AGENDA

Rogue Valley Metropolitan Planning Organization

Technical Advisory Committee

Date:	*Wednesday, August 11, 2021*
Time:	*1:30 p.m.*
Location:	*Jefferson Conference Room* *RVCOG, 155 N. 1ˢᵗ Street, Central Point* <u>*Transit:*</u> *served by RVTD Route #40* *Phone Number: 541-423-1399 PIN: 3000*
Contact:	*Office Specialist, RVCOG: 541-423-1375* *RVMPO website: www.rvmpo.org*

1	**Call to Order / Introductions / Review Agenda**	**Chair**
Consent Agenda		
2	**Review / Approve Minutes**	**Chair**
Attachment	#1 | RVMPO TAC Meeting Draft Minutes 07/14/2021	
Action Items		
3	**Changes to Amendment Matrix in the TIP**	**Ryan MacLaren**
Background	ODOT Program & Funding Services staff met with FHWA and FTA to revise the amendment matrix. The matrix outlines whether a TIP amendment is considered an "administrative" (MPO staff approval only) or "full" (requires MPO Policy Committee & FTA-FHWA approval).	
Attachment	#2 | Amendment Matrix Changes #3 | FHWA FTA ODOT Amendment Matrix 2016 #4 | FHWA FTA ODOT Amendment Matrix 2021	
Action Requested	Recommendation of approval of revised matrix to the Policy Committee.	
4	**Ashland Chip-Seal Project**	**Karl Welzenbach**
Background	This project was originally programmed in the 2018-21 with CMAQ funds. It is anticipated that the number of roads to be covered in chip-seal will be dramatically reduced should the project move forward. The city of Ashland has requested that the CMAQ funds be withdrawn and the difference made up with the COVID relief funds recently allocated to the MPO.	

Attachment	#3 | Letter for the City of Ashland	
Action Requested	Recommendation to the Policy Committee	
5	**Improvements to Project Selection Process**	**Karl Welzenbach**
Background	For the past two TAC meetings we have had some excellent discussions regarding the selection process itself, the application format, as well as project cost estimates. I believe we still have a few more issues to nail down including what will be the makeup of the workshop to be held after the next call for projects.	
Attachment	#5 | Memo	
Action Requested	Further discussion and recommendations for the Policy Committee	
6	**Public Comment**	**Chair**
Regular Updates		
7	**RVMPO Planning Update** • Project Withdrawl	**Karl Welzenbach**
8	**Other Business / Local Business** Opportunity for RVMPO member jurisdictions to talk about transportation planning projects.	**Chair**
9	**Adjournment**	**Chair**

- The next RVMPO TAC meeting will be **Wednesday, September 08, 2021 at 1:30 p.m.** in the Jefferson Conference Room, RVCOG, Central Point.

- The next RVMPO Policy Committee meeting will be **Tuesday, August 24, 2021 at 2:00 p.m.** in the Jefferson Conference Room, RVCOG, Central Point.

- The next RVMPO PAC meeting is scheduled for **Tuesday, August 17, 2021, at 5:30 p.m.** in the Jefferson Conference Room, RVCOG, Central Point.

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Summary Minutes
Rogue Valley MPO Technical Advisory Committee
July 14, 2021

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The following attended:

Voting Members	Organization	Phone Number
Stephanie Holtey	Central Point | PL	
Robert Miller	Eagle Point | PW	826-4212
Alex Georgevitch, **Chair**	Medford | PW	774-2114
Joe Slaughter	Phoenix | PW	951-1971
Charles Bennett	Jackson County | PL	774-6115
Mike Kuntz	Jackson County | R&P	774-6228
Justin Shoemaker	ODOT	774-6376
Ian Horlacher	ODOT	774-6399
Paige West	RVTD | PL	608-2429
Staff	**Organization**	**Phone Number**
Karl Welzenbach	RVCOG	423-1360
Ryan MacLaren	RVCOG	423-1338
Kelsey Sharp	RVCOG	423-1375
Interested Parties	**Organization**	**Phone Number**
Justin Bernt	ODOT	
Michael Montero	PAC	

[RVMPO TAC July 14, 2021 Agenda Packet](#)

Meeting Audio 07/14/2021 Part 1 Part 2

1. Call to Order / Introductions / Review Agenda 00:00–01:46
1:32 p.m. | *Quorum*: Central Point, Eagle Point, Phoenix, Medford, Jackson County, ODOT, RVTD.

