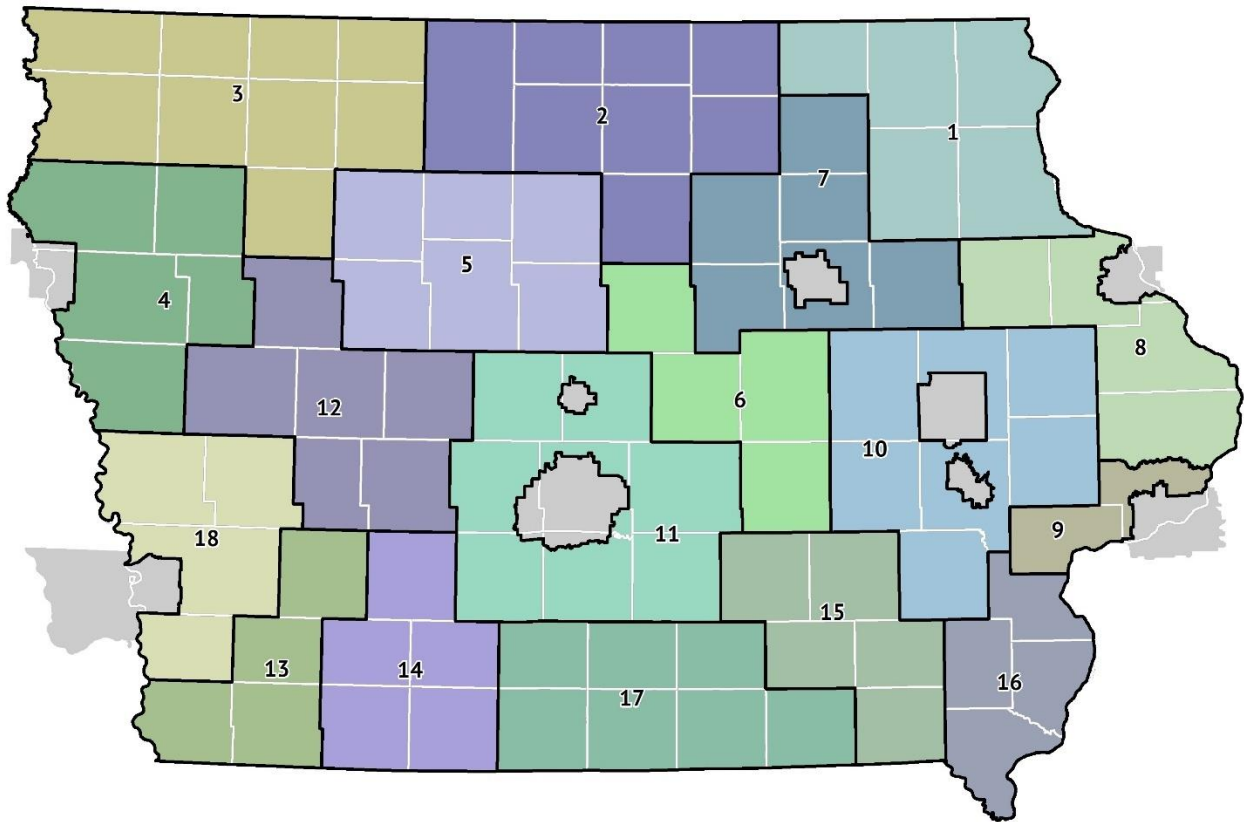# Regional Transportation Project Selection: Requirements and Best Practices

IOWADOT

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In 2010, the Iowa Department of Transportation's (DOT) Office of Systems Planning published the first version of this whitepaper, Best Practices for Regional Transportation Project Selection. This paper has been updated to provide additional background on the regional transportation planning and programming process, and to more clearly delineate the requirements and recommendations for the project selection process[1] that is part of the overall regional planning process.

Background

Transportation planning is conducted across several levels in Iowa, including statewide planning conducted by the Iowa DOT, metropolitan planning conducted by metropolitan planning organizations (MPOs) in the state's nine urban areas over 50,000 in population, and regional transportation planning conducted by the state's 18 regional planning affiliations (RPAs) in the state's non-urbanized areas. The state and MPOs follow federal requirements for the transportation planning process. In Iowa, RPAs were created after the passage of the 1991 Intermodal Surface Transportation Efficiency Act (ISTEA) to help carry out the transportation planning process in nonurbanized areas of the state. The Iowa DOT provides MPOs and RPAs federal transportation funds to program for regionally-selected projects.

