



MEMBERS:

- City of Lacey
- City of Olympia
- City of Rainier
- City of Tenino
- City of Tumwater
- City of Yelm
- Confederated Tribes of the Chehalis Reservation
- Nisqually Indian Tribe
- Town of Bucoda
- Thurston County
- North Thurston Public Schools
- Olympia School District
- Tumwater School District
- Intercity Transit
- LOTT Clean Water Alliance
- Port of Olympia
- PUD No. 1 of Thurston County

ASSOCIATE MEMBERS:

- Lacey Fire District #3
- Puget Sound Regional Council
- The Evergreen State College
- Thurston Conservation District
- Thurston Economic Development Council
- Timberland Regional Library

MEMORANDUM

TO: Transportation Policy Board

FROM: Paul Brewster, Senior Planner

DATE: September 7, 2022

SUBJECT: TRPC 2022 Call for Projects Process

PURPOSE

To receive a briefing on the details of Thurston Regional Planning Council's (TRPC) Fall 2022 Call for Projects Process.

Summary:

- On July 13, 2022, the Transportation Policy Board (TPB) approved a package of recommendations to the Council on Thurston Regional Planning Council's (TRPC) revised Call for Projects Process.
- From August 1-14, staff invited public comments on the Revised Call for Projects Process. We received no public comments.
- On September 2, 2022, the Council approved the TRPC's revised Call for Projects Process with the TPB recommendations.
- The Council also approved the process details for the Fall 2022 Call for Projects Process, which will implement the revised process to solicit applications to award priority projects for programming in 2025-2027.
- On September 14, 2022, staff will brief the TPB on the details of the 2022 Call for Projects.

REQUESTED ACTION

No action is requested. This agenda item is to familiarize the TPB with the process and discussion.

pb:bl



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Fall 2022 TRPC Metropolitan Planning Transportation Grant Program Call for Projects Process

BACKGROUND

TRPC issues a Call for Projects to select priority transportation projects for federal transportation grant program awards to local agencies. A Call for Projects is typically issued every two years and the last process occurred in 2020. TRPC is scheduled to conduct a 2022 Call for Projects beginning in September and concluding with the Council's approval of grant awards in December. Based on approval by the Council, TRPC will implement the Fall 2022 Call for Projects using the Revised Call for Projects Process.

PROCESS DETAILS

A. Funding Priorities

TRPC will emphasize the following Funding Priorities identified in the Revised Call for Projects Process:

1. Active Transportation
2. Efficiency
3. Maintenance
4. Planning
5. Resiliency
6. Safety

B. Eligible Applicants

The 2022 Call for Projects Process identifies two types of applicants:

1. *Traditional Transportation Partner* – Any local agency that provides general purpose, surface transportation facilities, programs, and services as a part of its core mission. For this process, these partners include only Bucoda, Lacey, Olympia, Rainier, Tenino, Tumwater, Yelm, Thurston County, the Confederated Tribes of the Chehalis Reservation, the Nisqually Indian Tribe, and Intercity Transit.
2. *Non-Traditional Transportation Partner* – Any agency or organization other than those identified above that provides surface transportation facilities, programs, or services that directly support the goals and policies of the adopted Regional Transportation Plan. Examples of these partners include TRPC, the Port of Olympia, school districts, fire districts, state and federal agencies, and non-profit organizations. Non-Traditional Transportation Partners lacking WSDOT Local Programs Certification Acceptance (CA) status must work with a Traditional Partner as a project sponsor.

C. Funding Levels

TRPC estimates it will award approximately \$9,302,000 in Surface Transportation Block Grant (STBG) and \$2,078,000 in Transportation Alternatives (TA) funding. Due to the uncertainty of TRPC's future allocation of Congestion Mitigation and Air Quality Improvement Program (CMAQ) grant funds, we will not include CMAQ in the 2022 Call for Projects.

TRPC is required to distribute these total allocations by geographic areas (Map 1). Figure 1 shows the percent distribution requirement. Table 1 shows the resulting available grant funding by program and geographic area and reflects a reduction in the STBG flexible funding of \$600,000 as a Set-Aside to fund the continuing Rural Community Support Program.

