



## **Working Document: Overview of Freight Investment Plan (FIP) Teleconference**

**06/21/2016. 11 am cst**

On June 21, the Mid-America Freight Coalition member states held a teleconference to discuss the development of Freight Investment Plans in their respective states. The Fixing America's Surface Transportation Act (or FAST Act) requires that states develop a fiscally-constrained investment plan that will describe how federal freight project funds will be invested and matched by the states. The first versions of these FIPs are due in Q4 2017. See MAFC [Quick Reference Guide to Freight in the FAST Act](#)

MAFC provided a background on two states that have already developed FIPs: Florida and Georgia. To create a FIP, Florida defined a freight network, created 26 prioritization criteria, and then ranked projects located within the freight network. Stakeholder outreach was also used to determine which projects would be included in the FIP. Georgia took a different approach, breaking down the state's freight network needs and projects by mode. Florida's plan was more fiscally oriented and integrated with their Freight Plan, and may serve as a good model for MAFC states.

There is concern that Federal rulemaking and recommendations for FIPs will not come soon, and MAFC member states believe that sharing their FIP approaches will help them develop robust plans that can be adapted to Federal requirements. Minnesota member Bill Gardner led a discussion on some of the questions about FIPs. Four major questions arose. First was whether or not FIPs will contain only the projects that are eligible for federal funds, or will FIPs contain all of the freight needs of the state, regardless of their eligibility for funding (i.e. how do we show our unmet needs). Second was whether federal funds be applied to already programmed projects (for example, making an existing bridge project more accommodating for OSOW loads). Some MAFC states like Ohio and Minnesota are considering using existing projects. Third was whether FIPs and freight funding will be linked with federal freight performance measurement requirements. Fourth were questions about how the federal requirement that freight plans address bottlenecks might "match up" with projects contained in a FIP. A less discussed consideration was how to avoid politicizing the project selection process.

Many MAFC states have undergone similar efforts to start work on FIPs, and they have also been working to understand the best way to manage the related funding and matching. States that already have a MAP-21 compliant plan, or who are near completing their plans intend to release plan updates or amendments with FIPs in the next year. One common practice was the creation of new freight funding programs to receive federal funds, Minnesota and Ohio have created new funding categories. A starting point for a FIP was the identification of critical urban and rural freight corridors, and MAFC states are still working on methods to identify these corridors; a commonly-mentioned method was data-driven corridor identification complemented by stakeholder feedback. Some states, like Indiana, Ohio and Kentucky are using existing identified projects as the starting point for both corridor identification and a FIP. For example, Ohio is using their projects "in the pipeline" as the basis for the FIP, while Kentucky is considering using unfunded projects as a criteria for critical corridor designation.



Looking towards the future, it is unknown when the federal government will provide rules or guidance on FIP development. In the meantime, MAFC states recognize that they share many FIP practices in common, and believe that regular meetings discussing FIP development will be valuable. Additional meetings on a possible monthly or tri-weekly schedule may be scheduled in the future.



## **MAFC Teleconference Innovations in Freight Planning 06/21/2016. 11 am cst**

Attendees:

MN – Bill Gardner, John Tompkins, David Tomporowski

WI – Donna Brown-Martin, Jennfier Sarnecki, Jesse Patchek, David Leucinger

IA – Garrett Peterson

KS – John Maddox

Missouri – na

Illinois – Bruce Carmitchel, Deanna Smith, Jim Durako

Indiana – Donna Luley, Katie England, Kristen Briar

Kentucky – Casey Wells

Ohio – Mark Locker

Michigan – Jesse Gwilliams

MAFC – Ernie Perry, Ben Zieltow, Eric Oberhart, Derek Fields.

Work has been completed in Florida (<http://www.freightmovesflorida.com/freight-mobility-and-trade-plan/freight-mobility-investment>) and Georgia (<http://www.dot.ga.gov/InvestSmart/Freight/Documents/Plan/Task5-Recommendations.pdf>)

### **2) Bill Gardner, State Perspectives on Freight Investment Plans (FIP) — FAST requirements and potential approaches/issues to think about.**

For Florida, investment plan and freight plan were done hand-in-hand, and well integrated. However, MAFC states have done plans, but less on the fiscal end.

Fiscally-constrained investment plans don't match up with identified needs in freight plans. First version of plans are due in December of next year (2017).

Can't count on Federal rulemaking – took so long for MAP-21 guidance. That's why MAFC needs to share approaches and get started.

Will the plan just show projects that are eligible for federal funds, or will it show all needs?

Made a decision as a department to establish a freight program to give flexibility on how to direct funding for freight issues (so it's not lost in the "bottomless pit" of preservation projects).