Prior to ISTEA, federal transportation funding was allocated directly to the state, counties, and local jurisdictions through the Federal Aid Primary, Federal Aid Secondary, and Federal Aid Urban road programs. Funds were proportionally distributed based on formulas that considered city and county population. ISTEA changed this funding structure by establishing new funding programs, including the Surface Transportation Program (STP), a more flexible funding program that allowed individual states to establish their own planning and programming processes to administer the federal funds. Outside of some set-asides[2] for specific programs and funding allocated for transportation management areas (TMAs: MPOs with a population over 200,000), states were given wide latitude with regard to how the STP funding was spent, including the ability to program all remaining STP funding on state-owned routes. As part of the change in funding programs, ISTEA also mandated that "new, non-traditional partners" be brought into the state planning and programming process. This required a greater effort on the part of states, counties, and cities to provide for increased public involvement and intergovernmental cooperation. To fulfill these new requirements, the State of Iowa saw an opportunity to embark on a partnership with local governments through the establishment of RPAs.

The creation of RPAs and their planning and programming responsibilities was determined in consultation with the League of Iowa Municipalities (now Iowa League of Cities) and the Iowa State Association of Counties. When the RPA framework was first adopted by the Iowa Transportation

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[1] This document relates to the project selection process carried out by RPAs to program Surface Transportation Block Grant (STBG) funding. MPOs also select projects for STBG funding but are required to program projects that are consistent with the MPO's long-range transportation plan and are not allowed to suballocate funding per 23 § 450.326. The focus of this document is on enhancing the regional project selection process. Full requirements for the MPO and RPA Transportation Improvement Program (TIP) development process and TIP document are published by the Office of Program Management, available at https://iowadot.gov/program_management/statewide-transportation-improvement-program-stip.

RPAs and MPOs also program funding for Iowa's Transportation Alternatives Program (TAP); project selection requirements for Iowa's TAP are outlined through separate program guidance, available at https://iowadot.gov/systems_planning/grant-programs/transportation-alternatives.

[2] Current set-asides include funding for Transportation Alternatives, State Planning and Research, and off-system bridges. See https://www.fhwa.dot.gov/fastact/factsheets/stbgfs.cfm.

Commission (Commission) in 1993, the goal was to provide a flexible, participatory, inclusive, and proactive state and regional planning partnership. RPAs were created to encourage collaboration and decision-making on the regional level. To help facilitate this, RPAs were asked to determine regional needs and priorities through developing a long-range transportation plan (LRTP), and to prioritize projects for regional funding based on their LRTP. This would help ensure that the state's STP funding was being utilized on projects of high priority and regional impact.

Some regions expressed a preference to suballocate funding to individual jurisdictions, similar to how funding was distributed pre-ISTEA. Initially, a limited percentage of regional funding was allowed to be suballocated, but the expectation was that this amount would decrease over time and that suballocation to individual jurisdictions would be phased out. The use of suballocation was reevaluated during implementation of the next federal transportation act, the Transportation Equity Act for the 21st Century (TEA-21), and suballocation was allowed to continue, though it was discouraged and a heavy emphasis was placed on developing projects of regional significance based on RPA LRTPs. Strict suballocation runs counter to the philosophy of regional prioritization, and does not enable an RPA to ensure that projects being programmed for funding are regional priorities.

There have been three additional federal transportation reauthorization bills since TEA-21. The most recent legislation, the Fixing America's Surface Transportation (FAST) Act, was signed in 2015. Following each reauthorization bill, the Commission has consulted with stakeholders and determined how to distribute federal STP funding in the state. Each time, the Commission has reaffirmed the value of the regional planning and programming process and continued distribution of funding to RPAs and MPOs for programming towards regional priorities. Funding is also provided for city and county bridge programs.

The STP program is now known as the Surface Transportation Block Grant (STBG) program. These funds can be used to help pay for road and bridge projects, bicycle and pedestrian facilities, transit capital improvements, and transportation planning activities. In 2018, implementation of a federal-aid swap began in Iowa, which enabled the federal STBG funding allocated to MPO and RPA road and bridge projects to be 'swapped' with state primary road funding. The goal of the swap is to increase efficiencies through streamlining project development for local project sponsors and reducing the number of local federal-aid projects requiring oversight by Iowa DOT. The funding swap occurs after the project selection process, applies only to road and bridge projects, and does not impact the RPA's responsibilities for the regional planning and programming process.

