

Draft FY21-FY26 CMAQ & RSTP Allocations

TAC Meeting

June 9, 2020

State Guidance for Allocations

- Budget requirements:
 - Section 430
 - Funds must be obligated within 12 months of allocation
 - Funds must be expended within 36 months of obligation
 - CMAQ funds subject to reallocation for other projects
 - RSTP projects may lose state match

State Guidance for Allocations

- Other Code Requirements:
 - Code of Virginia § 33.2-214. Transportation; Six-Year Improvement Program
 - CTB adopts allocations for six-year period
 - Updated annually to reflect current cost and schedule
 - MPO allocations also six years at a time

Current Allocations - Summary

- Some front loading of funding on projects
- Funds not matched with schedules
- Large balance in later out years, smaller balance in early years

Current Allocations - Project

- Example
 - Rte 623 – Improve Intersection (105733)
- TPO Funding
 - RSTP - \$5,457,959

Estimates & Schedule		
	Estimated Cost (Thousands)	Schedule
Prelim. Eng. (PE)	\$729	FY2023
Right of Way (RW)	\$330	FY2026
Construction (CN)	\$4,417	FY2027
Total Estimate	\$5,476	

Current Allocations - Project

Project Description	Locality	Allocations						RSTP Allocation FY21 -FY26
		FY21	FY22	FY23	FY24	FY25	FY26	
Rte 623 – Improve Intersection	Goochland	\$328,775	\$382,184	\$330,000	\$2,208,500	\$2,208,500	\$ -	\$5,457,959

- Funds allocated in consecutive years
- Funding does not match project schedule in POOL or SYIP

Current Allocations - System

	FY21	FY22	FY23	FY24	FY25	FY26
Projected Funds	19,699,426	20,075,701	20,458,374	20,847,551	21,243,345	21,645,868
Current Allocations	19,558,433	19,657,534	16,445,333	12,992,322	13,874,668	-
Available Balance	140,993	418,167	4,013,041	7,855,229	7,368,677	21,645,868

- Table shows current RSTP balances/allocations
- Significant funding (30%) unallocated in years 3-5
- Little leeway in years 1-2 for cost overruns or changes in projected funding
- Next phase of existing projects not well documented

Proposed Allocations - Summary

- Allocate funds by phase based on project schedule
- Track funding commitments beyond Year 6 for future phases of selected projects
- Allocate all six years with consistent balance entry
- In future cycles, focus on Year 6 for new projects
- Draws from approach of HRTPO, FAMPO

Proposed Allocations - Project

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Proposed Allocations - Project

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- Funding matched to project schedule
- Frees up funding to advance more projects concurrently
- Phases beyond Year 6 as future commitments

Proposed Allocations - Project

Project Description	Locality	Future Commitments				Total Future Commitments
		FY27	FY28	FY29	FY30	
Rte 623 – Improve Intersection	Goochland	\$2,199,480	\$2,199,480	\$ -	\$ -	\$4,398,960

- Future commitments documented per schedule
- More expensive phases split where possible
- Allows for better estimation of available funding before application cycle each fall
- Allows sponsors to know funding will be available when needed without front loading

Proposed Allocations - System

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
Projected Funds	19,699,426	20,075,701	20,458,374	20,847,551	21,243,345	21,645,868
Current Allocations and Commitments	18,715,000	19,072,000	19,440,000	19,810,000	20,210,000	20,176,000
Target Balance (5%)	984,971	1,003,786	1,022,919	1,042,378	1,062,168	1,082,294
Actual Balance	984,971	1,003,786	1,022,920	1,542,059	1,160,925	1,469,868

- Consistent target balance to cover shortfalls
- Year 6 allocations include future commitments
- Year 6 balance is focus for new project selection
- Previous balance for immediate, one-time needs (studies, TDM programs, etc.)

Benefits to Proposed Approach

- Funds obligated and expended on time
- Reduced risk of losing state match, rescission
- Available funding easily estimated for future years
- Documented TPO commitment for future phases
- Allocations can be largely handled in-house
- Shorter selection process

Discussion – Existing Projects

- Any concerns with approach to existing projects?
- Email additional comments on specific projects by 6/19

Discussion – New Projects

- Costs inflated 2.5% to phase start year
- Concerns with approach to new projects?
- Is TAC comfortable allocating all six years?
- Email additional comments on specific projects by 6/19

Discussion - RideFinders

- Project selection guidelines (2014) state that RideFinders should significantly reduce TPO share of operating budget by 2020
- Reduced from 80% to 70% over the past 5 years

<u>FY</u>	<u>RRTPO CMAQ</u>	<u>Operating Expenses</u>	<u>Percent</u>
2019	\$ 510,500	\$ 729,635	70.0%
2018	\$ 510,438	\$ 716,137	71.3%
2017	\$ 503,308	\$ 731,897	68.8%
2016	\$ 503,600	\$ 617,506	81.6%
2015	\$ 500,000	\$ 620,828	80.5%

Discussion - RideFinders

- Program is regularly a top scoring CMAQ candidate
- Limited alternative sources of funding
- Current allocations through FY22
- Balance sufficient to continue funding at current levels through FY24, later with some reworking
- Staff recommends continuing allocations at current levels through at least FY24



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