



Meeting Minutes

Date/Time: Tuesday, September 21, 2021, at 10:30 AM

Location: Virtual Meeting

- Call to Order
Mr. Steve Stepek called the meeting to order at 10:30 AM.
- Changes or Additions to the Agenda
Ms. Lindsay Wallace made a motion to approve the agenda as corrected, supported by Mr. Steve Duke. The **motion passed** unanimously.
- Approval of the August 17, 2021 Meeting Minutes
Mr. Steve Duke made a motion to approve the minutes as presented, supported by Mr. Jim Sturdevant. The **motion passed** unanimously.
- Treasurer's Report
Ms. Lindsay Wallace reported:
 - The account balance stands at \$18,506.
- Education Committee
There were no updates from Mr. Jason Nordberg.
- Policy Committee
Mr. Tom Bruff reported:
 - There will be a meeting to discuss LPG guidance documents on September 30.
 - Consolidating planning grant PL 5303 distribution meeting will be held in February.
- FHWA / FTA Update
Mr. Andy Pickard of FHWA provided clarifications on STIP/TIP project descriptions:
 - *A Guide to Federal-Aid Programs and Projects* is the best resource for project eligibility
 - Highway projects - the term "various routes" should be used instead of "all routes" unless all routes are truly eligible
 - Transit projects - include a more detailed description for use of vehicles, for example instead of "van purchase" include "van purchase for ride share"



Ms. Susan Weber of FTA reported:

- FTA has announced a notice of funding opportunity for approximately \$410 M for bus and bus facilities. Applications are due November 19, 2021.

- Asset Management Council (TAMC)

There were no updates from Mr. Ryan Buck.

- Technical Committee

Ms. Suzann Flowers reported:

- Recent discussions included some mapping/data issues that MDOT will be working to correct.

- JobNet Tech Report

Mr. Steve Stepek reported:

- Recent discussions included the obligated projects report and working towards an auto generated report.

- MDOT

- a. General Updates

Mr. Don Mayle reported:

- UWP projects and CPG funds are all obligated. 5105 forms have all been submitted.
- MDOT is working with FHWA and Local Agency Programs to develop guidelines on listing projects with various locations.

- b. TPM Update

Mr. John Lanum reported:

- 4-Year adjusted bridge targets are due to be updated in TIPs by September 30th.
- Safety targets are due for Committee approval by February 27, 2021.

Discussion ensued regarding the need for MDOT/MPO coordination meetings during the development of state safety targets.



Mr. Mark Bott reported on the new 2022 safety targets:

- In 2019, the state of Michigan did not meet safety targets and are now required to develop an HSIP implementation plan to address targets in the future.
- Driver behavior is impacted by the level of risk drivers take, which is typically correlated with the economy. However, 2020 was an outlier.
- Observations for 2020 - There was a drop in VMT but fatalities were up compared to the previous year. Serious injuries were down 3%, and total crashes were down 22% percent.
- In 2021 VMT is still down, and targets are all higher than the baseline. The MDOT/UMTRI model predicts VMT will still be down and fatalities will still be trending up in 2022.
- Next Steps - MPOs must adopt all five of the state safety targets, 1-5 of the targets, or develop their own targets by February 27, 2022. There is no penalty for an MPO not meeting their own targets.

c. Primary Highway Freight System Redesignation

Ms. Elisha Wulff reported:

- A federal register notice from FHWA has requested information regarding the redesignation of the primary highway freight system, and comments are due by October 25, 2021. There are 960 miles available for consideration of adding to the national freight network.
- The location of a route on this network makes Michigan eligible for flexible INFRA grant funding and there is also a list of eligible routes in Michigan that could be designated as critical urban or critical rural freight corridors.
- FHWA suggests three options for redesignating the primary freight system:
 1. Equally allocate available miles to each state, giving 18 miles to each state.
 2. Distribute the miles equally among the states that have greater restrictions on the use of INFRA grant eligibility, giving 53 miles to all of those states which does not include Michigan.
 3. Add to the system any routes newly flagged as interstate highway system routes since the development of the last primary freight network, which would be 1,500 miles of new interstate.



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- MDOT's position is that option two would provide the greatest benefit to the national freight network. MDOT will be sharing their position with the Logistics and Supply Chain Collaboration (LSC).

