



# DES MOINES AREA MPO

## Policy Committee Meeting

June 15, 2023



# **APPROVAL OF AGENDA**

# June 15, 2023, Agenda

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1. Call to Order
2. VOTE: Approval of Agenda
3. VOTE: Approval of Meeting Minutes
4. CONSENT and VOTE: Approval of the May Financial Statement
5. CONSENT and VOTE: Contracts and Expenses
6. PRESENTATION: Transportation Innovative Financing
7. REPORT and VOTE: Water Trails Line of Credit Agreement
8. REPORT and VOTE: MPO Bank Account Signatories
9. REPORT and VOTE: MPO/CIRTPA Planning Services Agreement
10. REPORT and VOTE: Fiscal Year 2024 Investment Policy
11. REPORT and VOTE: Self-Certification
12. REPORT and VOTE: Draft FFY 2024-2027 Transportation Improvement Program
13. REPORT and VOTE: Charging & Fueling Infrastructure Discretionary Grant Program
14. REPORT and VOTE: Water Trails BUILD Grant Payment Approval
15. REPORT: 2023 Pavement Condition Report
16. REPORT: Comprehensive Safety Action Plan RFP Update
17. REPORT: Upcoming Events
18. Other Non-Action Items of Interest to the Committee
19. Next Meeting Date – August 17, 2023 – 4:30 p.m.
20. Adjournment

# **APPROVAL OF MEETING MINUTES**

# **APPROVAL OF THE MAY FINANCIAL STATEMENT**

# CONTRACTS AND EXPENSES

# Contracts and Expenses

VENDOR	PURPOSE	NOTES/INFORMATION	AMOUNT REQUESTED
Dentons Davis Brown	Legal fees	Legal fees related to personnel matters, water trails, handbook and policies/procedures manual review, and general services.	\$9,051.00

# **PRESENTATION: TRANSPORTATION INNOVATIVE FINANCING**





# The Center for Innovative Finance Support

## Innovative Finance: A Brief Overview

*How transportation professionals can utilize Innovative Finance to  
leverage existing Federal resources*

Des Moines, Iowa  
June 2023



U.S. Department of Transportation  
Federal Highway Administration

CENTER FOR INNOVATIVE FINANCE SUPPORT





# Agenda

- Innovative Finance Techniques
- Innovative Finance for Planners Briefing Book
- Other Resources Available

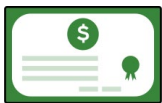
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# What is Innovative Finance?

- Specially designed techniques and tools that supplement traditional highway financing methods, improving governments' ability to deliver transportation projects.

GARVEE



TIFIA



SIB



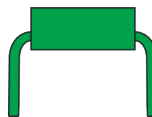
Value Capture



P3s



Tolling & Pricing



Project Bundling



Federal Resources



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# Accelerate Your Transportation Program

Use innovative financing to complete your project faster and reduce costs.



Access new sources of public and private funding



More effectively use existing funds



Avoid hidden costs associated with delayed construction

## INNOVATIVE FINANCING

VS.

## PAY-AS-YOU-GO

\$5 Million Transportation Project



Start building  
**IMMEDIATELY**

AND

Build  
**WITHOUT DELAYS**



Incur interest at approx.  
**3.25%\* OVER 10 YEARS**

Project complete in  
**3-5 YEARS**



POTENTIAL SAVINGS USING INNOVATIVE FINANCING

**UP TO \$150K**



Wait **5 YEARS** to start building due to budget restrictions

OR

Build **IN PHASES** as funds become available



See inflation rise at  
**4%\*\* ANNUALLY**, raising construction costs

Project complete in  
**8-10 YEARS**



Over the long term, interest payments may be **less expensive** than construction-cost inflation.