2. Review / Approve Minutes 01:46–02:24

02:04 | *Charles Bennett moved to approve the June 9, 2021 RVMPO TAC Meeting Minutes as presented. Seconded by Stephanie Holtey.*

No further discussion.

Motion carried unanimously by voice vote.

Action Items

3. Amendments to the 2021-2024 Transportation Improvement Program (TIP) 02:24 – 05:34

04:51 | *Mike Kuntz moved to recommend approval of the amendments to 2021-2024 TIP. Seconded by Justin Shoemaker.*

No further discussion.

Motion passed unanimously by voice vote.

Discussion Items

4. Improvements to Project Selection Process 05:34 – End of first recording – 44:45
This is continued discussion from the previous TAC meeting.

07:57 | Mike Kuntz: *There was an in-between of option 1 and 3 of the memo sent out earlier where a local agency can submit a project, and if they need more funding, they can come back to the MPO, and the MPO will decide to help as funds become available. Rather than the options of "The cost overrun is 100% the responsibility of the agency," or "If the project has been funded, the MPO will continue to fund the project until it is complete."*
Right now, some of the agency will already do this. They will come back and ask for more, or they will fund it through other sources.

11:47 | Alex Georgevitch: *This is a complex issue on multiple parts. Many of the small jurisdictions haven't had to deal with this, while the larger jurisdictions (Jackson County, Medford, Etc.) have absorbed the differences in cost in the past cycles. The larger jurisdictions can absorb those costs, while the smaller ones cannot. Writing one rule to narrow this to a single solution will be very difficult. As discussed last time, there are things out of our control (Example: cost of materials), but poor estimating is different. Is the goal to have a better grasp of what the project is, or is the goal to be punitive? If the goal to have more success in the future, then a hybrid of the options would be best, like suggested before.*
Another concern is that one of the scoring criteria is Local Match. Changing the way the funding is done will change the way the jurisdictions do Local Match.

17:44 | Karl Welzenbach: *The reason for wanting to get a better estimate upfront is so there is no situation that can bankrupt or negatively surprise any jurisdiction. One thing that is consistent everywhere is smaller agencies have very little idea how to get an accurate estimate upfront. If the MPO can come up with a process that allows agencies to apply for scoping of a project, then we will have a better upfront estimate. This will not completely eliminate cost overruns, but it will be better in the long run.*

19:20 | Robert Miller*: If the MPO adds too many steps to the process, with smaller projects that sometimes have smaller timelines, there may need to be something like a mid-cycle escalations added.*

20:31 | Alex Georgevitch*: In Medford, there is a database with all the projects and preliminary cost estimates. This does not solve the problem completely, but it will help. There were tools put together by RVCOG to help with environmental issues that can be used to help with general assumptions. Almost every federal project will have some amount of environmental and utility relocation all built into the cost. This isn't perfect, but it gives a closer estimate of what the project would cost if it was done that day.*

22:07 | Justin Shoemaker*: ODOT will be moving towards a massive change to scoping that will be used in the next round. ODOT will move to a new system that is more accessible, and a new risk analysis person has been hired. ODOT can come help scope any jurisdictions if needed.*

22:21 | Justin Bernt*: Each jurisdiction would need to discuss with the MPO which project goes through which delivery method. ODOT is willing to help jurisdictions, however there may not be enough availability to help with every project. ODOT may be able to help with more in the future. There will be changes coming up to what is required from the state delivering projects. If ODOT is delivering a project, they want to mitigate risks as much as possible. One way to lessen risk is to figuring out a good cost estimate, what the scope is and is it well defined, and if not, how can we find a way to make it look right to all parties involved.*

26:14 | Paige West*: There are distinct phases in each project. Usually, the MPO agrees to fund a whole project. We have not tried to break down these projects and fund each piece in turn. This way there are many known parts of the project, and the agencies can then come back and ask for more funding as it is needed.*

One part of the discussion left out so far is the fact that the MPO has a three-year cycle that we tend to bundle up into one. What if, in the first two years of the three-year cycle, the MPO funds projects, and the third year is used for planning and cost overruns. This way if projects being funded in the first two years have overruns, they can come back to the MPO and dip into the year three funds.