Map 1: U.S. Census Geographic Areas for Federal Transportation Grant Funding Distribution

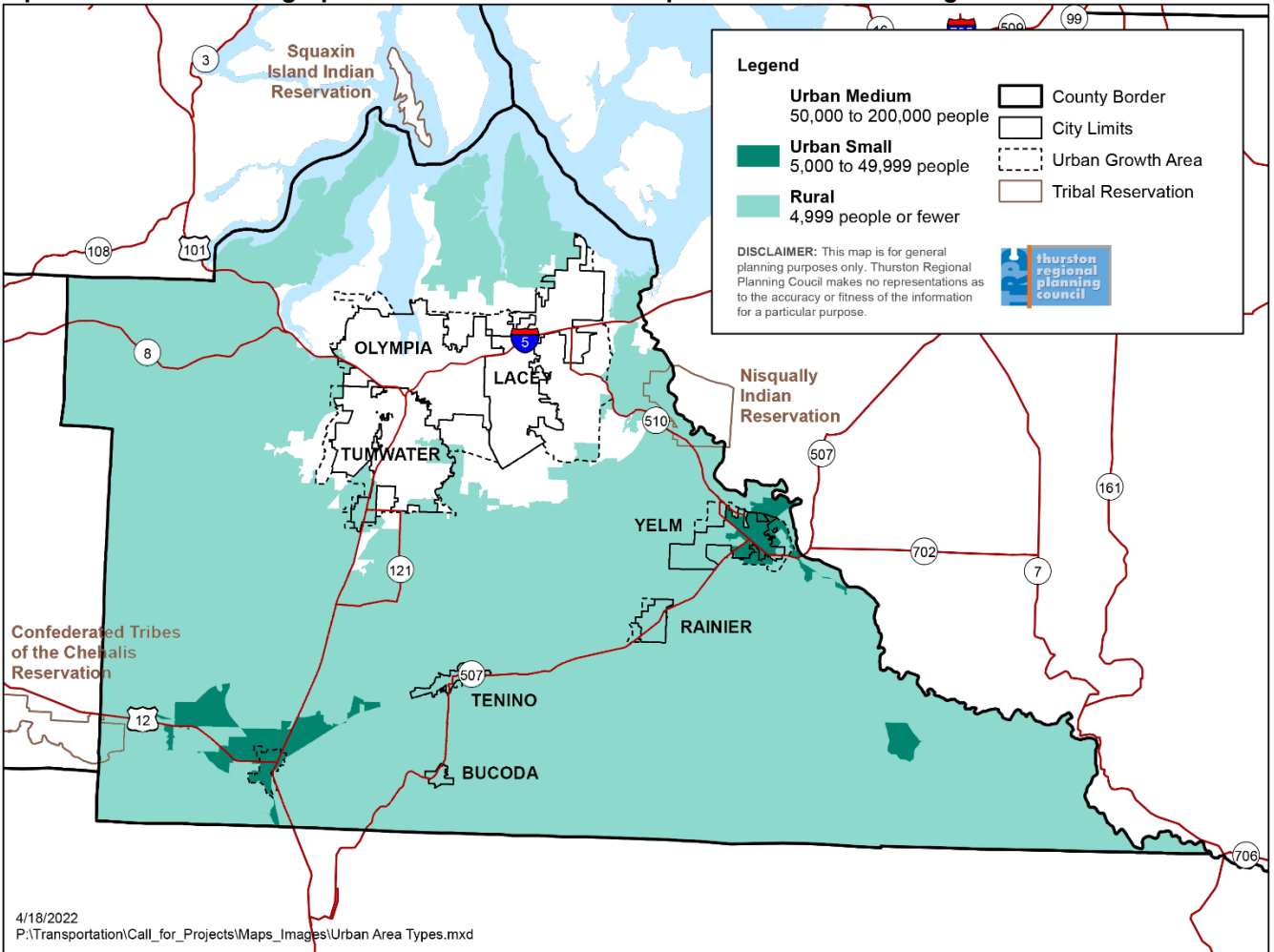


Figure 1. Percent Distribution of Grant Funds TRPC must Award by Geographic Area in 2022 (percent values are rounded)

Area	Surface Transportation Block Grant (STBG)	Transportation Alternatives (TA)
Urban Medium	69%	47%
Urban Small	8%	5%
Rural	8%	15%
Flexible	15%	33%

Table 1: TRPC Estimated Federal Transportation Grant Program Funding by Geographic Area.*

Grant Program	Total Available	Urban Medium	Urban Small	Rural	Flexible	Flexible after RCSP Set-Aside
STBG	\$9,302,000	\$6,381,300	\$725,800	\$770,400	\$1,424,400	\$824,400
TA	\$2,078,000	\$980,900	\$111,600	\$308,600	\$677,000	

*Dollar Values for geographic areas aren't exact matches due to the rounding of the percent portions in Figure 1.