- Other New Business
No new business.

- Adjournment
Mr. Steve Stepek adjourned the meeting at 11:29 AM.



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Meeting Attendance Tuesday, September 21, 2021 at 10:30 a.m.

Name	Organization
Andrea Faber	GVMC
Jeff Franklin	MDOT
Alicia Williams	GCMPC
Richard Bayus	MDOT
Anita Boughner	MDOT
Ryan Smith	BayCATS
Brian Sanada	MDOT
Craig Newell	MDOT
Maja Bolanowska	Midland MPO
Luke Walters	MDOT
Megan Mickelson	KATS
Brian Mulnix	WMSRDC
Nick Sapkiewicz	WATS
Michelle Weber-Currie	MDOT
Lindsay Wallace	SCCOTS
John Lanum	MDOT
Matt Galbraith	MDOT
Don Mayle	MDOT
Christina Ignasiak	FHWA
Edward Fowler	MDOT
Pat Karr	BCATS
Elisha Wulff	MDOT

a voluntary association of public organizations and agencies responsible for the administration of transportation planning activities throughout the State of Michigan



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Ryan Buck	WATS
Steven Stepek	KATS
Kim Gallagher	SWMPC
Jim Sturdevant	MDOT
Laurel Joseph	GVMC
Suzann Flowers	WATS
Joel Fitzpatrick	WMSRDC
Donna Wittl	MDOT
Emily Lake	WATS
Michele Zawerucha	MDOT
Steve Duke	R2PC
Steve Brudzinski	SEMCOG
Max Gierman	MDOT
Katherine Parker	MDOT
Heidi Phaneuf	MDOT
Andy Pickard	FHWA
Mark Bott	MDOT
Mark Kloha	MDOT
Tyler Kent	MDOT
Tom Bruff	SEMCOG
Nicole Baumer	TCRPC
Anton Schauerte	MACC
Andrea Strach	TCRPC
Susan Weber	FTA
Elizabeth Nitschke	FHWA

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The Finance Committee has included the following items for review:

- MTPA Finance Committee meeting minutes from October 8, 2021
- 2021 Federal Aid to Michigan Flowchart
- FY 2021 FHWA Aid Highways Program Allocation
- IIJA New General Fund Programs
- IIJA Draft General Fund Program Allocation

A formal memo will be sent out on Monday, October 18, 2021 with a request for action items.



MTPA FINANCE COMMITTEE MEETING NOTES

October 8, 2021

9:30am-11:00am

Suzann Flowers, Jason Nordberg, Laurel Joseph, Andrea Strach, Andy Brush, Ed Fowler, Andrea Faber, Jeff Franklin, Anita Boughner, Heidi Phaneuf, Anton Schauerte, Michele Fedorowicz, Pat Karr, Megan Mickelson, Don Mayle (Jim Koenig and Kim Gallagher asked to be added to group).

1. Call meeting to order and introductions - *Brudzinski*

Mr. Brudzinski called the meeting to order at 9:39 am, and briefly reviewed the current status of the FAST Act extension:

- 1-month extension on the FAST Act
- New programs proposed are Promoting Resilient Operations for Transformative Efficient, and Cost-savings Transportation (PROTECT) and Carbon Reduction Program

Ms. Phaneuf noted that we only have a portion of obligation authority currently and that authority is only through October 31. The catch is that no new appropriations will be made until October 15, 2021. The CR expires on October 31, and MDOT is allowing projects to be AC and ACC in the same year if projects need to move forward during the month of October.

2. IJA Draft Michigan Apportionment Discussion - *Phaneuf*

Ms. Phaneuf reviewed the potential new funding programs (pdf attached to these notes) and made a recommendation that MDOT would be willing to use year 1 funding from the PROTECT and Carbon Reduction Program funds in exchange for STP flex funds.

As part of the Carbon Reduction Program, there is a provision stating that the State within 2 years after the date of enactment, State will consult the MPOs in the development of a carbon reduction strategy and would identify projects and strategies to reduce transportation emissions. This project would be allocated similarly to federal STP fund allocations.

The PROTECT Funds are formula and competitive funds and are related to resilience and how our transportation systems are resilient to weather events.

The table below outlines the FY 2021 Appropriation along with the proposed FY 2020 Totals for each program under the proposed Bill.