\*Interest rate variable | \*\*Estimated from FHWA data

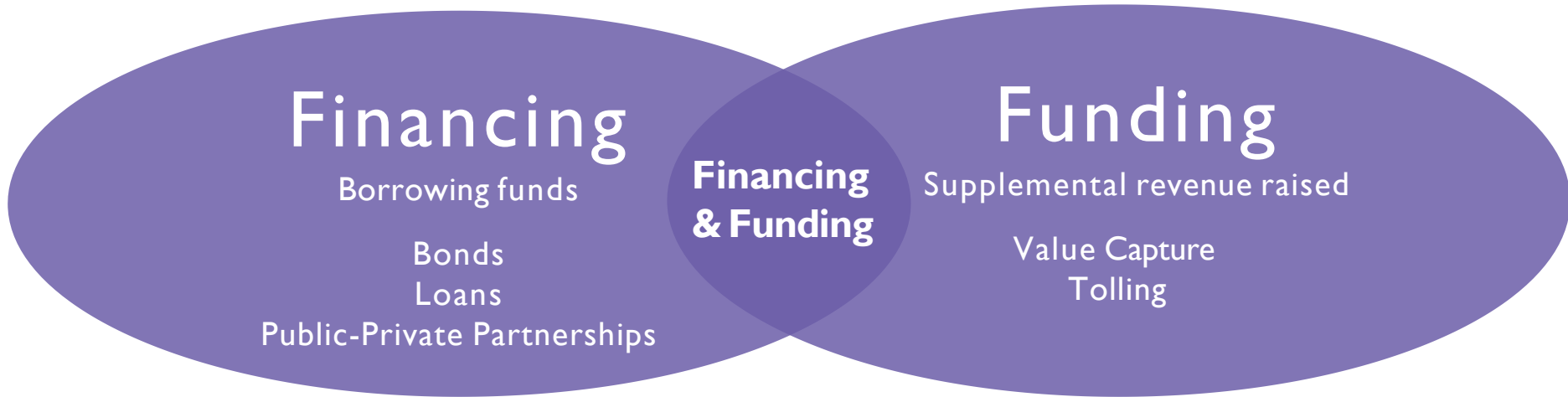


U.S. Department of Transportation  
**Federal Highway Administration**

CENTER FOR INNOVATIVE FINANCE SUPPORT






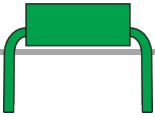
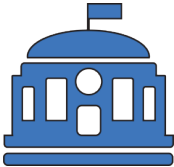

# Innovative Financing vs. Funding



Oftentimes, innovative finance techniques include elements of both financing and funding.



# Successful Examples

	<p><b>GARVEES</b>  <a href="#">GARVEE Sub-Recipient: Tulsa, OK</a>  <a href="#">GARVEE &amp; SIB Financing: Missouri DOT</a></p>		<p><b>Construction Manager/General Contractor Method (CM/GC)</b> <a href="#">CM/CG Method: Pawnee Nation</a></p>
	<p><b>TIFIA</b>  <a href="#">TIFIA Rural Project Initiative: San Luis Obispo Regional Transit Authority</a></p>		<p><b>State Infrastructure Banks (SIB)</b>  <a href="#">SIB Overview</a></p>
	<p><b>Tolling and Pricing</b>  <a href="#">Toll Credits: Colorado DOT</a></p>		<p><a href="#">Florida State Infrastructure Bank</a> <a href="#">Ohio State Infrastructure Bank</a> <a href="#">Oregon Infrastructure Bank (OTIB)</a></p>
	<p><b>Value Capture</b>  <a href="#">Transportation Utility Fees (TUF): Lake Oswego, OR</a></p>		<p><a href="#">Pennsylvania Infrastructure Bank (PIB)</a>  <a href="#">Texas State Infrastructure Bank</a></p>



# Why should Innovative Finance be considered in the planning process?

Leverage existing funding

Ensure available funds are put to their best use

Expedite project delivery

Increase efficiency and keep costs down

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Increase stakeholder and public awareness

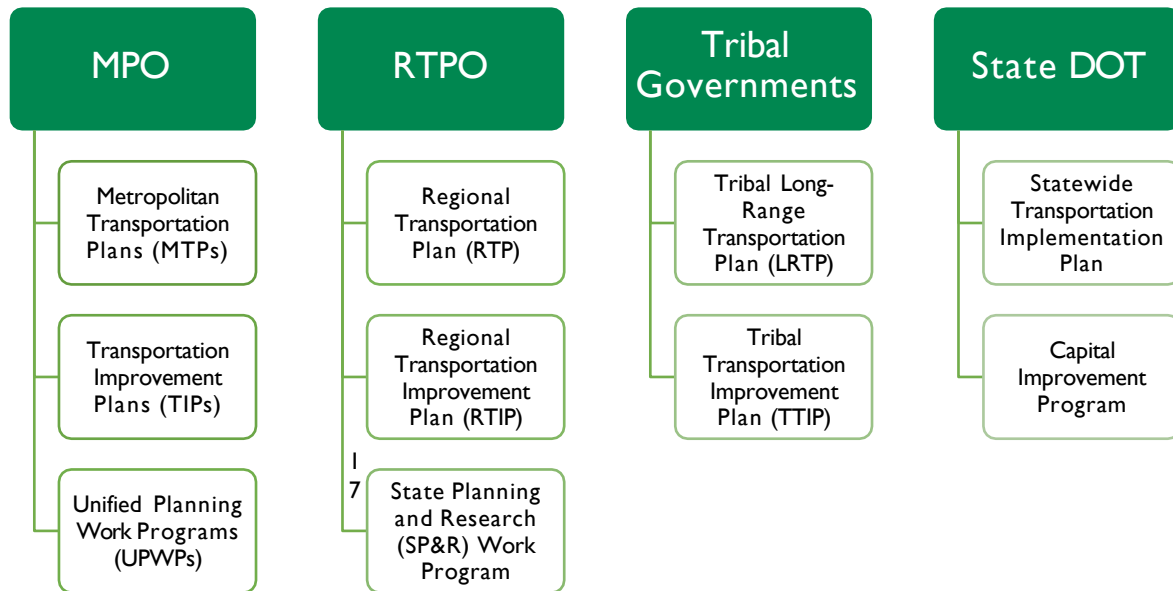
Provide information early in the planning process to increase understanding and garner buy-in