Regional transportation planning expectations and responsibilities

The delegation of programming authority to RPAs did not occur without expectations. Taking into consideration the federal and state planning requirements, RPAs develop their own goals, policies, and priorities for transportation plans and projects in their region. RPAs are formed by mutual agreement among local governments. The RPA's decision-making body is the Policy Board, which is primarily composed of local elected officials. Each RPA Policy Board has established a Technical Committee, which typically consists of city and county staff members, modal representatives, and other interested parties. The Technical Committee's role is to help advise the Policy Board on its planning and programming decisions. Most RPAs are staffed by Councils of Governments, which are regional planning agencies established through Iowa Code.

The Iowa DOT allocates federal funding to RPAs each year to carry out planning activities, and the project selection and programming process is only one component of the comprehensive regional transportation planning process. RPAs are responsible for the creation, maintenance, and updates of the following five planning documents as part of the planning process. These responsibilities must be met to continue to receive funding for planning activities and to maintain regional programming authority.

- Transportation Planning Work Program (TPWP) – the annual budget and work description for transportation planning activities.
- Public Participation Plan (PPP) – the RPA's plan for providing the public with opportunities to provide input.
- Passenger Transportation Plan (PTP) – a plan documenting passenger transportation needs and projects in the region, developed in consultation with transportation providers and human service agencies.
- Long Range Transportation Plan (LRTP) – a plan with a 20-year horizon documenting the current status and future needs of the region's multimodal transportation system.
- Transportation Improvement Program (TIP) – a four-year list of transportation projects programmed for federal-aid/swap funds in the region; approved annually and incorporated into the Statewide Transportation Improvement Program (STIP).

In addition to these required activities, many RPAs conduct planning studies, provide technical assistance, collect and disseminate data, and carry out other transportation planning activities as directed by their Policy Boards.

RPA project selection process

Each RPA has a locally-developed process for selecting projects for STBG funding. In 2010, as part of the first publication of this paper, the Iowa DOT's Office of Systems Planning collected information on each RPA's project selection process. This information was assembled with the intent of identifying the most common approaches to project selection practices. Three distinct methods were identified, including:

1. Scoring and ranking: RPAs develop a scoring and ranking system based upon a set of predefined criteria for evaluating transportation projects. Typically, the Technical Committee reviews and scores or ranks the potential projects based upon how well they address these criteria. Projects are then ranked overall, and a recommendation is sent to the Policy Board to consider.
2. Discussion and consensus: The RPA works to come to an agreement on projects to fund through Technical Committee and Policy Board discussions, and may also use input from public meetings, presentations, stakeholder committees, and other activities. Typically, the RPA has identified primary transportation objectives for the region, which are used as a guide when coming to a consensus.
3. Suballocation: RPAs proportionally distribute STBG funds to specific entities; this is often based upon pre-ISTEA funding allocation formulas.

It should be noted that project selection processes among RPAs are not strictly limited to one of these three approaches. Some RPAs choose to combine two of the above methods for a more blended process, while others have a primary project selection process and a secondary method if a decision cannot be reached using the primary process. The Office of Systems Planning continues to monitor RPA project selection processes, primarily through in-depth RPA planning reviews that occur on a rotating

six-year cycle. The planning reviews provide the opportunity for detailed discussion on project selection and can result in recommendations for the RPA's process. To help aid these discussions and improve project selection processes, requirements and recommended practices for the RPA project selection process are clarified below, and then best practice examples of RPA project selection processes are discussed.

Required elements

The elements discussed below are required for all RPA project selection processes. While most RPAs have historically met these requirements, they are outlined here to ensure a consistent baseline among planning agencies across the state.

It should be noted that while suballocation has not been disallowed, it cannot be applied so strictly that it negates the purpose of the regional planning process, excludes eligible applicants, or causes regionally significant projects to be delayed or neglected. A selection process based on regional prioritization is preferred, but the Iowa DOT's baseline expectation is that RPAs have a documented, transparent process that includes the following attributes.

