and programs that assist non-attainment and attainment/maintenance areas in meeting National Ambient Air Quality Standards (NAAQS); and

WHEREAS, federal regulations provide guidance on how to administer the CMAQ Program, while allowing the state to determine how funds will be allocated; and

WHEREAS, funding is available for both non-attainment areas (areas not in compliance with the NAAQS) and attainment/maintenance areas (areas that were formerly in non-compliance and are now in compliance); and

WHEREAS, in the past, \$1 million of CMAQ money has been allocated to rural areas for PM10; and

WHEREAS, pursuant to Resolution TC-807, approved January 20, 2000, the remaining funds were allocated to the three MPOs the Denver Regional Council of Governments (DRCOG), Pikes Peak Area Council of Governments (PPACG), and North Front Range Transportation & Air Quality Planning Council (NFRMPO) that were in non-attainment for PM-10 and carbon monoxide based on a 50 percent vehicle-miles traveled (VMT) for on-system roads and 50 percent population formula; and

WHEREAS, in 2007, the U.S. Environmental Protection Agency (EPA) reported that the five rural PM10 areas, (Aspen/Pitkin County, Canon City, Pagosa Springs, Steamboat Springs/Routt County, and Telluride/Mountain Village) have been in attainment/maintenance since mid-2000, depending on the location; however, recent data

shows an upward trend in PM10 levels in some rural PM10 areas;
and

WHEREAS, on November 20, 2007, the EPA designated the nine-county Ozone Control Area consisting of the Denver metro area, North Front Range Planning area and portions of the Upper Front Range Planning area as Ozone non-attainment; and

WHEREAS, in January 2009, the Federal Highway Administration (FHWA) requested that CDOT allocate CMAQ funds to Ozone non-attainment areas, and revise Resolution Number TC-807 to reflect this; and

WHEREAS, CDOT recognizes the importance of addressing the Ozone non-attainment areas in the distribution of CMAQ funds; and

WHEREAS, CDOT has consulted with the eligible recipients regarding fund allocation for state FY 10 and 11; and

WHEREAS CDOT recognizes the need to transition from the previous allocation system to a system that focuses on non-attainment areas;

NOW THEREFORE BE IT RESOLVED, the Commission has determined that for state FY 2010 and FY 2011, CMAQ funds will be allocated in the following manner:

- **CDOT will allocate \$1 million of CMAQ funds annually to the eligible rural PM-10 areas.**
- **The remaining CMAQ funds will be allocated to DRCOG, NFRMPO, and to the UFRTPR for areas within the Ozone non-attainment boundary, and all of PPACG based on the 50 percent VMT/50 percent population formula.**
- **Population and VMT will be updated annually for the 50 percent VMT/50 percent population formula.**
- **For the period FY 2010 through 2011, the formula should be used for planning purposes only, and is not a budget allocation.**
- **Should CDOT receive up to \$5 million annually in additional CMAQ funds for FY 2010 or 2011 beyond those estimated in the December 2006 resource allocation, the**

additional funds will be distributed to the Ozone non-attainment areas based on the 50 percent VMT/50 percent population formula.

FURTHER, project selection will continue to be at the local level. MPOs, Rural TPRs, and CDOT will work cooperatively to select cost effective projects, including eligible CDOT and transit agency projects that provide meaningful air quality benefits.

FURTHER, CMAQ fund recipients will continue to report annually in writing to the CDOT staff on the effectiveness of their projects and CDOT staff will compile results into reports for the Commission and the FHWA.

FURTHER, this resolution supersedes TC-807, approved on Jan. 20, 2000.

FURTHER, this resolution will be revised to address state Fiscal Years 2012-2017 as part of the STIP development cycle.