Encourage innovation

“Formalize” a more innovative culture



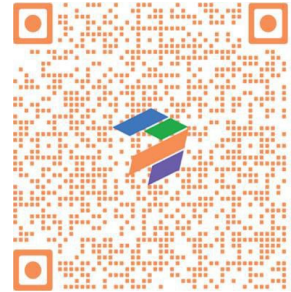
# How does Innovative Finance fit into the transportation planning process?





# What is the Briefing Book?

- The [\*Innovative Finance for Planners Briefing Book\*](#):
  - [Is a companion to the FHWA Office of Planning's Transportation Planning Process Briefing Book: Key Issues for Transportation Decisionmakers, Officials, and Staff](#)
  - An introduction to innovative finance techniques for the planning community
  - A source for examples of bridging funding gaps for state, local, tribal, and regional transportation agencies
  - A guide for incorporating innovative funding and financing techniques into the planning process
  - A resource for helping new MPO transportation decision makers understand and utilize innovative finance in the planning process.



Find it Fast!



# Audience for the Briefing Book

- Transportation planning community
  - Decision makers, board members
  - Planners and finance managers thinking strategically about how best to program and utilize available funding opportunities

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# Looking for more?

Check out the following resources on the Center for Innovative Finance Website!

Innovative Finance for Planners Briefing Book

- [CIFS for Planners and Communities webpage](#)
- [CIFS Video Series](#)
- [CIFS Innovation Profiles](#)

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# Contact Information

**Pete Mancauskas**

**Project Finance Program Manager**

**Center for Innovative Finance Support,  
FHWA**

[Peter.Mancauskas@dot.gov](mailto:Peter.Mancauskas@dot.gov)

(202) 503-9850



# **WATER TRAILS LINE OF CREDIT AGREEMENT**

# Water Trails Line of Credit Agreement

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- ICON is working to secure a \$15,000,000 Line of Credit (LOC) to cash flow the project.
- The LOC is being made between Bankers Trust and ICON but requires the MPO to be a signatory on the following documents to ensure that Bankers Trust has a security interest in the project account.
  - Notice of Final Agreement
  - Governmental Certificate
  - Pledge Agreement

# Water Trails Line of Credit Agreement

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- The LOC was required by Iowa DOT and FHWA to show that the necessary funds are available to complete the project.
- The LOC was also required as part of Sub-Agreement #2 and Sub-Agreement #4 entered into by the MPO and ICON.

# Water Trails Line of Credit Agreement

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- At the May Executive Committee meeting, a request was made for a legal opinion regarding MPO liability in granting Bankers Trust the security interest in the project account.
- It was also requested that ownership of the project account be clarified.
- Documentation addressing these two requests was provided in the agenda packet.
- Additional information was provided by ICON in response to other concerns that were presented at the meeting.



# Water Trails Line of Credit Agreement

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- Staff recommends two action related to this item:
  1. Recommend approval of signing the LOC agreement in light of legal counsel's review regarding liability.
  2. Recommend amending Sub-Agreement #4 between MPO and ICON to clarify and align the LOC requirements with the LOC agreement.

# **MPO BANK ACCOUNT SIGNATORIES**

# MPO Bank Account Signatories

- MPO requires two signatures for checks written from MPO bank accounts
- The MPO's Policies and Procedures Manual provides that the Executive Director, Assistant Director, and Planning Manager have the authority to sign checks
- MPO staff added the Principal Planner (Andrew Collings) as a signatory to ensure the MPO's financial processes continued uninterrupted following Executive Director's resignation
- Given the Policies and Procedures Manual's pending status and recent staffing changes, and to ensure an open, transparent process, MPO staff recommends that the Policy Committee affirm the current signatories on the MPO's bank accounts.

# **MPO / CIRTPA PLANNING SERVICES AGREEMENT**

# MPO/CIRTPA Planning Services Agreement

- The MPO has provided staffing services to CIRTPA since the early 1990s.
- CIRTPA provides similar services as the MPO – allocates STBG funds, develops LRTP, other transportation-related data collection and analysis.
- The agreement is required to be reviewed annually and was last updated in 2019.
- The only change that staff is recommending this year is to update language that refers to the FAST Act to the Infrastructure Investment and Jobs Act.