DRAFT Federal Aid Allocation for Infrastructure Investment and Jobs Act FY 2022 Appropriation - Michigan

Infrastructure Investment and Jobs Act (IIJA) Core Federal Aid Highway Programs - Michigan Estimated Revenue***	FY 2022 Total*	FY 2021 Appropriation
National Highway Performance Program (NHPP)	\$ 755,636,000	\$ 635,196,541
Surface Transportation Block Grant (STBG) Program	\$ 367,607,000	\$ 318,464,165
Highway Safety Improvement Program (HSIP)	\$ 79,172,000	\$ 61,274,610
Safety-Related Activities (back from MAP-21)	\$ 93,000	NA
Rail Highway Crossings Program (RHCP)	\$ 6,510,000	\$ 8,240,646
Congestion Mitigation and Air Quality (CMAQ)	\$ 67,395,000	\$ 78,864,963
Metropolitan Planning	\$ 11,641,000	\$ 11,099,582
National Highway Freight Program (NHFP)	\$ 36,505,000	\$ 39,470,767
Transportation Alternatives Program	\$ 36,761,000	**
Carbon Reduction Program	\$ 32,778,000	NA
Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation (PROTECT)	\$ 37,271,000	NA
Apportioned Total	\$ 1,431,369,000	\$ 1,152,611,274

* Estimate based on Michigan's share of federal aid in FAST Act Extension FY 2021

** Included in 1% of other programs per FAST Act

New Federal Aid Programs

***Apportionments only, does not include reduction for obligation limitation

There was consensus from the attendees that MTPA should take action on a plan to allow MDOT to utilize the PROTECT and Carbon Reduction Program funds for one year while transferring STP flex funds to MPO in exchange for the allocation that they would have received. Members think that this would be a good way to see how the new programs could work, but it will be up to a vote of MTPA members.

Ms. Phaneuf noted that we will still be utilizing the 2010 Census number for allocation. New Census information will not be used until 2023 or 2024.

Mr. Brudzinski noted that if a bill does pass that he will work to update that information in the Financial Chapters for our planning documents.



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Federal Aid to Highways Program Flow Chart and Federal-Aid Highways Program Allocation Chart

Ms. Phaneuf provided charts highlighting the allocation charts and flow charts for federal aid funds.

3. TAP and Rec Trails “off the top” apportionments - *Phaneuf*

Ms. Phaneuf stated that MDOT is planning to dedicate a portion of the federal-aid highway obligation authority (OA) received by the State through the annual apportionment process for a new OA pool. This dedicated OA pool will be for the Statewide Transportation Alternatives Program (TAP) and the Recreational Trails Program. This will be the fourth dedicated federal-aid highway OA pool in the State. The three existing pools are the Rural Task Force (RTF) pool, the Non-Rural Local pool, and the Trunkline pool.

In Michigan, TAP is split approximately 50/50 between the trunkline and local agency programs. TAP is unusual among the federal-aid highway programs in the State because the projects frequently shift coordination from the trunkline to the local side, and vice versa. In the case of the Recreational Trails program, which is utilized by the Department of Natural Resources, many projects are located off the federal-aid system. These two factors can make it difficult to precisely determine the 75/25 trunkline/local federal-aid obligation split mandated by Act 51 of 1951. Separating the trunkline TAP and Recreational Trails programs into their own federal-aid OA pool will help to increase clarity of accounting to demonstrate that MDOT is indeed following the 75/25 split in Act 51.

Ms. Phaneuf noted that we will not get apportionments until end of the month of October 2021.

4. FY21-MDOT Retention of Carbon Reduction Program and PROTECT Program Funds in Exchange for Extra STBG Funding to the MPOs - *Phaneuf*

There was agreement on shifting these funds for the first year only and that action should be taken at the October 2021 MTPA meeting.

5. Obligation Authority Balance for FY 2021 being carried over for local non-rural in FY 2022 - *Phaneuf*

Ms. Phaneuf noted that the State did great on obligation authority due to the August redistribution, and that was the most that the State had every received, which allowed there to be almost 99% obligation limitation. This resulted in a year end balance for local Non-RTF program in the amount of \$13 million, given to trunkline to obligate, but MDOT intends to pay this back for FY 2022. This helps MDOT and local agencies remain consistent with 75/25 split.