Full consideration of eligible projects

Eligible projects must be submitted to and considered by the RPA itself. For example, there cannot be a requirement that an individual county approve a project that a city within it wishes to submit for RPA consideration; any eligible project that is submitted needs to receive consideration by the RPA. RPAs need to review all eligible submitted projects, and full applications for all submitted projects need to be available to the Technical Committee and Policy Board for their review and discussion. Ultimately, the Policy Board must consider the submitted projects and approve the projects to be included in the region's TIP.

Additionally, RPAs that suballocate funding cannot do so to the degree that only certain entities can receive funding. For example, a suballocation process cannot direct all funding to counties and cities over 5,000 in population, and leave no mechanism to consider other eligible projects, including but not limited to road/bridge projects in cities under 5,000 population, bicycle/pedestrian projects, transit capital projects, planning activities, and Iowa DOT projects. Common ways that this is addressed in a suballocation structure are to have separate allocations of funding for these types of activities/sponsors, or to only suballocate a portion of the RPA's overall funding and award the remainder through competitive selection. To help ensure all eligible applicants are aware of the RPA's STBG funding process, the RPA needs to broadly distribute information about its project selection process. Examples of ways to achieve this include sending a notice of funding availability and a description of the application process to potential applicants, publishing this information in regional newspapers, and posting this information online.

Consistency with the LRTP

Each RPA is required to produce an LRTP every five years that outlines the existing status and future needs of the area's transportation system and establishes priorities for the area's planning efforts and programming investments. Projects programmed in the region's TIP are required to be consistent with the RPA's LRTP. Consistency requires projects to flow out of the project identification, evaluation, and prioritization process that has been developed to implement a strategy or objective of the LRTP. The RPA project selection process needs to incorporate a linkage between the LRTP and projects that are

awarded funding. Examples of ways to achieve this include providing the page number in the LRTP where the project is referenced, or providing a description of how the project meets goals, objectives, or priority actions established in the plan.

Application or information form

An application or information form is required to be submitted to the RPA for all projects, including projects from entities that receive suballocations. It is important to document what the project is, the characteristics of it, and why it is being proposed for regional funding. Application or information forms provide clear documentation of what projects are submitted to the region for a given funding cycle, which is important for public transparency and maintaining an accurate historical record. Application or information forms also provide a mechanism to ensure the other required project selection elements, full consideration of eligible projects and consistency with the LRTP, are being met.

In the past, a few RPAs had allowed suballocation entities to solely enter their projects into the Transportation Program Management System (TPMS) without providing additional documentation for them to be included in the region's TIP. While TPMS has a critical role in programming, developing, and tracking projects, it is not a suitable application mechanism. TPMS is not accessible to all potential project sponsors. TPMS also does not enable the project sponsor to explain the project's merits, regional significance, or tie to the LRTP, and the system cannot be tailored to reflect additional project information that may be important to a specific region. Application or information forms remedy this, and can also be easily compiled and included in meeting materials or posted on the RPA's website, which makes the project selection and programming process more accessible to the Technical Committee, Policy Board, and the public. The Iowa DOT does not prescribe what needs to be included on a project application or information form; they can range from simple to complex and be tailored based on the RPA's priorities. The point of the application is not to create additional work for the project sponsor, but to provide a clear record of the project that is submitted for funding and why it is regionally significant.

Strongly recommended elements

The following components of a project selection process are strongly recommended. RPAs that do not utilize these elements/processes will be asked to explain their exclusion during RPA planning reviews and are encouraged to continue discussing the merits of these elements with their Policy Boards and Technical Committees. Ideally, all RPAs will incorporate these elements into their selection processes, and RPAs that suballocate funding will continue to take steps to move away from a rigid suballocation process.

Discussion of RPA priorities

RPAs are strongly encouraged to consider projects from a regional perspective. While consistency with the RPA's LRTP is a required element for projects, applicants should also have an opportunity to discuss their project submittals, explain their importance within the region, and answer questions about them. An additional step RPA staff can take to help facilitate a regional viewpoint during programming discussions is to develop a summary of projects and associated information about them. Characteristics such as annual average daily traffic (AADT), truck AADT, pavement or bridge condition, crash history, multimodal considerations, and other attributes can help provide a better understanding of the projects being considered by the RPA and their regional merit.