# MPO/CIRTPA Planning Services Agreement

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- The CIRTPA contract accounts for 3.5 percent of the MPO's budget or approximately \$134,500.
- Staff recommends approval of the agreement with noted changes.

# **FISCAL YEAR 2024 INVESTMENT POLICY**

# Fiscal Year 2024 Investment Policy

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- The MPO has an Investment Policy outline the procedures and safeguards the investment of public funds owned by the MPO.
- The MPO has three accounts:
  - Checking Account – First National Bank
  - Money Market Account – First National Bank
  - IPAT Account – Wells Fargo
- Presented policy to the Finance Subcommittee on June 5<sup>th</sup> and they recommended approval of the Investment Policy for FY 2024.




# SELF-CERTIFICATION

# Self-Certification

- MPO must self-certify its planning process annually
  - MPO includes a statement in the TIP
  - US DOT recommended additional emphasis during recent certification review
- MPO must comply with various federal rules and regulations, including:
  1. 3-C planning process (continuing, comprehensive, and cooperative) (US Code)
  2. Clean Air Act
  3. Title VI of the Civil Rights Act
  4. Older Americans Act
  5. Disadvantaged/Minority Business Enterprise provisions of transportation bill
  6. Americans with Disabilities Act
  7. Fiscally constrained TIP and Long-Range Plan (US Code)
  8. Prohibitions of using federal funds for lobbying

# **DRAFT FFY 2024-2027 TRANSPORTATION IMPROVEMENT PROGRAM**

# Draft FFY 2024-2027 TIP



- The FFY 2024-2027 has been prepared and will be submitted to the Iowa DOT on June 15<sup>th</sup>.
- Please review the project list and make sure that all your projects are correctly programmed.

# Draft FFY 2024-2027 TIP

- Fiscal Capacity:

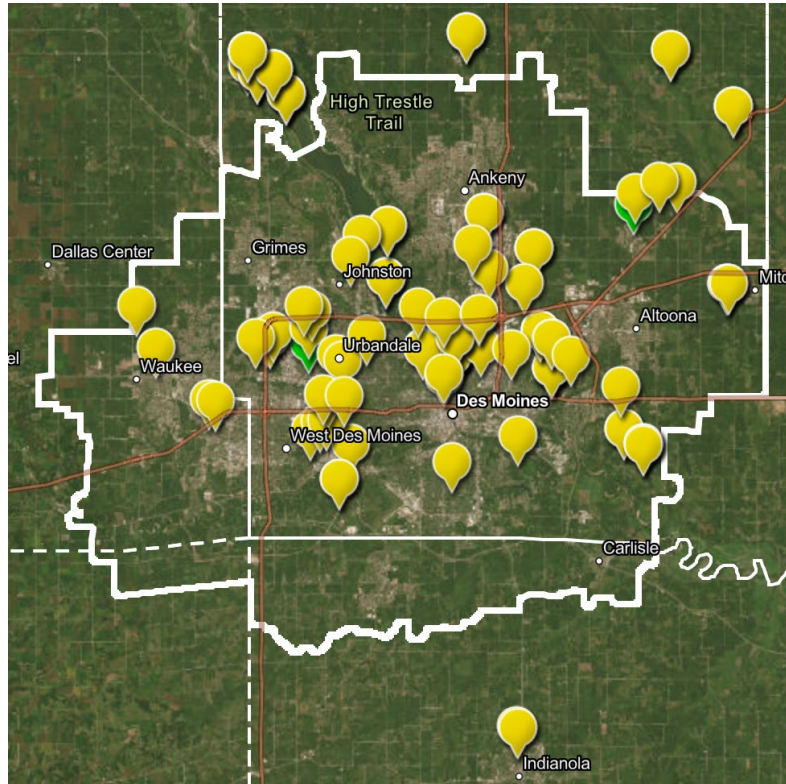
	2024	2025	2026	2027
Unobligated Balance (Carryover)	\$12,426,482	\$30,593	\$732,093	\$5,301,593
STBG Target	\$15,202,762	\$15,498,000	\$15,788,000	\$16,090,000
Subtotal	\$27,629,244	\$15,528,593	\$16,520,093	\$21,391,593
Transfer Out	\$0	\$0	\$0	\$0
Programmed STBG Funds	\$27,598,651	\$14,796,500	\$11,218,500	\$12,295,000
Balance	\$30,593	\$732,093	\$5,301,593	\$9,096,593

# **CHARGING & FUELING INFRASTRUCTURE DISCRETIONARY GRANT PROGRAM**

# Charging & Fueling Infrastructure Discretionary Grant Program

## Participants

Bondurant  
Des Moines  
Johnston  
Pleasant Hill  
Urbandale  
Waukee  
West Des Moines  
Windsor Heights  
Polk County  
Polk County  
Conservation  
Indianola



Regional application nearly complete

- Nine MPO members
- Polk County Conservation  
Proposed projects shown in  
online map
- Level 2 Chargers
- Application due June 13
- About \$4 million request
- 20% local match \$2.5 billion  
available over five years
- 1<sup>st</sup> of 5 years for this program
- Existing Level 2 Chargers = 88
- Program brings us to 242 Chargers  
a 175% increase.