What need to be understood is that we still don't get to spend to 100% of our allocation, but our obligation authority is in the higher 90% than what we would normally start the year with.

6. Updates to FY 2023 – 2026 Revenue Estimates - *Phaneuf*

Ms. Phaneuf noted that if the IIJA bill is passed that revenue estimates will be updated and that will mean more money, but for now, please stick with the targets that have been provided to you.

One item to note on the proposed funding from the IIJA bill is that CMAQ funds decreased by \$11 million. There was concern on how we would handle the significant reduction and how to program projects currently.

Ms. Phaneuf noted that the CMAQ Program Manager position is being replaced and that based upon previous conversations, the reduction in CMAQ funds due to the new programs would be made up with STP Flexible Funds. The concern is centering around project selection and creation of the FY 2023-2026 TIP.

7. NHPP Funding - STP and NHPP Shift

There was discussion within MDOT and among the attendees that given small allocations and the small percentage of MPOs that receive NHPP fund if there could be a swap of these funds for STP funds instead. There was a discussion about a possible phased approach to this program and to work with MDOT on this topic.

MDOT made the decision in the FAST Act to allocate NHPP funds to the TMAs.

There was consensus among the attendees that this swap of NHPP funds to STP flexible funds should be voted on at the October 2021 MTPA meeting.

8. Michigan Senate Bills [465](#) and [466](#)

These bills would allow local agencies to sell their Federal Aid funds for MTF funds at a rate of \$0.90. There is a provision that agencies would still have to follow the Davis Bacon rule which corresponds to locally prevailing wages and fringe benefits for corresponding work on similar projects in the area.

The project would have to be in the STIP/TIP before they would be eligible to be bought out, and MDOT would issue a call for the buyout program. MDOT would also have a certain amount that would be eligible for the program.



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There was concern that if local agencies were to receive a direct check for the federal funds that they could make changes to projects, and that any cost savings would not be directed back to the MPO to reprogram since the money does not stay with that particular agency.

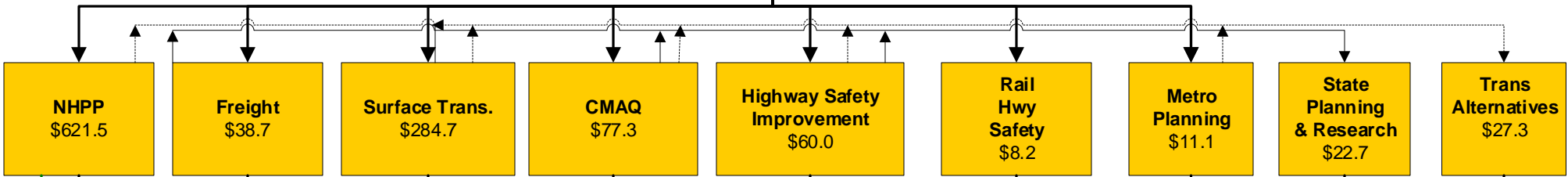
Projects that were going through the federal aid program would have to wait behind the buyout projects and could result in higher prices for bids. Additionally, Mr. Nordberg stated that MPOs would need to work together to put policies in place for the TIP if these Senate Bills were to pass to ensure that TIP policies are kept in place.

