



U.S. Department
of Transportation

**Federal Highway
Administration**

Federal Transit Administration

November 9, 2023

FHWA, Minnesota Division
180 East Fifth St, Ste 930
St. Paul, MN 55101-4802

FTA, Region V
200 West Adams St, Ste 320
Chicago, IL 60606-5253

Nancy Daubenberger
Commissioner of Transportation
Minnesota Department of Transportation
MS 100, Transportation Building
St. Paul, Minnesota 55155

Subject: Approval of Minnesota's FY 2024 – 2027 STIP and FHWA/FTA Federal Planning Finding

Dear Commissioner Nancy Daubenberger:

The following letter is in response to the Minnesota Department of Transportation's (MnDOT) transmittal of the Fiscal Year (FY) 2024 – 2027 Statewide Transportation Improvement Program (STIP) requesting approval.

To approve the subject STIP document, including the Transportation Improvement Programs (TIPs) contained therein, the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) must determine that the STIP is based on a continuing, cooperative and comprehensive planning process. This is achieved by examining the STIP and associated TIP documents, statewide and metropolitan planning self-certification statements (23 CFR 450.220; 23 CFR 450.336), related supporting documentation, and regular ongoing involvement with MnDOT and the Metropolitan Planning Organizations (MPOs).

In addition, under 23 CFR 450.220(b), the FHWA and FTA are required to document and issue a Federal Planning Finding (FPF) in conjunction with the STIP approval. The FPF verifies, at a minimum, that the development of the STIP is consistent with the provisions of both the statewide and metropolitan transportation planning requirements of 23 U.S.C. 234, 135; 49 U.S.C. 5303-5305; 23 CFR parts 450 and 500, and 49 CFR part 613.

Attachment 1 contains the complete FY 2024 – 2027 FPF. The findings are summarized below:

Commendations

- NextGen Highways Working Group

Recommendations

- STIP public involvement process
- MPO TIP Actions on TIPs not approved by FHWA and FTA
- Planning and Environmental Linkages (PEL) studies

Corrective Actions

- There are no Corrective Actions included with the 2024-2027 FPF

Accordingly, we find that the FY 2024 – 2027 STIP is based on a transportation planning process that substantially meets the requirements of 23 U.S.C. Sections 134 and 135, U.S.C. Sections 5303-5304, 23 CFR 450 (Subparts B and C), and 49 CFR Part 613 (Subparts B and C).

This approval includes the corresponding individual MPO TIPs that comprise the STIP and the La Crosse Area Planning Committee's project list. The La Crosse Area Planning Committee's TIP is approved once MnDOT approves and transmits the TIP to FHWA and FTA. The transmittal letter must state that MnDOT has confirmed that the projects identified in the TIP exactly match the projects listed in the STIP.

Approval of the FY 2024 – 2027 STIP is not to be construed as a federal-aid eligibility determination. Each project must satisfy the specific requirements of the program from which federal funds are requested, as well as other federal requirements as appropriate before funds are authorized.

FHWA and FTA value MnDOT's sustained efforts to ensure a continuing, cooperative and comprehensive planning process. We recognize the complexity of assembling a STIP and the effort expended by MnDOT staff.

We look forward to working with MnDOT to advance the projects and programs in the STIP and to provide the traveling public with an efficient, high-quality transportation system.

Should you have any questions regarding this STIP approval and Federal Planning Finding, please contact Josh Pearson, FHWA Community Planner at (651) 291-6124, or Bill Wheeler, FTA Community Planner at (312) 353-2639.

Sincerely yours,

Wendall L. Meyer
Division Administrator
Federal Highway Administration

Kelley Brookins
Regional Administrator
Federal Transit Administration

Attachment

cc: Trang Chu (MnDOT)
Patrick Weidemann (MnDOT)
Philip Schaffner (MnDOT)
Erika Shepard (MnDOT)
Colin Korst (FTA)

Attachment 1

Minnesota Statewide and Metropolitan Planning Finding for the FY 2024 – 2027 Statewide Transportation Improvement Program

Overview

The Federal Planning Finding (FPF) is the key oversight mechanism through which the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) ensure that the transportation planning processes in Minnesota meet federal requirements. 23 CFR 450.220(b) requires FHWA and FTA to document and issue a Federal Planning Finding (FPF) in conjunction with approval of the Statewide Transportation Improvement Program (STIP). The FPF verifies that, at a minimum, the development of the STIP is consistent with the provisions of both the Statewide and Metropolitan transportation planning requirements of 23 U.S.C. 134, 135; 49 U.S.C. 5303-5305; 23 CFR parts 450 and 500, and 49 CFR part 613.

Background

FHWA and FTA conducted the FPF in a risk-based capacity; the highest priority was placed in matters with the greatest potential to impede compliance with the federal planning requirements. FHWA and FTA determined the Findings through an in-depth desk review, risk tracking, assessment of previous Findings, day-to-day interactions with MnDOT and the MPOs, and feedback from MnDOT.

Findings fall into one of three categories: Commendations, Recommendations, or Corrective Actions. Each category is defined as follows:

Commendations: Planning activities that demonstrate innovative, highly effective, and well-thought-out procedures for implementing the planning requirements or represent a national model for implementation and can be cited as an example for others.

Recommendations: Items that meet the statutory and regulatory requirements but may contain opportunities to improve the transportation planning process.