# **WATER TRAILS BUILD GRANT PAYMENT APPROVAL**



# Water Trails BUILD Grant Payment Approval



- Snyder & Associates has submitted the Application for Partial Payment No. 6 to Polk County for review and approval
- The payment application is currently being reviewed by Polk County to received their concurrence with the \$1,360,650.19 amount.

# Water Trails BUILD Grant Payment Approval

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- Work Completed over the last month:
  - Grading the South Bank (12,000 cubic yards of material)
  - Constructed causeway to removed old railroad bridge footings
  - Continuing to haul rock to stockpiles
- Upcoming Work:
  - Modification to the face of the dam starting on the north side

# Water Trails BUILD Grant Payment Approval

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- This pay application includes \$1,149,464.45 in immediately reimbursable expenses. The remaining \$211,185.74 is for stored materials. The MPO will not be able to submit reimbursement for these costs until the materials are used per Iowa DOT specifications.

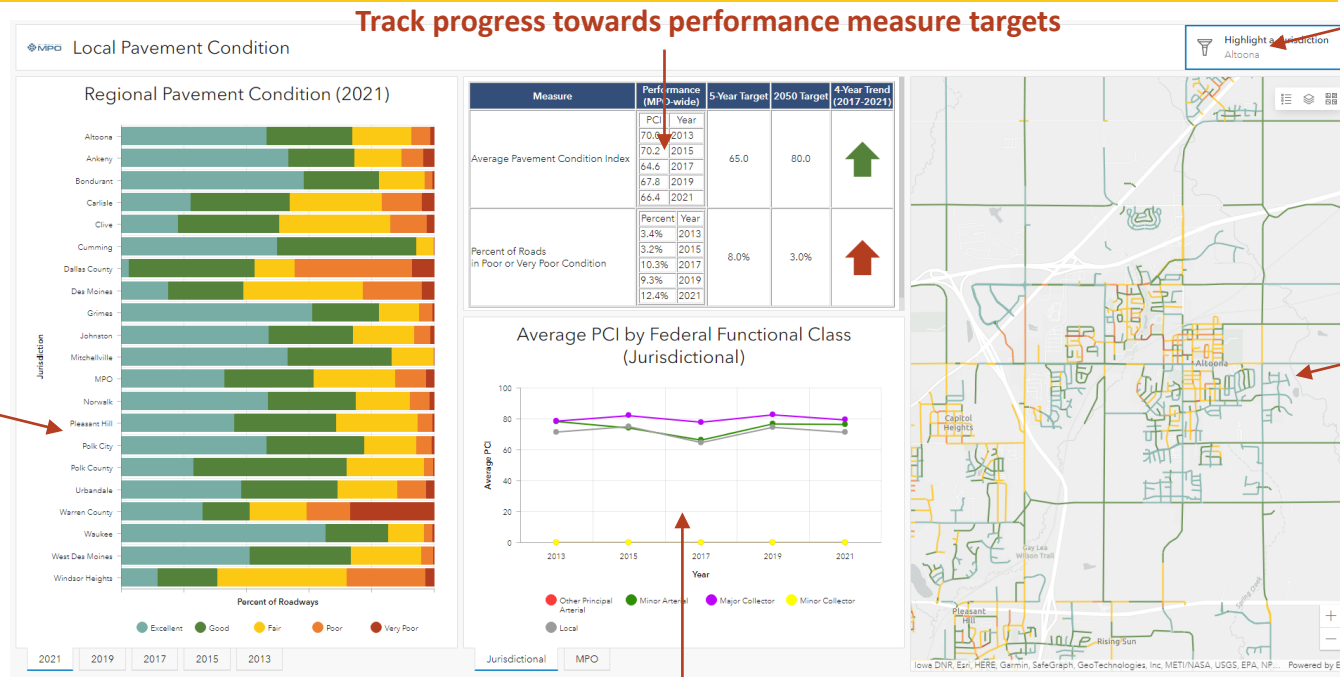
# 2023 PAVEMENT CONDITION REPORT

# 2023 Pavement Condition Report



- Pavement data was collected for all paved roads in the MPO Planning Area in 2021. Pavement data is currently being collected for 2023
- Point data was used to calculate a Pavement Condition Index (PCI) score for road segments
- The MPO has been tracking pavement conditions metro wide since 2013