31:50 | Alex Georgevitch*: This would be a cycle behind, and it usually takes two years to develop a project before turning dirt. Year one would be the planning and with year two and three building and any overruns.*

32:11 | Justin Shoemaker*: Putting a million-dollar project into planning wouldn't make sense. There would need to be a cut off at some point. When the multi-million projects happen, even though this MPO does not get many, those need a planning phase.*

35:50 | Mike Kuntz*: A planning phase will not be able to solve all the problems. While locals do under-estimate, one big problem is by the time an agency asks for the funding and by the time they will receive the money, the rules and cost change.*

39:39 | Alex Georgevitch*: Do we know how many projects have we had problems with? When is it considered a "Problem"? These questions may need to be addressed before we can write anything to the Policy Committee.*

40:53 | Joe Slaughter*: There is no reason simple projects that don't need planning and can be funded*

within the year shouldn't. From a policy standpoint, it could make sense to break up projects into two categories; Simple ones that can be brought forward with a fairly accurate estimate, and more complex projects that may need some sort of planning phase. Perhaps the more complex ones have a requirement to either have seperate funding to have them planned, or the planning is apart of the funding asked for. If not a requirement, perhaps if a project does not have a planning phase that can reduce the scoring of the project.

43:23 | Karl Welzenbach: *Most of the projects that have issues have CMAQ funds. For the most part, they are smaller projects. Perhaps projects that use CMAQ vs STBG funds can have different standards and process.*

47:15 | Mike Kuntz: *Projects using CMAQ funds can take around 4-5 years to break ground, adding a planning phase could make it closer to 7-8 years.*

47:49 | Alex Georgevitch: *This could bring back the question of what would the minimum for projects before requiring a planning phase? There should be a check box that says, "I am planning on using a fund exchange" and then the MPO only goes forward if there is funding available.*

51:20 | Justin Bernt: *If an agency is planning on doing SFLP funds, they should plan on doing a full-on federal project, with planning and scoping and everything else, and only after the point the project is in the STIP, ODOT will consider SFLP.*

52:08 | Justin Shoemaker: *One problem is that there is a minimum to run through the PDII process, this is just for ODOT to do the checks and balances to get a very small set to run through the procurement office. An example: If asking for half a million in CMAQ, half would go to paperwork if ODOT did it. There would more than likely be a mark-up if a consultant was used.*

54:19 | Karl Welzenbach: *Perhaps a training seminar/workshop run by ODOT that is mandatory for all the jurisdictions to put in project applications. Justin Shoemaker has offered something like this in the past. There are resources and the technology available for this.*

59:20 | Alex Georgevitch: *Not allowing jurisdictions that did not attend the workshop to put in applications is harsh, but necessary. Providing a similar workshop every three years would also keep the information fresh as things are being changed. We would want to do this close to the call for projects to keep the information up to date.*

01:01:30 | Justin Bernt: *Would jurisdictions be willing to fill out most of a prospectus with the application? This will tell ODOT they have done the initial work so ODOT doesn't have to look at any further scoping or additional work prior to obligating PE.*

01:02:48 | Alex Georgevitch: *A concern is if this can be done under a normal timeframe.*
    This can be used as apart of the application. Some applications use most of the information from the prospectus. If the MPO uses this, we may be able to shorten the application. The prospectus has been revised and edited to remove some ODOT specific things.

01:06:13 | Alex Georgevitch: *A summary of what has been discussed so far: Paige West recommended breaking up the three-year cycle, Alex Georgevitch recommended adding a check box to the application for if a fund exchange is planning on being used, a mandatory workshop held with ODOT to be able to submit project applications, and to incorporate the prospectus into the applications.*

Second Recording | Justin Bernt*: ODOT has some changes it wants to do in order to move forward with the projects it will do for the local agencies. Within the next year and a half, there will be additional requirements upfront. This will not be put in place this funding cycle and there will be discussions with each MPO with how this will look before.*

02:21 | Paige West*: There was a good discussion about how long these projects take to plan, and the solution discussed was a one- or two-day training/workshop before project applications are due. Is this enough to really help to original concern of project over-runs?*