Flexible suballocation targets

RPAs that suballocate are encouraged to allow flexibility in 'borrowing' among jurisdictions, and not limit jurisdictions to only programming a limited amount of funding, such as their annual suballocation amount. Allowing entities to 'borrow' from each other enables the timely completion of larger projects, keeps STBG balances from accruing, and avoids the decrease in buying power that occurs when funding remains unspent for several years.

A further step to enhance flexibility is to track allocation targets in the background, rather than as the deciding factor for what projects are funded. Several RPAs utilize a process like this rather than suballocation, which helps ensure distribution of funding across entities over time, but enables regional needs and priorities to be addressed as they arise.

Award letters or project agreements

Many planning agencies provide project sponsors with an award letter or project agreement following the award of STBG/STBG-Swap funds. These documents can serve several different functions, including:

- Providing documentation the project has been programmed
- Verifying programming/project information details
- Identifying Iowa DOT staff with whom the sponsor will need to work
- Providing a brief overview of the project development process, including swap requirements or federal aid regulations, as applicable
- Providing a reminder that costs cannot be incurred until required authorizations are in place

This type of documentation is strongly encouraged. It helps ensure a clear understanding between the RPA and the project sponsor regarding the details of the project and the funding the RPA is allocating for it, and provides valuable documentation should there be staffing changes for the RPA or project sponsor.

Best practices for regional transportation project selection

Scoring and ranking

Of the three project selection processes previously identified, the Office of Systems Planning recommends the scoring and ranking method. The scoring and ranking approach to project selection allows RPAs to establish regional objectives for transportation planning, while providing a consistent method for evaluating each proposed project. This competitive process allows for more flexibility when programming larger projects of regional significance, and ensures that applicants propose well-rounded and viable projects that they expect to score well. Furthermore, the objective application of an accepted scoring and ranking process can go a long way towards minimizing the influence of regional politics.

Several RPAs in Iowa utilize a scoring and ranking process. The evaluation criteria used in each scoring system vary in complexity and criteria weight, but the outcome is typically the same: once scores are calculated, projects are prioritized by ranking, and this serves as the starting point for discussions to determine which projects are ultimately approved for funding by the Policy Board.

Sample evaluation criteria include:
- Accessibility and mobility (e.g., volume-to-capacity ratio)
- Connectivity (e.g., integrating multiple modes of transportation)
- Economic impact (e.g., transportation cost savings)
- Local and regional investment in the project (e.g., local support, matching funds)
- Project readiness (e.g., project development phase)
- Public safety (e.g., crash data, crash modification factors)
- System preservation (e.g., infrastructure condition)

While scoring applications is the most objective method for prioritizing projects, an alternative that has been used in some selection processes is a comparative ranking procedure. In this method, projects are still evaluated based upon a specific set of criteria. However, projects are not scored individually and then ranked by score. Instead, all projects are directly compared to each other in pairs, and rankings are developed based on how well a project cumulatively performs in comparison to other projects, based on the criteria/weightings developed by the RPA. This process works well to help identify regional priorities without the rigor of a scoring system, and is a good transitional step for RPAs that do not currently evaluate STBG projects based on specific criteria.

Case study: Scoring and ranking
In 2005, the Southeast Iowa Regional Planning Commission (SEIRPC; RPA 16) transitioned from distributing funds through suballocation to a competitive scoring and ranking process. The change in practice was precipitated by the desire of the Technical Advisory Committee and Policy Board to be more informed and involved in the project selection decision-making process. In the past under suballocation, it was the responsibility of the region's counties and larger communities to choose how and when to use their funding, and the RPA 16 Technical Advisory Committee and Policy Board would then approve these decisions with minimal involvement in the process. There was concern that the funding intended for the region was being controlled by jurisdictional staff rather than vetted through the regional forum, and that the region was not able to use the funding to leverage projects with a significant regional impact. Through the revised scoring and ranking process, committee members receive more information on each project and are able to make informed decisions on which projects to fund. Their specific role is to score the more 'subjective' project criteria (i.e., economic development and multimodal impact), whereas objective items like AADT and pavement condition are scored by RPA 16 staff.

As part of this movement towards a more involved regional planning process, RPA 16 also decided to modify their Technical Advisory Committee to include a wider range of backgrounds. In doing so, the committee shifted from exclusively engineers and public works officials to include representatives of regional business, agriculture, and economic development interests. When appointing committee members, a list of represented positions is used to ensure that each is present on the committee at any given time. In addition, to ensure fair geographic representation throughout the four-county region, RPA 16 shifts each position from one county to the next when a term ends.