# 2023 Pavement Condition Report



Regional comparisons across time periods



Graph updates with selected jurisdiction

Highlight a MPO member jurisdiction

Map zooms to selected jurisdiction

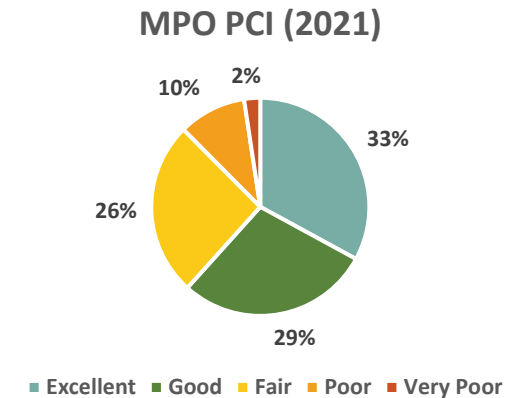
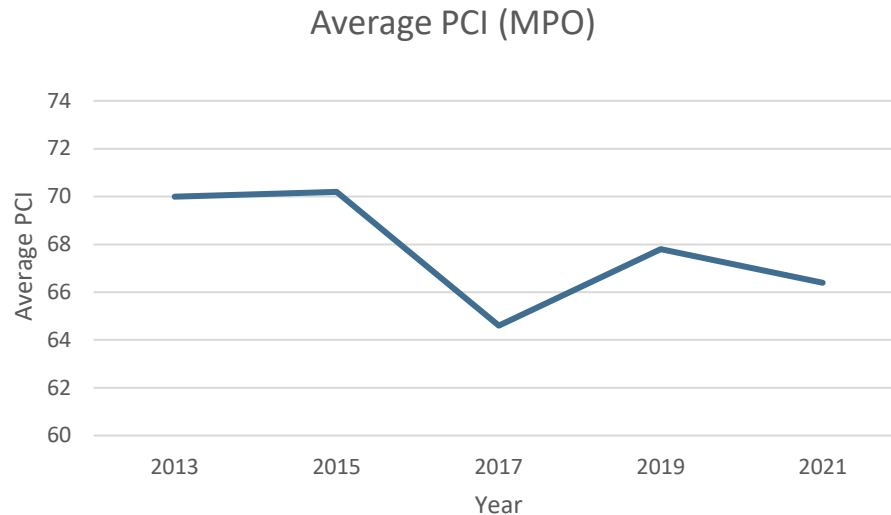
<https://experience.arcgis.com/experience/3ff11bb2161c4078973d877816f98d87>

# 2023 Pavement Condition Report

Measure	Performance (MPO-wide)		5-Year Target	2050 Target	4-Year Trend (2017-2021)
Average Pavement Condition Index	PCI	Year	65.0	80.0	
	70.0	2013			
	70.2	2015			
	64.6	2017			
	67.8	2019			
	66.4	2021			
Percent of Roads in Poor or Very Poor Condition	Percent	Year	8.0%	3.0%	
	3.4%	2013			
	3.2%	2015			
	10.3%	2017			
	9.3%	2019			
	12.4%	2021			

# 2023 Pavement Condition Report

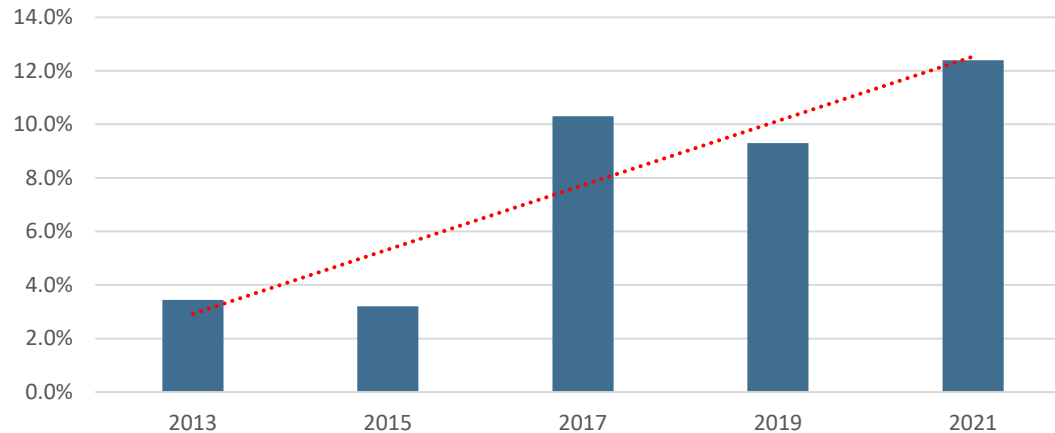
- In 2021, average PCI across the MPO was 66.4