03:32 | Joe Slaughter*: There are many causes of project over-runs. At this workshop, we can discuss these issues and others that cause over-runs and go back and forth as needed. This will also help all the jurisdictions keep up with any rule changes or cost changes.*

06:09 | Joe Slaughter*: Alex Georgevitch brought up that it is the TAC's job to go pick the applications and make sure the lessons learned are actually being used. The workshop won't fix the whole problem, but it is a good way to educate upfront and a good resource.*

07:07 | Alex Georgevitch*: ODOT deals with this all the time. They still submit amendments often, but this does not mean they are doing things wrong. The TAC should also define how much of an over-run is unacceptable. 10%? 15%?*

08:50 | Justin Shoemaker*: One of the biggest issues ODOT has noticed is the PE. If the PE is underestimated and not funded fully, ODOT has to wait for the funds to come in before they can move on with the project. Sometimes that can take over 6 months. Then there is a similar process after that for right-of-way.*

15:09 | Paige West*: When does the TAC's responsibility of making sure these applications are as realistic as they can be end, and they get turned over to another agency like ODOT or MPO staff? It seems like the TAC may have too much responsibility for these applications.*

15:43 | Karl Welzenbach*: The representation on the TAC is filled with the planners and engineers that have the job in each jurisdiction to do just this. There may not be any better group of people to handle this.*

17:39 | Mike Kuntz*: We haven't been wanting to be harsh on other applications in the past. The TAC should be able to point out flaws in any application and help fix them.*

18:09 | Alex Georgevitch*: One concern is one jurisdiction thinking another jurisdictions comments on an application is just to lower the score. Each TAC member should be critical of their own applications as well as others to make sure all information is as correct as it can be.*

19:24 | Alex Georgevitch*: This will not completely fix the problem of all cost overruns, but this will be a part of a solution. The other part of the solution really falls to the TAC. Each person on the TAC can help with different parts of the problem. Doing a better job of being critical of all the applications for the benefit of everyone.*

21:23 | Paige West*: A jurisdiction should be able to apply for just the planning phase, as discussed earlier, if that was what they would like to do. The MPO has never funded only a planning phase. It has been allowed, but it has not been advertised as available so many did not know.*

22:41 | Karl Welzenbach*: Should we set aside money for a planning phase?*

No, it should be competitive against everything else. After the planning phase is complete, with the documentation in place, the jurisdictions can solicit other funds. Ranking planning phases against other projects may be difficult, but doable.

24:50 | Justin Shoemaker*: Planning phases can be up to what ODOT considers DAP. ODOT can have a contract open for one year, so a caveat in the planning phase application should have a limit on one year to solicit funds.*

26:06 | Karl Welzenbach*: The training/workshop should be divided into at least two parts. 1. What you need if your application is building something. 2. What you need if your application is planning.*

29:19 | Karl Welzenbach*: A memo will be sent out to the TAC members about this discussion. Summary of what was agreed to (tentatively): A check box on the application for if a fund exchange is planned, a training/workshop that is required for submitting applications, becoming more stringent when scoring applications for the betterment of everyone. Perhaps the ranking could be done anonymously.*

30:49 | Joe Slaughter*: The secret/anonymous ranking may not be for the best. Clear and open communication is important. If there is a problem on an application, it should be bright up so it can be fixed and improved.*

38:09 | Stephanie Holtey*: A spread sheet to track costs and add where costs overrun and why they have would be helpful. Then the MPO can see where the challenges are coming from and how the TAC can improve the process. With the workshop, a jurisdiction should have two members join, one from planning and one from engineering.*

41:04 | Charles Bennet*: Would it be worth it to go back and look at previous projects and their amendments?*

This is only one of the issues. Another one is obligating funds can take 6-8 months with ODOT, this could cause jurisdictions to miss fiscal obligations. Also, if funds get obligated and there is no movement for 90 days it becomes a defuncted project and Feral Highways will shut down the project. This MPO has had problems with Federal Highways in the past. A part of the workshop should be bettering understanding of the full process and how each jurisdiction can affect it.

5. Public Comment 44:45 – 44:49

No Comments.