Attachments provided by Ms. Phaneuf

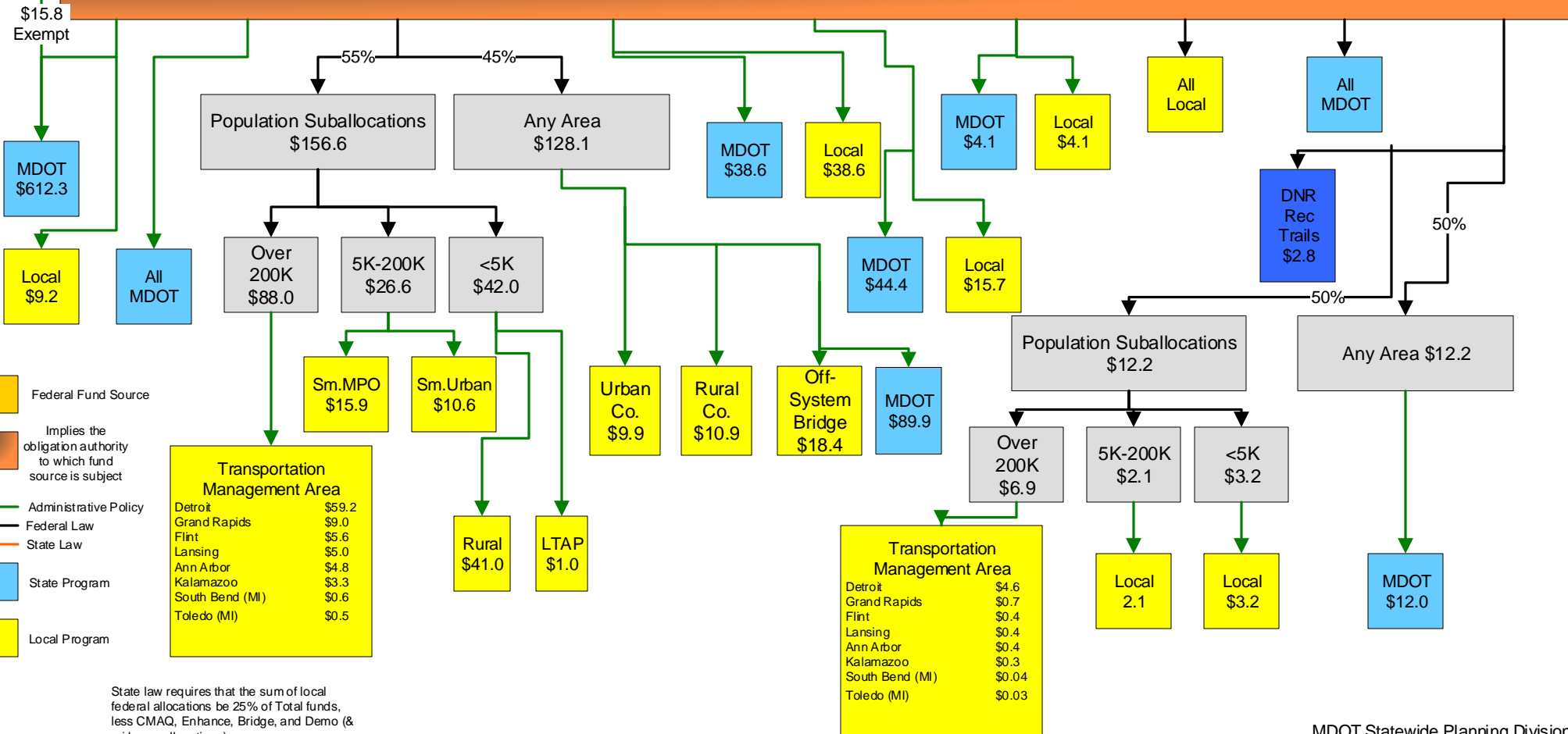
1. 2021 Federal Aid to Michigan Flowchart
2. FY 2021 FHWA Aid Highways Program Allocation
3. IIJA Draft General Fund Programs
4. IIJA New General Fund Programs

FEDERAL AID TO HIGHWAYS PROGRAM - MICHIGAN, FY 2021

\$1,159.4 Million



Fiscal Year Obligation Authority \$1,010.6 (88.37%)



- Federal Fund Source
- Implies the obligation authority to which fund source is subject
- Administrative Policy
- Federal Law
- State Law
- State Program
- Local Program

State law requires that the sum of local federal allocations be 25% of Total funds, less CMAQ, Enhance, Bridge, and Demo (& mid-year allocations).

