



DATE: January 20, 2016
TO: Transportation Commission
FROM: Debra Perkins-Smith, Director, Division of Transportation Development (DTD)
SUBJECT: 10 Year Development Program Criteria and Project Selection

Purpose

To review and discuss criteria and approach to identify and prioritize projects from the Development Program.

Action

Informational. Transportation Commission (TC) input.

Background

A draft of the Development Program inventory of major investment priorities was presented to the Transportation Commission at a November workshop. It includes nearly 100 major highway projects totaling \$7.8 billion, plus priorities for transit and operations (see **Attachment A and B**). The Development Program also includes information on other regionally important projects. The November workshop included a discussion of the need to be ready to quickly identify and prioritize projects from the Development Program for possible new funding sources, additional revenue, or competitive programs. Recent developments, including new Senate Bill (SB 228) revenue forecasts (See **SB 228 Transfer Scenarios memo in the information section**) and discussions of different legislative proposals, reiterate the need to be prepared to identify and prioritize projects from the Development Program. At the January TC Workshop, staff will discuss three related approaches:

- 1) Project Identification - Use of Development Program project data to identify different types of projects for different purposes in the future.
- 2) Prioritization for Additional Revenue (i.e. SB 228) - Review and verification of criteria to identify projects for funding with additional SB 228 revenue.
- 3) Identification of Higher Priority Projects - Identification of criteria to select higher priority projects from the Development Program for potential new funding sources over the next 10 years.

Details

Project Identification

One of the uses of the Development Program is as a tool to identify potential projects for different types of purposes, for example, to identify candidate projects for different competitive programs. To aid in this process, the Development Program includes a variety of data that can be queried or filtered for particular types of projects.

Attachment C displays the data currently being captured for the major highway projects included in the Development Program. This includes:

- Location Information (Region, TC District, TPR, County, Corridor, and Route)
- Project Overview (Name and Description, Related Study, and Limits)
- Project Funding (Funding Need and Total Project Funding, alignment with STIP and planned or programmed RPP)
- Regional Transportation Plan (Relationship to RTP, including alignment with Statewide Plan goals and strategies)
- Types of Need (Needs present at project location based on CDOT data sources, including congestion, safety issues, poor pavement, etc.)
- Other Attributes (corridor designations, access to federal lands, access to other key activity centers)
- Traffic Data (AADT, Truck AADT, % Truck, VMT, V/C Ratio)



Attachment D provides examples of how this data can be used to query or filter projects. Three examples are provided - an urban freight example, a rural freight example, and an example based on access to federal lands.

Prioritization for Additional Revenue

The Draft FY 17 budget provided to the Transportation Commission in November included \$0 in SB 228 funding. More recent forecasts from the Office of State Planning and Budgeting (OSPB) and Legislative Council are now calling for approximately \$106 million in SB 228 revenue in FY 17 (See **SB 228 Transfer Scenarios memo**). This creates a need to revisit projects for potential SB 228 funding. Candidate SB 228 projects were initially identified in November, 2014 and are 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. Some questions that the TC may wish to consider with respect to SB 228 include:

- Are the criteria identified in the paragraph above and the emphasis on mobility and economic vitality still the relevant factors in identifying SB 228 projects?
- Are there additional criteria or emphasis areas that should be considered?

Based on TC input, staff will revisit the original candidate SB 228 projects as well as other projects included in the Development Program and bring back to the TC updated recommendations for candidate SB 228 projects. The Division of Transit & Rail (DTR) is in the process of reviewing transit priorities for SB 228 funding, which will also be included. A separate memo included in the January TC packet on SB 228 Transfer Scenarios includes additional information on a recent effort to conduct more detailed economic analysis of a sample set of candidate SB 228 projects. The results of this analysis will be considered and included in the development of updated recommendations.

Identification of Higher Priority Projects

As noted previously, the Development Program currently includes major highway projects totaling nearly \$8 billion. As indicated by the substantial funding gap identified in the 2040 Statewide Transportation Plan, project needs far exceed available revenue. Some of these projects are likely to move forward in small increments with funding from existing sources, many others are not likely to see any significant progress without additional revenue. At \$8 billion, these projects exceed what might reasonably be accomplished within the next 10 years even if new funding sources were to come to fruition. Given the potential for new funding sources, the TC may want to consider identifying criteria that can be used to further prioritize and identify a smaller subset of projects with a target of closer to \$2 - \$2.5 billion. The 2040 SWP included a "High Revenue Scenario" which assumed annual SB 228 transfers for five years, and after five years, the continuation of a similar level of additional revenue through a possible new funding source. This "High Revenue Scenario" totals approximately \$1.5 billion through 2025. The \$2 - \$2.5 billion target assumes this funding as well as \$0.5 - \$1 billion in existing funding sources that might move some of these projects forward incrementally in the absence of other funding. The following are criteria that could be used in further prioritization. Many of these criteria have been used in past efforts, including the earlier identification of candidate SB 228 projects and the identification of RAMP projects. Potential criteria include:

- **Mobility** - Extent to which project addresses a mobility need, including congestion reduction, improved reliability, new or improved connections, eliminations of "gaps" or continuity issues, new or improved multimodal facilities, or improved access to multimodal facilities
- **Economic Vitality** - Extent to which a project supports the economic vitality of the state or region, including supporting freight, agricultural, or energy needs, or providing or improving access to recreation, tourism, military, job, or other significant activity centers
- **Safety** - Extent to which project addresses safety deficiencies at locations with known safety issues (as indicated by Level of Safety Service (LOSS) 3 or 4), or other known or projected safety issues



- **Asset Life** - Extent to which project addresses asset life, including improving Low Drivability Life pavement or poor rated structures
- **Regional Priority** - Priority within the Region, based on planning partner input including priorities expressed in Regional Transportation Plans
- **Strategic Nature** - Strategic nature of project, and regional or statewide significance

Based on TC input, staff will return for a subsequent workshop to further discuss criteria and approach to the identification of higher priority projects. Staff will also coordinate with DTR and the Division of Transportation System Management and Operations (TSMO) to incorporate priorities for transit and operations.

Next Steps

- January - Review Draft Development Program project information with STAC
- February - TC Workshop on projects for additional revenue and higher priority projects

Attachments

- Attachment A - Development Program Draft Major Investments
- Attachment B - Map of Development Program Major Investments
- Attachment C - Development Program Project Data
- Attachment D - Development Program Example Queries