- Issues:



- Lack of guidance from FHWA (eligibility, approval process, etc.)
- Scope of FIP—NHFP \$ on NHFN plus 10% option vs. Statewide Freight Investments (multimodal)?
  - Use NHFP \$ funds to address "bottlenecks" and required federal reporting?
- Approach to Programming (short-term vs. longer term):
  - Dedicated freight program vs dollars to existing programs?
  - Spend now on existing, ready, eligible projects?
  - Delay to future year via fund swapping?
  - Select new/enhanced projects within necessary timelines?
  - Use Advanced Construction (AC) multi-year \$ for larger projects?
  - Coordination with CURC/CUFC designation process—how to allocate NHFP \$ state vs. local roads?
    - **Need to get to this quickly to define freight projects**
- Approaches to Project Selection (short-term vs. longer term)
  - **Can we add to the already programmed projects? No time to consider new projects. Is there added value by adding freight funding for existing projects?" – Example: rebuilding a bridge, maybe make it OSOW-ready, truck climbing lanes, etc... Projects where you can "double track" existing work and freight -specific considerations.**
    - Select projects from STIP based upon eligibility plus some freight factor???
    - Seek potential "freight value add-ons" to existing projects?
    - Develop multiple categories (freight planning, highway projects, modal projects, etc.)
    - Competitive solicitation with selection criteria?
    - Leverage other type funds (public and private)?
- Stakeholder involvement (MPOs, cities/counties, ports, railroads, Freight Advisory Committee)?
- Linkages to State Freight Plan priorities and proposed federal Freight Performance Measures (mobility) and other state freight PMs?

**Could this be connected to performance measures? What about federal requirement to address bottlenecks?**

### **3) State by state discussion - Current MAASTO state activities on FAST funds and how does each state plan to develop a FIP?**

**John Maddox – KS is doing similar to MN – identified freight potential projects, did analysis based on truck and traffic counts. KS FHWA helped pick out a specific project. KS is taking all FY 16/17 FAST ACT funds to fund this viaduct rebuilding. KS is also engaging stakeholders with information about FAST ACT. Considering doing a three-tier project list to rank projects.**



Bruce Carmitchel – IDOT has solicited input for critical urban freight corridors – need to pare down requests from MPO for critical urban designations. Getting input on rural miles. Dumped freight money into critical corridor programs.

Mark Locker – OH. Finance department created two new funding categories. Took projects in pipeline, applied them to the first 3 years of FAST Act, last 2 years are more flexible to accommodate establishment of critical urban and rural networks. Projects on those networks will be applied to the two last years. Only looking at bottlenecks on primary freight highways. “Map and table” approach.

Garrett Pederson – IA – Reviewed content after FAST ACT – the only thing IA is missing is FIP. Freight plan goes to commission next month and is then finalized. Plan will be amended before 2017 to make it FAST Act compliant. Rumors that freight plan guidance is coming. In the absence of guidance, using a simplified approach to be in compliance. How are we defining a project: does it have to be immediate programmable and actionable? Or is it more abstract? Is constraint at the project or program level? Still working on critical corridor designation. How does corridor designation work for a multi-state MPO. MPO as a whole is over the population threshold to determine its own corridors, but most of the population is in Nebraska.

Kristen Briar - IN – trying to figure out how to get to FAST Compliance. Have a lot of existing programs that have big freight mobility impact – trying to figure out how they are targeting those dollars. Working with technical planning on freight corridor priorities

Jesse Gwilliams – MI– very similar experience to Indiana. Trying to figure out how to apply money to existing projects. Also trying to figure out how to update MAP-21 compliant plan. Working on critical network designation.

Donna Brown-Martin – WI – Getting to draft plan. Trying to flesh out details on criteria for prioritization. Trying to merge criteria with six-year programming for highways and rail modes. Want to incorporate state-owned rails in planning/prioritization process.

Casey Wells – KY- Also trying to adapt MAP-21 plan into FAST one. Plan on publishing it, and then amending it to make it FAST Act compliant. Doing critical corridors in next months. Data driven approach, or project or needs-based designation. Find unfunded projects and base corridors based on where the unfunded projects are.

#### **4) State by State Discussion - Define Actions items to move forward with freight development approach.**

- What are the issues and questions we need to get answers for??
- Do we need best practices? A model plan? Guidelines? Template for a scope of services?



Wisconsin, Ohio, Missouri, Minnesota, Michigan, Kentucky, Kansas, Indiana, Iowa, Illinois. FHWA.

Final thoughts from States:

How do you avoid politicizing the disbursement of funding?

Donna – WI – keep meetings on a regular basis – every three weeks?

Garrett – IA – research idea: does anybody plan to do freight planning *entirely* within LRTP process? FAST Act allows it now, might save work. Interested in merging freight and LRTP planning. LRTP guidelines are pretty barebones, especially relative to freight plan and rail plan.

**5) Review and Conclude, Determine and Assign next steps. – Open Discussion.**

## **6) MAFC Business Meeting**

Status of attendees and planning process for annual meeting. **If you have not provided names and contact information for your three attendees, please do so as soon as possible.**

Meeting registration process, baseball game and other tours - **Attendees register under MAFC box at no cost unless they choose to attend ball game or golf.**

Be prepared for state report out time during meeting working session– 5-10 minutes to provide a review of the big projects and development efforts in the freight area