

Target Formula Re-evaluation

Mn/DOT Transportation Program Committee (TPC)

Charge to the Technical Work Team (TWT)

Background

In December 2002, TPC decided to freeze the target formula at its 1998 values and initiate a process to review the formula and ATP process in general. Follow-up interviews with TPC members identified several specific concerns with the current process and formula. A review process to address these matters was to begin in January, 2005 after completion of the revised District Plans.

Current Context

The new Federal funding levels included in the House and Senate versions of the transportation reauthorization legislation now suggest that Minnesota will receive increased revenues. This creates a timely opportunity to re-evaluate, and possibly realign, the target formula and/or area transportation partnership (ATP) process. Moreover, if a change in the formula and/or process is to be made, it would be ideal to make such changes as these new revenues become available, not after the revenues have already been allocated according to the current formula.

Creation of Target Formula Re-evaluation Technical Work Team

A department-level decision has been made to immediately initiate a re-evaluation of the target formula and ATP process. TPC has selected a technical work team composed of representatives from Mn/DOT transportation districts as well as representatives of Minnesota cities, counties, and metropolitan areas. Al Schenkelberg, Director of the Office of Investment Management, will chair the technical work team.

Charge to the Technical Work Team

The Technical Work Team will advise the TPC and will help guide the comprehensive re-evaluation of the target formula. Through monthly meetings, beginning in June, 2004, the Technical Work Team will be asked to consider past trends and future statewide transportation needs; to identify relevant issues and potential alternatives; to evaluate various alternatives and scenarios for future application of the target formula and area transportation partnership process; and to identify findings of this re-evaluation and make recommendations to the TPC regarding update and revision of the target formula and/or area transportation partnership process.

The target formula re-evaluation is to be completed in December of 2004.