Regular Updates

6. MPO Planning Update 44:52 – 48:41

Provided by Karl Welzenbach regarding the Transportation Bills, Covid funding received and the joint meeting between the TAC and PAC.

7. Other Business / Local Business 48:41–01:08:14

Updates provided by Paige West

8. Adjournment

3:50 p.m.

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<u>Scheduled Meetings</u>

RVMPO TAC | August 11, 2021 | 1:30 p.m.

RVMPO Policy Committee | July 27, 2021 | 2:00 p.m.

RVMPO PAC | July 20, 2021 | 5:30 p.m.

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ODOT-FTA-FHWA Amendment Matrix

REVISED MATRIX

Program & Funding Services staff met with FHWA and FTA to revise the amendment matrix. Here are the major changes to the ODOT-FTA-FHWA amendment matrix:

1. Clarifications in the text;
2. **Cancelling** a project is now an **administrative** amendment (used to be a full amendment);
3. The mile point was modified from a **+ or - .25 change** to a **1 mile increase** in the project location (*see examples below*); and
4. The dollar amount threshold is increasing to match the OTC approval matrix. Any changes that meet the following criteria are considered a full amendment (otherwise the project change is an administrative amendment/adjustment):
   - Projects under **$1M** – increase/decrease over 50%
   - Projects **$1M** to **$5M** – increase/decrease over 30%
   - Projects **$5M** and over – increase/decrease over 20%

MILE POINT AMENDMENTS

Due to Federal requirements, obligated work must be within the project's mile point limits. STIP Coordinators enter an amendment to update project data in the STIP/FP system. Once the amendment is entered, the review and approval process is next.

The ODOT-FTA-FHWA amendment matrix lists which amendments require FTA-FHWA approval and which amendments ODOT has delegated authority to approve. If ODOT approves the amendment, it is called an **administrative** amendment. If FTA-FHWA also approves the amendment, it is called a **full** amendment. The main difference between the two amendment types is the amount of time for approval. A "full amendment" will likely take longer due to the public review period and FTA-FHWA review/approval. Whereas an "administrative amendment" only requires ODOT review/approval.

EXAMPLES – Mile point changes:
While it is Program & Funding Services' responsibility to determine if the amendment is full or administrative, the following examples portray the types of amendments for mile point changes.

Project	Original Mile Points	Revised Mile Points	Amendment Type	Comments
A	0.25 – 1.00	0.5 – 0.75	None	Revised mile points still within the original range do not require an amendment.
B	Intersection @ 1.00	Add 4 legs at .25 miles each	None	FHWA clarified that the legs are expected as part of an intersection project, so as long as the mile point was the centerpoint of the intersection, it does not warrant an amendment.
C	1.00 – 2.00	1.25 – 2.99	Administrative	Change from 2.00 to 2.99 is less than 1 mile.
D	2.00 – 3.00	5.00 – 6.00	Full	Change is greater than 1 mile. FTA-FHWA approval is necessary.
E	4.00 – 5.00	4.25 – 6.25	Full	Change from 5.00 to 6.25 is greater than 1 mile.
F	Bridge on Hwy X	Bridge on Hwy Y	Full	FHWA approval is necessary.

Please contact the applicable STIP Coordinator for any questions.

ODOT-FTA-FHWA AMENDMENT MATRIX

	FULL AMENDMENTS
1	Adding or cancelling a federally funded, and regionally significant project to the STIP and state funded projects which will potentially be federalized
2	Major change in project scope. Major scope change includes: • Change in project termini - greater than .25 mile in any direction • Changes to the approved environmental footprint • Impacts to AQ conformity • Adding capacity per FHWA Standards • Adding or deleting worktype

3	Changes in Fiscal Constraint by the following criteria:
	• FHWA project cost increase/decrease:
	    - Projects under $500K – increase/decrease over 50%
	    - Projects $500K to $1M – increase/decrease over 30%
	    - Projects $1M and over – increase/decrease over 20%
	• All FTA project changes – increase/decrease over 30%