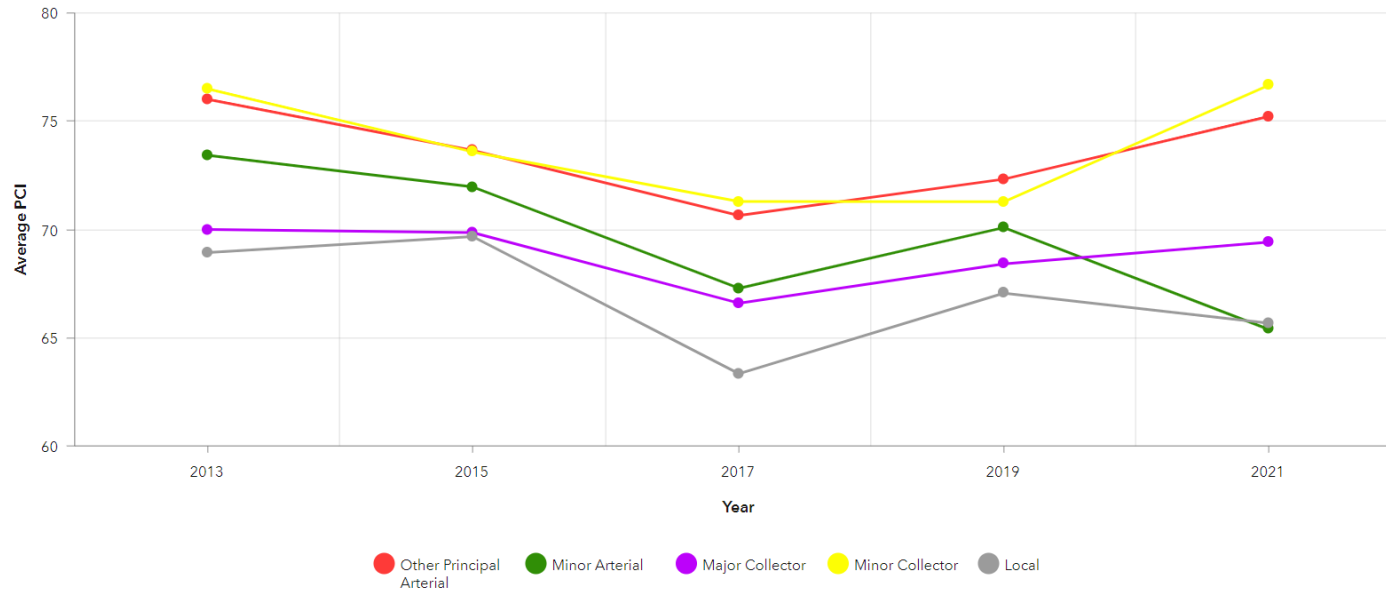
# 2023 Pavement Condition Report

Percent of Roads in Poor or Very Poor Condition  
(MPO)



# 2023 Pavement Condition Report

Average PCI by Federal Functional Class (MPO)



# **COMPREHENSIVE SAFETY ACTION PLAN RFP UPDATE**

# Comprehensive Safety Action Plan RFP Update

- Submitted RFPs:
  - Felsburg, Holt & Ullevig (FHU) – Fehr & Peers and Group Creative Services
  - SRF – Alta Planning + Design and Snyder & Associates
  - Toole Design – HR Green, Confluence, and HDR Engineering
- Selection Committee:
  - Mark Holm – City of Ankeny
  - Marketa Oliver – City of Bondurant
  - Stephanie Riva – City of Norwalk
  - John Davis – City of Des Moines
  - Eric Peterson – City of West Des Moines
  - Luis Montoya – DART
  - Jeremy Lewis – Street Collective

# Comprehensive Safety Action Plan RFP Update

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- Next Steps:
  - Selection Committee will review and score the RFP responses;
  - Interviews are scheduled for June 28<sup>th</sup>;
  - Selection Committee will conduct interviews and determine a preferred consultant team to recommend team to the Executive and Policy Committee at their August meetings;
  - Staff will enter contract negotiations following approval by the Policy Committee.