2021			
	Local	Trunkline	Total
	Apportionment	Apportionment	
NHPP	\$ 9,245,940	\$ 612,292,202	\$ 621,538,142
Freight		\$ 38,681,352	\$ 38,681,352
STP			\$ -
TMA	\$ 88,007,803		\$ 88,007,803
Small MPO	\$ 15,938,707	\$ -	\$ 15,938,707
Small Urban	\$ 10,636,745	\$ -	\$ 10,636,745
Rural	\$ 41,024,118		\$ 41,024,118
LTAP/MERL/Roadsoft	\$ 1,000,000		\$ 1,000,000
Flexible		\$ 88,955,768	\$ 88,955,768
Former Cat C (from flexible)	\$ 9,909,122		\$ 9,909,122
Former Cat D (from flexible)	\$ 10,899,429		\$ 10,899,429
Off-System Bridge	\$ 18,368,987		\$ 18,368,987
Safety	\$ 15,672,938	\$ 44,376,180	\$ 60,049,118
HRRR			\$ -
Rail Highway Crossing	\$ 4,120,323	\$ 4,120,323	\$ 8,240,646
SPR		\$ 22,665,420	\$ 22,665,420
Metropolitan Planning	\$ 11,099,582		\$ 11,099,582
CMAQ	\$ 38,643,832	\$ 38,643,832	\$ 77,287,664
Transportation Alternatives	\$ 12,250,124	\$ 12,250,124	\$ 24,500,248
Rec Trails		\$ 2,853,955	\$ 2,853,955
Certain Reauthorized Distribution	\$ 3,023,911	\$ 4,685,525	\$ 7,709,436
	\$ 289,841,561	\$ 869,524,681	\$ 1,159,366,242
	25.00%	75.00%	

Infrastructure Investment and Jobs Act (IIJA) New Formula Grant Programs

**From AASHTO Comprehensive Analysis of the Bipartisan Infrastructure Bill
September 15, 2021**

Sec. 11403. Formula carbon reduction program.

Section 11403 establishes a carbon reduction program to reduce transportation emissions. Eligible projects include a project to establish or operate a traffic monitoring, management, and control facility or program, including advanced truck stop electrification systems, a public transportation project that is eligible for assistance under section 142 (Public Transportation), the construction, planning, and design of on-road and off-road trail facilities for pedestrians and bicyclists, a project for advanced transportation and congestion management technologies, a project for the deployment of infrastructure-based intelligent transportation systems capital improvements and the installation of vehicle to infrastructure communications equipment, a project to replace street lighting and traffic control devices with energy-efficient alternatives, the development of a carbon reduction strategy, and retrofitting of DSRC technology under certain conditions.

This section also establishes that 2 years after the date of enactment a State, in consultation with any metropolitan planning organization designated within the State, shall develop a carbon reduction strategy that supports efforts to reduce greenhouse gas emissions, identifies projects and strategies to reduce transportation emissions, supports the achievement of targets for the reduction of transportation emissions, quantifies the total carbon emissions from the production, transport, and use of materials used in the construction of transportation facilities within the State, and is appropriate to the population density and context of the State. 65 percent of funding under this program would be suballocated by population.

Section 11403 also permits, at the request of a State, that the Secretary shall provide technical assistance in the development of the carbon reduction strategy

AASHTO Analysis:

- This is a new formula program that would be added to existing core formula programs funded via state apportionment.
- Suballocation at 65 percent is higher than 55 percent for STBGP.
- Formula program transferability subject to 23 USC 126 applies to this program.

Sec. 11405. Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation (PROTECT) grant program.

Section 11405 establishes a formula and competitive grant program to help States improve the resiliency of transportation infrastructure.

Resilience grants comprise resilience improvement grants, community resilience and evacuation route grants, and at-risk coastal infrastructure grants.

This section describes the required plan contents of a voluntary resilience improvement plan, and allows a State or eligible entity that receives a grant to have the non-Federal share of projects reduced if the State or eligible entity meets certain voluntary planning requirements. Specifically, the non-Federal share of projects carried out with PROTECT funds can be reduced by 7 percent if a State or eligible entity develops a resiliency improvement plan, and reduced by an additional 3 percent if a State or eligible entity incorporates a resiliency improvement plan within its long-range statewide transportation plan or metropolitan transportation plan.

AASHTO Analysis:

- This is a new formula program that would be added to existing core formula programs funded via state apportionment.
- This provision includes an incentive to adopt resiliency plans by allowing for increased federal share if certain planning requirements are met.
- Formula program transferability subject to 23 USC 126 applies to this program.

DRAFT Federal Aid Allocation for Infrastructure Investment and Jobs Act FY 2022 Appropriation - Michigan

Infrastructure Investment and Jobs Act (IIJA) Core Federal Aid Highway Programs - Michigan Estimated Revenue***

FY 2022 Total*

FY 2021 Appropriation

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