D. Funding Set Aside – Rural Community Support Program (RCSP)

TRPC approved a \$600,000 Funding-Set Aside from the Flexible STBG allocation to fund the RCSP. A separate RCSP Call for Projects Process will occur in early 2023. This important funding program advances equity in local transportation funding opportunities for jurisdictions that often lack the resources to administer federally funded projects. Eligible RCSP applicants include the communities of Bucoda, Rainier, Tenino and the Confederated Tribes of the Chehalis Reservation and the Nisqually Indian Reservation. Thurston County Public Works staff indicated they will continue supporting and administering this program.

The most recent version of the RCSP was formalized through a 2020 interlocal agreement between TRPC and Thurston County:

- Thurston County, in exchange for a federal grant award, allocates county revenue for community transportation projects that are consistent with regional transportation priorities.
- Thurston County reserves a portion of the set aside to establish and manage interlocal agreements and to process invoices to disburse the grant funds to the communities.
- TRPC leads the RCSP Call for Projects Process, assists the communities with the application procedures and reviews eligible proposals. The TPB will recommend, and the Council will select, proposals for grant awards.
- Applicants are not required to provide a match.
- TRPC expects to award approximately \$550,000 through the RCSP Call for Projects in 2023.

The TPB recommended, and the Council approved, that RCSP applicants who apply for and receive a federal grant through TRPC's Federal Transportation Call for Projects Process in 2022 be ineligible for an award through the 2023 RCSP Call for Projects.

Note: Staff will prepare the RCSP Call for Projects Process details for TPB review and Council action in first quarter 2023.

E. Funding Years for All Projects

Funding awarded to eligible priority projects will obligate in federal fiscal years 2025-2027. TRPC staff will coordinate with grant recipients to determine the appropriate year of obligation for each project, which will be specified in the award letters. The newly funded projects will subsequently be amended into the Regional Transportation Improvement Program (RTIP) in first quarter 2023. Staff will continuously coordinate with grant recipients to ensure compliance with TRPC's Obligation Authority Policy to meet the region's annual obligation targets.

F. Obligation Targets

Obligation targets refer to state-mandated annual targets for federal funding obligation that TRPC must attain. Targets reflect federal fiscal year constraints (October 1 through September 30). Under the current funding levels, TRPC staff expects the region will need to obligate projects totaling over \$3 to \$4 million per year in combined grant programs. This base level obligation target could increase if the region receives redistributed funds in the future.

G. Funding Caps

Urban Small and Rural Funding Maximum Awards

While there are no funding caps for the Urban Small and Rural Areas, awards may not exceed the maximum estimated funding available to program for these areas. In 2022 applicants may apply for funding for either Urban Small, Rural, or a combination of these two, if the proposal is in both geographic areas (for example, a pavement preservation project in the Grand Mound area that extends into the surrounding Rural area). The funding maximum for both STBG and TA include the total flexible funding available for these grant programs for Urban Small, Rural, and combined areas. Table 10a shows the maximum STBG funding available in the Urban Small, Rural, and combined areas based on the estimated amount of federal funds available for programming in 2022. Table 10b shows the maximum TA funding.

Table 10a. STBG Maximum Award for 2022 Urban Small, Rural, and Combined Projects

	Urban Small	Rural	Urban Small & Rural Combined Project
STBG	\$725,800	\$770,400	\$1,496,200
Flexible	\$824,400	\$824,400	\$824,400
Maximum Possible Award*	\$1,550,200	\$1,594,800	\$2,320,600

Table 10b. TA Maximum Award for 2022 Urban Small, Rural, and Combined Projects

	Urban Small	Rural	Urban Small & Rural Combined Project
TA	\$111,600	\$308,600	\$420,200
Flexible	\$677,000	\$677,000	\$677,000
Maximum Possible Award*	\$788,600	\$985,600	\$1,097,200

It should be noted that the flexible funding can be awarded to projects in the Urban medium area, so actual awards may be less than an applicant's request.

Urban Medium

The TPB recommended, and the Council approved, that no single applicant can receive more than 33 percent of the estimated combined funding available for the Urban Medium area for the first two funding cycles over three consecutive Calls for Projects. The flexible funding is not factored into the Funding Cap as this could be awarded to proposals located in the Urban Small and Rural areas. The proposed funding cap will span the 2022, 2024, and 2026 Call for Projects funding cycles. TRPC estimates it will program a combined \$11,391,300 STBG funds and \$1,501,100 TA funds in the Urban Medium Area for the 2022 and 2024 Calls for Projects. This means that the maximum STBG awarded to one applicant cannot exceed \$3,759,100, and the maximum TA cannot exceed \$495,400 over the combined 2022, 2024, and 2026 Call for Projects cycles.