# UPCOMING EVENTS

# Upcoming Events

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- Focus on Reducing Rural Roadway Departures (FoRRRwD): Putting the Proven Countermeasures to Work to Reduce Roadway Departures – June 20th at 12 pm - Zoom
- **Missouri Valley District Institute of Transportation Engineers 2023 Spring Meeting – June 21-23 – Cedar Rapids**
- **Iowa County Engineers Association (ICEA) Mid-Year Conference and Golf Outing – July 13th - Ames**
- TRB International Conference on Low Volume Roads – July 23rd – 26th – Cedar Rapids
- **Safe Routes to School Summit 2023 – October 24-26 - Online**
- TRB Transportation Resilience 2023 – International Conference on Extreme Weather & Climate Change Challenges – November 13-15th – Washington, D.C.

# OTHER ITEMS OF INTEREST



# Staffing Update

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- Thanks and farewell to Allison van Pelt.

# Legislative Update

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- Fiscal Responsibilities Act of 2023 signed into law June 3rd
- Key elements
  - Suspends debt limit until January 1, 2025
  - Rescinds unobligated COVID-19 emergency funds across federal programs
    - Does not target unobligated FTA transit grants or advanced appropriations from IIJA or IRA
  - Modifies NEPA environmental review process
    - Places limits on time to complete and page length
  - Places discretionary limits for next 2 years
    - Limits possibilities for increased transportation funding. Act limits discretionary spending to levels close to FFY 2022.

# Phishing Attempt

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- Attempts made to access/withdraw funds associated with Bankers Trust
  - Water trails account
  - CIRTPA
- Attempts not successful
- Actions taken
  - All activity at Bankers Trust locked down
  - All MPO staff have updated and upgraded password protection
  - Additional services implemented by IT provider for added security

# UPDATE: REBOOT: DES MOINES AREA MPO

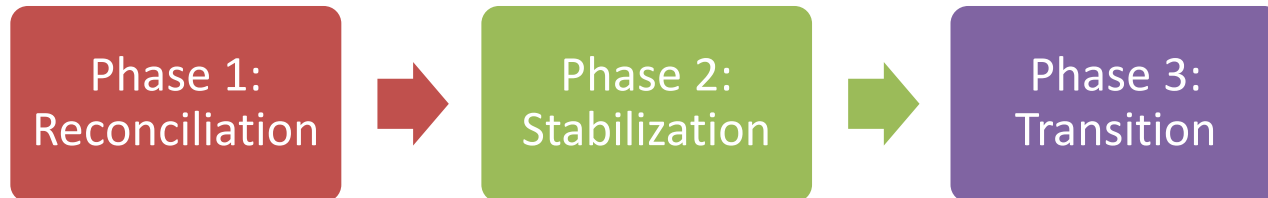
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## CHALLENGES

- MPO work portfolio out of alignment with board vision
- Frustrated board members
- Rattled staff
- Negative budget impacts

## GOALS

- Restore alignment of MPO work portfolio with board vision
- Foster board member buy-in and transparency in MPO decisions
- Retain staff
- Maintain strong financial footing of MPO



# PHASE 1 – RECONCILIATION (JUNE)

STEPS PROPOSED / DISCUSSED	STEPS TAKEN TO DATE
Active listening to Policy members	One-on-one meetings held with 19/26 Policy members. More upcoming.
Rebalance of MPO work profile.	Numerous rebalancing changes incorporated into work program approved last month.
Address potential staff turnover.	Meetings held with staff members. Annual reviews being scheduled.
Address MPO operations for resiliency through transition and beyond.	Reviewing challenges and proposed changes with Policy members. Ongoing.

# PHASE 2 – STABILIZATION (JULY)

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**Purpose: Enhance the Stability of the MPO and Provide a Bridge Between Short-Term Reconciliation and Long-Term Strategic Direction**

## **Priority Actions:**

- Clarify mission of MPO based on feedback from Phase 1.
- Develop/implement any policies and procedures stemming from Phase 1.
- Balance MPO agenda with efficiencies and staff capacity.
- Ensure ongoing projects continue and new projects launch successfully.
- MPO update of employee handbook and policies & procedures manual.
- Actionable transition plan for MIPA.

# PHASE 3 – TRANSITION (AUGUST)

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**Purpose: Establish Strategic Direction for MPO and Ensure Smooth Handoff to New Executive Director**

**Priority Actions:**

- Implement any additional policies or operational changes stemming from Phase 1 and 2.
- Reset organization to earlier, more narrowly focused version of itself.
- Set stage for ongoing discussions on strategic direction forward.
- Provide level, stable starting position for new executive director.
- Onboard new Executive Director.

# YOUR FEEDBACK, PLEASE

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## **GUIDANCE?**


- Is there any additional feedback on the transition plan?
- What more (or less) should staff be doing during this time to set up the organization for success?

## **PARTICIPATION?**

- How else can we be engaging this committee and individual board members?
- One suggestion: a social outing to build better relationships. We could take the opportunity to celebrate the MPO's 40<sup>th</sup> anniversary.



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