4	Adding an emergency relief permanent repair project that involves substantial change in function and location.
	ADMINISTRATIVE/TECHNICAL ADJUSTMENTS
1	Advancing or Slipping an approved project/phase within the current STIP (If slipping outside current STIP, see Full Amendments #2)
2	Adding or deleting any phase (except CN) of an approved project below Full Amendment #3
3	Combining two or more approved projects into one or splitting an approved project into two or more, or splitting part of an approved project to a new one.
4	Splitting a new project out of an approved program-specific pool of funds (but not reserves for future projects) or adding funds to an existing project from a bucket or reserve if the project was selected through a specific process (i.e. ARTS, Local Bridge...)
5	Minor technical corrections to make the printed STIP consistent with prior approvals, such as typos or missing data.
6	Changing name of project due to change in scope, combining or splitting of projects, or to better conform to naming convention. (For major change in scope, see Full Amendments #2)
7	Adding a temporary emergency repair and relief project that does not involve substantial change in function and location.

Amendment Definition
An amendment is a change to project information and costs. For financial changes, this applies to unobligated phases or phases which have been obligated and have additional financial change within the same federal fiscal year

Public Comment Notes
For public comment, project updates need to be provided at a public meeting. Requirements are the project needs to be listed as part of the agenda and allow for the public to comment on the changes.

If project covers is in multiple ACT's, then project needs to be presented to both

ODOT-FTA-FHWA AMENDMENT MATRIX

	FULL AMENDMENTS
1	Adding a federally funded, regionally significant, or state/locally funded projects which will potentially be federalized. If project does not meet this criteria, see Administrative #1. For WFL or planning projects, see Administrative #7 & #8.
2	Major change in total project scope. Major scope change may include changes like: • Increase in project location greater than 1 mile • Project modifications that result in NEPA re-evaluation • Change affects air quality conformity • Adding capacity per FHWA Standards • Adding or deleting worktype in the STIP/FP
3	Changes in Fiscal Constraint by the following criteria: • For FHWA funded projects - total project cost increase/decrease (all phases, any type of funding increase): - Projects under $1M – increase/decrease over 50% - Projects $1M to $5M – increase/decrease over 30% - Projects $5M and over – increase/decrease over 20% • All FTA project changes – increase/decrease over 30%
4	Adding an emergency relief permanent repair project that involves substantial change in function and location. **See note below for temporary emergency repair projects.
	ADMINISTRATIVE/TECHNICAL ADJUSTMENTS
1	Any project changes that do not meet the STIP amendment criteria in the Full Amendments section above.
2	Advancing or Slipping an approved project/phase within the current STIP (If slipping outside current STIP, project must be canceled in the current STIP).
3	Adding or canceling any phase of an approved project. See Full Amendment #3 for fiscal constraint thresholds.
4	Combining two or more approved projects into one or splitting an approved project into two or more, or splitting part of an approved project to a new one.
5	Splitting a new project out of an approved program-specific pool of funds (but not reserves for future projects) or adding funds to an existing project from a bucket or reserve if the project was selected through a specific process (i.e. ARTS, Local Bridge...).
6	Minor technical corrections to make the printed STIP consistent with prior approvals, such as typos or missing data.
7	Changing name of project due to change in scope, combining or splitting of projects, or to better conform to naming convention. (For major change in scope, see Full Amendments #2)
8	Adding or modifying metropolitan planning projects (UPWP) funded under 23 U.S.C. 104(d) and 49 CFR 5305(d) or State Planning and Research (SPR) projects funded under 23 U.S.C. 505 and 49 U.S.C. 5303(e) or Surface Transportation Program funds.
9	Adding a WFL project.

**Temporary emergency repair (ER) projects are not added to the STIP.

Amendment Definition: An amendment is a change to project information and costs. For financial changes, this applies to unobligated phases or phases which have been obligated and have additional financial change within the same federal fiscal year.

Public Comment Notes: For public comment, project updates need to be provided at a public meeting. Requirements are the project needs to be listed as part of the agenda and allow for the public to comment on the changes. If project covers is in multiple ACTs, then project needs to be presented to both.

July 21, 2021

Karl D. Welzenbach
Planning and Program Manager
Rogue Valley Council of Governments
155 N. First St | PO Box 3275
Central Point, OR 97502

RE: COVID Relief Funding

Dear Karl,

The City of Ashland would like to seek approval of a proposal in that the City returns the current CMAQ distribution of $468,244 for the Ashland Chip Seal Project (Key# 21016, RTP #166) and in return the City would ask for distribution of $420,000 in COVID Relief Funding and take over and manage the chip seal project to completion. This proposal will assist a currently underfunded CMAQ project that can take advantage of the $468,244 to help and expand the chip seal project to complete more streets as originally intended.

