



MnDOT Project Selection

Project Description

July 2015

BACKGROUND

The Minnesota Department of Transportation (MnDOT) is the principal state agency for developing, administering, and coordinating transportation policies, plans, and programs. The agency spent \$1.4 billion dollars on its state road program in fiscal year 2014 and has substantial discretion to direct how those funds are spent.

MnDOT schedules most of its highway maintenance and expansion projects years in advance. The selection process involves both central MnDOT offices and MnDOT's eight regional districts. MnDOT annually publishes two key documents. The federally mandated State Transportation Improvement Program lists all federally funded transportation projects planned for the upcoming four-year period. The Capital Highway Investment Proposal identifies potential highway projects up to ten years into the future. MnDOT administrators view the projects in the four-year program as agency commitments; the projects in the ten-year proposal are less certain.

MnDOT schedules its projects within the context of national and state performance requirements. A recent federal law change required states to prioritize performance targets for the National Highway System, which make up 45 percent of Minnesota's state highways. This change prompted MnDOT to reconfigure its project selection process; projects selected through the new process will be constructed starting in fiscal year 2017.

MnDOT also implements several programs that fund state highway improvement projects outside of its normal planning process, such as the "Corridors of Commerce" program created by the 2013 Legislature.

Despite MnDOT's published plans and established processes, legislators have raised questions about how the department selects highway projects. Also, our 2008 *State Highways and Bridges* evaluation said that MnDOT's highway projects had not aligned with its then-stated policy of preserving existing highways before expanding the system.

EVALUATION ISSUES

1. How transparent is MnDOT's process for selecting highway projects? Who makes decisions and what criteria are used?
2. To what extent do MnDOT's investment priorities affect project selection? How are these priorities set?
3. How do projects selected through alternative programs created by the Legislature, such as Corridors of Commerce, compare with the projects chosen through MnDOT's usual selection process?
4. How has the state's highway system performed against established targets and benchmarks?

DISCUSSION

We will examine how MnDOT's highway project selection process considers factors such as safety, pavement condition, cost, economic development, and environmental impacts. We will examine the project selection processes for both the ten-year program and the four-year plan.

To do so, we will review planning documents, performance measures, and other information generated during the project selection process. We also plan to interview officials in MnDOT's central and district offices and local stakeholders. We will analyze available data on projects selected in recent years and, to the extent possible, compare them with similar projects that were considered but not selected.

We will limit our focus to MnDOT's state highway programs. We will not be evaluating county or municipal projects, nor will we evaluate transit, freight, rail, port, or aeronautic programs.

The evaluation is scheduled to be completed in early 2016. For additional information, contact David Kirchner, evaluation manager, at 651-296-3322 or david.kirchner@state.mn.us.