Corrective Actions: Items that do not meet statutory and regulatory requirements. Corrective Actions require a work plan detailing how the issue will be resolved and by when.

2023-2026 STIP Findings

The 2023-2026 STIP FPF identified one commendation and one recommendation. The status of these findings is summarized in Table 1.

Table 1: 2023-2026 STIP Federal Planning Findings and Status

Finding Type	Finding	Status
Commendation	MnDOT equity work group	NA
Recommendation	STIP public involvement process	MnDOT continues to clarify and document the public involvement process.

2024-2027 STIP Findings

Commendations

Commendation #1: NextGen Highways Working Group

Observation: Over the past two years, MnDOT brought together a mix of internal and external stakeholders to discuss the opportunities and barriers to using highway rights-of-way to expand the transmission of clean energy. MnDOT’s efforts included hosting a peer exchange, completing a feasibility assessment, building new environmental analyses resources and policies for transmission projects, and expanding the department’s relationships with energy providers and regulators.

Finding: MnDOT is commended in its efforts to discuss and evaluate ways to use its right-of-way to support the transition to clean energy and increase resilience to extreme weather events resulting from the effects of climate change.

Recommendations

Recommendation #1: STIP public involvement process

Observation: The 2021-2024 STIP FPF included a recommendation to document the STIP public involvement process. Due to the pandemic and staffing shortages, FHWA and FTA deferred the recommendation to the 2022-2025 FPF. Throughout 2022, MnDOT’s Office of Transportation System Management worked with its District staff to begin documenting the public involvement process. MnDOT continues to work with its Area Transportation Partnerships to document the public involvement process for preparing and amending the STIP.

Finding: As discussed in the 2021-2024 STIP FPF, MnDOT should document that the state’s STIP public involvement process is consistent with the requirements identified in 23 CFR 450.210(a) and provides opportunities for public review and comment at key decision points. A documented process shows how MnDOT engages the public and stakeholders, including traditionally underserved populations, throughout the development of the STIP and describes how MnDOT will periodically evaluate the effectiveness of its outreach efforts. FHWA and FTA recognize the efforts MnDOT has made to date and its continued commitment moving forward.

Recommendation #2: MPO TIP actions on TIPs not approved by FHWA and FTA

Observation: As part of the annual STIP and TIP update cycle, MPO policy boards typically approve the TIPs in either August or September. MnDOT submits the TIPs to FHWA and FTA as part of the

STIP submittal in late September. Federal approval of the STIP and TIPs typically occurs by mid November.

After the MPO adopts its “new” TIP and prior to federal approval of the new TIP, project changes may occur that require a modification or amendment. The MPO may continue to amend or modify the “old” TIP, however, the MPO may not take approval action on the new TIP – whether modification or amendment – until FHWA and FTA have approved the new TIP. If an MPO modifies or amends the TIP prior to federal approval, the STIP submitted to FHWA and FTA for review and approval is no longer consistent with the TIP as required under 23 CFR 450.218(b) and 23 CFR 450.328(b). MPO technical committees may review proposed changes to the new TIP and provide recommendations to the policy board.

Finding: MPOs continue to question whether they may modify or amend a TIP that has not yet been approved by FHWA and FTA. FHWA and FTA recommend MnDOT updates its STIP Amendment and Modification guidance to clarify this direction. FHWA and FTA will work with MnDOT Office of Transportation System Management staff to remind the MPO and district staff of this requirement during TIP discussions.

Recommendation #3: Planning and Environmental Linkages (PEL) studies

Observation: Over the past years, MnDOT has undertaken several Planning and Environmental Linkages (PEL) studies. These initial PEL studies followed the 23 USC 168 process. Recently, MnDOT started initiating PEL studies that follow the 23 CFR 450 process in an effort to streamline the PEL process.

To date, MnDOT has at least six active PEL studies following the 23 CFR 450 process and continues to initial additional studies. While each study is unique in its scope, the studies share some common elements. Yet, as FHWA-MN Division staff review draft documents, staff have noted inconsistencies within these common elements. Division staff are often providing similar comments on different studies.

When MnDOT initiated its PEL process, MnDOT also initiated efforts to document the lessons learned and develop guidance to aid future PEL studies. This guidance is not yet complete even though new PEL studies continue to be initiated. Local Public Agencies (LPAs) are now initiating PEL studies as well. LPA-led PEL studies were not envisioned to occur until the MnDOT PEL guidance was completed.

In addition to the inconsistencies, the lack of guidance documentation may also lead to unmanaged expectations. Parties may not fully understand the PEL study process or the transition from a completed PEL study to NEPA.

Finding: The FHWA Division Office recommends MnDOT pause initiating any new PEL studies regardless of the process followed until MnDOT finalizes its PEL guidance. The guidance will help provide consistency between PEL studies, particularly in the elements common to all PEL studies. The guidance will help ensure that minimum consistent expectations and requirements are met.

Corrective Actions

There are no Corrective Actions included in the 2024-2027 STIP FPF.

Finalization and Transmittal

Following submittal to MnDOT, this FPF will be uploaded into FHWA's INPUT Response Tracker which documents the completion of the FPF and archives the results. INPUT also serves as the tracking system when following up with the State DOT and MPOs on their progress toward resolving identified risks. Since this FPF issued no Corrective Actions, it will be uploaded without a Work Plan or assigned task completion dates. We look forward to working with MnDOT to address the recommendations listed in this document.