While working through the CMAQ Chip Seal project process with ODOT, we are both realizing the project is not panning out as we hoped. The cost/benefit with respect to the engineering and construction phases is skewed because of Federal requirements associated with the CMAQ program. Currently, preliminary engineering is projected to be approximately $350,00 of the $561,648 project total, leaving only $210,000 for construction. Without the requirements tied to the CMAQ funding the City feels that all of the $420,000 could be used on construction alone. After including the original City share, we are hoping to complete at least double the number of streets of what it appears would be able to be finished if it were to remain a CMAQ project. Completing this project is a priority for the City and meets the goals of the region through particulate reduction.

The City has discussed this proposal with ODOT, and they are in complete support of the proposal. In addition, it will free ODOT staff of their obligations of the local agency assistance requirement for the Chip Seal project and will provide more timely resources to other locally delivered federal aid projects managed by ODOT.

The City would welcome your feedback on this proposal and would appreciate hearing what our next steps should be in this process.

Sincerely,

Scott Fleury, PE
Public Works Director

PUBLIC WORKS/ENGINEERING DIV.   Tel: 541-488-5347
20 East Main Street   Fax: 541-488-6006
Ashland, Oregon 97520   TTY: 800-735-2900
www.ashland.or.us
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DATE: August 2, 2021
TO: TAC, CAC, Policy Committee
FROM: Karl Welzenbach, Planning Program Director
SUBJECT: Ongoing Discussion Regarding Cost Estimates and Project Application Process

This memo is an attempt to capture the intent and direction of the conversation had by the TAC regarding how best to address the apparent shortfalls in cost estimation for project applications. After listening to the recording of the meeting and recognizing that a lot of interesting topics and areas of discussion were raised and/or addressed I thought it best to provide a brief summary of the tentative agreements that had been reached by the group as a whole.

I would urge all of the members of the TAC to take some time to listen in on the recording (note the discussion of interest begins at around 7:24 in the recording). The recording had to be broken up into two parts and the links to both segments are included below:
Part 1 - https://rvmpo.org/wp-content/uploads/2019/09/07_14_21-RVMPO-TAC-Audio-pt.1.mp3
Part 2 - https://rvmpo.org/wp-content/uploads/2019/09/07_14_21-RVMPO-TAC-Audio-pt.-2.mp3

Again, I haven't tried to provide a verbatim transcript nor highlight all of the conversation. Rather I've attempted to describe the understandings that seem to have been reached at the most recent meeting of the TAC regarding how to improve our project cost estimation/project selection process.

The approach taken during this second discussion was a more pragmatic one attempting to answer such questions as:
- What is the goal here? Are we trying to be punitive or become more successful with our selected projects?
- What are the key issues that commonly result in under-estimated project costs?
- Should we revisit the idea of setting minimum dollar amount thresholds for CMAQ funded projects?
- Is there additional information that should be requested on the project application form?
- What steps should the TAC take to improve the process?

After much discussion the general consensus seemed to fall into two categories: improvements to the application form itself and improvements to the process. The following recommendations are what I heard the TAC come to consensus on:

Recommendations:

1. Include a check box in the application for jurisdictions to indicate whether or not they intend to pursue a simple fund exchange.
2. Restrict application for CMAQ funding to projects that cost in excess of $1 million
3. Hold a workshop subsequent to the call for projects to be hosted by the MPO staff but conducted by ODOT staff to review with the jurisdictions all of the requirements associated with the use of federal funds.
4. Make the aforementioned workshop mandatory – if a jurisdiction applies for funding but does not attend the workshop that application will be thrown out.
5. Include ODOT's prospectus (or a portion of it) in the MPO's application form.
6. Identify two categories of projects: a) simple projects that could be fund exchanged and proceed apace; b) larger more complicated and costly projects
7. Allow jurisdictions to apply for just a planning phase
8. Onus is on the Technical Advisory Committee to undertake a more critical review of each application.