One challenge that RPA 16 has encountered is that the competitive scoring and ranking process rewards only the best projects applied for in a given application cycle, and not necessarily the "highest priority" projects identified in the LRTP. However, this is not necessarily a flaw of the scoring and ranking process in general, since it is possible to incorporate specific scoring considerations or evaluation criteria in order to account for these factors. Overall, the scoring and ranking project

selection method has been beneficial for the region. RPA 16 is fiscally constrained each year, which has simplified and streamlined the process for project selection, programming funding, and assembling the TIP. The Technical Advisory Committee and Policy Board are also more informed and involved, which has increased the overall discussion and brought many diverse perspectives to the process. Lastly, the region as a whole benefits from a system that, according to SEIRPC staff, rewards projects that have a stronger regional impact.

Discussion and consensus: "transitional" project selection process

For RPAs that currently suballocate their STBG funds, shifting directly to a scoring and ranking process may be a challenge. As an intermediary approach, RPAs could elect to implement a discussion and consensus practice as a primary project selection method, while retaining suballocation as a secondary assurance in the event that an agreement cannot be reached.   This secondary method can also help create more buy-in among those who may be skeptical of transitioning to a completely new project selection process.

By utilizing a discussion and consensus approach as part of the selection process, the quality of proposed projects would likely improve as all candidate projects are competing against each other for funds, rather than any sponsors having their own dedicated allocation. Another potential benefit of this transitional process is that the RPA is much more flexible in how it programs its STBG funds. This increased flexibility would allow consideration of larger projects that benefit a greater portion of the region and enable the RPA to be more responsive if new or different regional priorities emerge.

Case study: Discussion and consensus with background tracking

The Iowa Northland Regional Transportation Authority (RPA 7) currently utilizes a selection process similar to the transitional project selection process described above. RPA staff track historical funding by jurisdiction in the background, but this information does not become part of the project selection process unless necessary as a last resort. Rather, the Technical Committee reviews all project applications and discusses the merits of each proposed project, and is typically able to come to a consensus on how to recommend the Policy Board distribute funds for projects in the region. If agreement on what projects to recommend for programming cannot be reached, the historical funding amounts can be compared to "allocation ranges" for each jurisdiction. The ranges were developed in 2006, largely based upon historical suballocation allotments. The status of each applicant relative to the allocation range can be used to suggest who should reduce or remove projects from consideration in a given cycle.

According to RPA 7 staff, this selection process promotes regional cooperation more so than direct suballocation. Although an agreement is generally achieved without needing to use the allocation ranges, maintaining this information in the background keeps a feeling of "fairness" among the different jurisdictions, and minimizes geographical domination by any particular entity. The process has also enabled projects to be funded across the spectrum of sponsors, including counties, cities over 5,000, cities under 5,000, the Iowa DOT, the regional transit provider, and the RPA.

Since projects are not scored, the process is less formal than a scoring and ranking system. One drawback of this is that projects may not have the benefits (such as vehicle miles traveled, safety improvements, etc.) that those in a ranking system would need to have to be competitive. However, RPA staff utilize the information provided on application forms and supplemental data to provide a

matrix comparing project attributes to the Technical Committee, which helps encourage discussion of individual project merits and how they compare to each other.

Conclusion

The intent of this paper is to clarify requirements and recommendations for RPA project selection processes as part of the overall transportation planning process, and to provide information and options to RPAs that may be considering a change to their current programming structure. It is the Iowa DOT Office of Systems Planning's position that scoring and ranking projects based upon objective criteria is consistent with the Iowa Transportation Commission's original intent for the regional planning process and represents the "best practice" project selection method for Iowa's RPAs.

Identifying this "best practice" approach is not a recommendation that all RPAs adopt this project selection process. It is recognized that each RPA is unique, and a scoring and ranking system may not be a priority for every region at this time. However, it is critical that each RPA project selection process is documented and transparent. RPA processes that involve suballocation are encouraged to continue moving towards selection of projects on a regional basis through an objective process; ultimately, this will help ensure that Iowa's RPAs are achieving a flexible, participatory, and inclusive regional planning process.