Figure 2 shows the estimated funding cap in effect for the 2022, 2024, and 2026 Call for Projects. However, this cap would not apply to co-applicants to a multi-agency project proposal.

In 2024 TRPC will recalculate the 2024 Funding Cap to account for changes in funding levels based on the region's annual allocation and the status of project programming and obligations.

Figure 2. Funding Cap for Urban Medium Category for the 2022 Call for Projects.

Urban Medium – 33% of Calls 1 & 2 Funding combined	
STBG	\$3,759,100
Transportation Alternatives	\$495,400

Over the three-Call for Projects period, an applicant cannot be awarded funding greater than the Funding Cap unless it is through a contingency project, being the lead or a partner for a joint project, or through sponsoring a project for a non-traditional partner. If an applicant chooses to decline a funding award, or de-obligate funding attached to a funding award, they will be eligible to re-apply for funding during the next funding cycle.

Additional considerations: To reduce risk for failure to meet the region’s obligation target, TRPC will encourage applicants to split large construction project requests (over \$2.5 million) into project phases that can obligate in differing years. This will retain the ability to maintain a flexible project list to meet annual obligation targets.

Funding Caps – Urban Small and Rural

There are no Funding Caps for the Urban Small and Rural areas, however awards may not exceed available funding levels.

H. Local Match Requirements

TRPC encourages applicants submitting new proposals to use WSDOT’s Toll Credits which can supplant the 13.5 percent non-federal local match requirement. However, projects that have already obligated federal funding and are seeking additional federal funding for future phases are required to provide the non-federal match.

I. Limit on Application Submissions – All Categories

Applicants may submit up to four proposals for each geographic category, and be a lead applicant, or partner, for no more than three joint projects. Individual projects may not exceed the Funding Cap. Applicants should prioritize their projects, as applicant prioritization may be used to break ties.

Applicants can also indicate if their projects should be submitted directly to the Contingency List. Applicants are not limited on the number of contingency list project applications.

J. Project Evaluation and Selection

TRPC will evaluate and rank application proposals using the Regional Priorities criteria identified in the Revised Call for Projects Process. These four criteria links to existing transportation goals and policies. Each criterion is worth two points for a maximum possible score of eight points on a project in the Urban Medium Geographic Category, and six points in the Urban Small and Rural Geographic Categories. Applying a Regional Priority ranking offers both applicants and policy makers a transparent and performance-based approach to the evaluation and selection of priority regional projects for funding awards.

Regional Priorities

1. Efficient use of Federal Funds.
2. Sustainable Thurston Urban Centers and Corridors (applies only to Urban Medium Geographic Category).
3. Greenhouse Gas Emission Reduction Goal.
4. Equity.

K. Application Materials and Process Support

TRPC staff notified eligible applicants about the 2022 Call for Projects. TRPC's website (www.TRPC.org) includes application forms, instructions, and process details. Staff briefed the Technical Advisory Committee (TAC) on the Call for Projects details on September 1, 2022. TRPC staff will provide application guidance and answer questions throughout the process.

L. Project Administration

With their submittal, all applicants must demonstrate the ability to administer and carry out project proposals consistent with federal guidelines. This ability to oversee federal grant administration requirements is referred to as Certification Acceptance (CA) status approval and is a federal requirement. Applications need a signature with their submittal from the CA-certified representative who will administer their project. Federal CA status requirements apply to all applicants. Interested applicants requiring a CA can contact TRPC for more information.

M. Readiness to Proceed

Recognizing that different phases of a project have different federal requirements before they can obligate, project sponsors will be asked to demonstrate that their projects meet all necessary federal requirements needed to complete obligation. For the preliminary engineering phase of projects, or for vehicle acquisition, planning, design-only, or corridor study projects, this requires no additional documentation. For right-of-way and construction phases, readiness to proceed will be demonstrated by completion of federal level permitting.

N. Call for Projects Schedule

2022 Call for Projects Process Schedule

DATES	ACTIVITY
August 1-14	Revised Call for Projects Process Public Comment Period
September 2	TRPC – Process Approval
September 14	TPB – Process Update
September 5 to October 7	Applications Accepted
October 20	TAC – Technical Evaluation
October 24-November 6	Public Comment on Proposals
November 4	TRPC– Proposals Preview
November 13	TPB – Review and Funding Recommendation
December 2	TRPC – Funding Awards