



## Legislative Fiscal Bureau

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June 30, 2009

TO: Members  
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Transportation: Governor's Section 13.10 Request for Use of Federal Economic Stimulus Funding for Local Transportation Projects -- Agenda Items IV and V

### REQUEST

The Governor requests approval of \$79,600,000 received under transportation provisions of the federal American Recovery and Reinvestment Act of 2009 for 96 local road and bridge projects and \$11,558,127 for 17 transportation enhancements projects. The specific bridge, highway, and transportation enhancements projects are shown below. The highway projects are divided into population size categories, since these groupings were used in the project selection process.

## Urban Areas with a Population Over 200,000

<u>Sponsor</u>	<u>County</u>	<u>Highway/Bridge</u>	<u>Segment</u>
<b><i>Milwaukee Urbanized Area</i></b>			
Milwaukee County	Milwaukee	Root River Parkway Bridge	Over Root River
Milwaukee County	Milwaukee	CTH S	N 84 <sup>th</sup> to N 56 <sup>th</sup>
Milwaukee County	Milwaukee	CTH ZZ	W Loomis Rd to S 51 <sup>st</sup> St
Milwaukee County	Milwaukee	Estabrook Parkway	Capitol Dr to Hampton Ave
Milwaukee County	Milwaukee	Hampton Avenue	Green Bay Ave to I-43
City of Greenfield	Milwaukee	South 51 <sup>st</sup> Street	W Grange Ave to W Loomis Rd
City of Milwaukee	Milwaukee	South Cesar Chavez Drive	W Greenfield Ave to W Pierce St
City of Milwaukee	Milwaukee	North Sherman Blvd Bridge	Over W Silver Spring Dr
City of Milwaukee	Milwaukee	West Vliet St Bridge	Over Canadian Pacific Railroad
City of Milwaukee	Milwaukee	South 6 <sup>th</sup> Street Bridge	Over Kinnickinnic River
City of Milwaukee	Milwaukee	Keefe Avenue	N Port Washinton Ave to N Humboldt
City of Milwaukee	Milwaukee	South 1 <sup>st</sup> Street	E Lincoln to S Kinnickinnic Ave
City of Milwaukee	Milwaukee	North Sherman Boulevard	W Silver Spring Dr to W Florist Ave
City of Wauwatosa	Milwaukee	70 <sup>th</sup> Street Bridge	Over Menomonee River
City of West Allis	Milwaukee	West National Avenue	S 70 <sup>th</sup> St to S 68 <sup>th</sup> St
City of West Allis	Milwaukee	South 68 <sup>th</sup> Street	W Arthur Ave to W Lincoln Ave
City of West Allis	Milwaukee	South 76 <sup>th</sup> Street	W Oklahoma Ave to W Cleveland Ave
Ozaukee County	Ozaukee	North Green Bay Road	Cedar Creek Rd to Cedar Sauk Rd
City of Mequon	Ozaukee	West Donges Bay Road	Grasslynn Rd to Port Washington Rd
Waukesha County	Waukesha	S. Moorland Boulevard	STH 59 to I-94
Waukesha County	Waukesha	Barker Road	Intersection with CTH M
Waukesha County	Waukesha	CTH K	N 132 <sup>nd</sup> St to N 124 <sup>th</sup> St
Waukesha County	Waukesha	CTH ES	Calhoun Rd to CTH O
Waukesha County	Waukesha	Townline Road	STH 74 to CTH Q
Waukesha County	Waukesha	Grandview Boulevard	CTH SS to CTH JJ
City of Waukesha	Waukesha	Wisconsin Avenue	N West Ave to W Broadway
<b><i>Madison Urbanized Area</i></b>			
City of Madison	Dane	Pleasant View Road	Mineral Point Road Intersection
City of Madison	Dane	Pleasant View Road	Valley View Rd to Mineral Point Rd
City of Madison	Dane	University Avenue	Segoe Road to Shorewood Blvd
City of Middleton	Dane	Allen Boulevard	Lake St to Century Ave
City of Verona	Dane	North Nine Mound Road	Acadia Way to Meister Rd
<b><i>Round Lake Beach, Illinois Urbanized Area (Wisconsin Portion)</i></b>			
Village of Twin Lakes	Kenosha	Main Street East	Burden Ave to North Lake Ave

## Urban Areas With a Population Between 50,000 and 200,000

<u>Sponsor</u>	<u>County</u>	<u>Highway</u>	<u>Segment</u>
Brown County	Brown	CTH EB	Woodale Ave to Lineville Rd
Brown County	Brown	CTH I	CTH A to Bay Settlement Rd
City of Green Bay	Brown	Manitowoc Road	Main St Access Rd to Greenbrier Rd
City of De Pere	Brown	Jordan Road	Merrill St to O' Keefe Rd
City of Chippewa Falls	Chippewa	First Avenue	Miller St to Kurth Rd
Chippewa County	Chippewa	CTH X	57 <sup>th</sup> Ave to 184 <sup>th</sup> St
City of Superior	Douglas	East 5 <sup>th</sup> Street	6 <sup>th</sup> Ave East to 20 <sup>th</sup> Ave East
Village of Pleasant Prairie	Kenosha	51 <sup>st</sup> Avenue	93 <sup>rd</sup> St to 85 <sup>th</sup> St
City of Kenosha	Kenosha	30 <sup>th</sup> Avenue	89 <sup>th</sup> St to 80 <sup>th</sup> St
Village of Little Chute	Outagamie	Washington Street	STH 96 to Wis Central RR Crossing
City of Racine	Racine	North Main Street	Goold St to Melvin Ave
City of Racine	Racine	Spring Street	Fairway Dr to Blaine Ave
Village of Mount Pleasant	Racine	Lathrop Avenue	CTH KR to Taylor Ave
Village of Elmwood Park	Racine	Taylor Avenue	Lathrop Ave to Maryland Ave
Town of Beloit	Rock	Inman Parkway	Highcrest Rd to Park Ave
City of Sheboygan	Sheboygan	Taylor Drive	Erie Ave to North Ave
City of Neenah	Winnebago	Wisconsin Avenue	Main St to Commercial St
City of Menasha	Winnebago	Tayco Street	Third St to Ninth St
City of Menasha	Winnebago	Manitowoc Road	Melissa St to Oneida St
City of Oshkosh	Winnebago	Snell Road	Jackson St to USH 41

## Urban Areas With a Population Between 20,000 and 50,000

<u>Sponsor</u>	<u>County</u>	<u>Highway</u>	<u>Segment</u>
City of Stevens Point	Portage	Minnesota Avenue	Rice Street - Vivian Lane
City of Burlington	Racine	Kane Street	Market St - State St
City of West Bend	Washington	7 <sup>th</sup> Avenue	Vine St to Hawthorn Ave
City of West Bend	Washington	Decorah Road	18 <sup>th</sup> Ave to S. Main St
City of West Bend	Washington	Indiana Avenue	Oak St to Washington St
City of West Bend	Washington	Jefferson Street	Green Tree Rd to N Main St
City of West Bend	Washington	Park Avenue	Wildwood Rd to Marshall Ct
City of West Bend	Washington	Vine Street	7 <sup>th</sup> Ave to S Main St

## Rural Highway Projects

<u>Sponsor</u>	<u>County</u>	<u>Highway</u>	<u>Segment</u>
Dane County	Dane	CTH K	CTH Q to CTH M
Douglas County	Douglas	CTH C	STH 35 to Kronberg Rd
Village of Bloomington	Grant	Mill Street	4 <sup>th</sup> St to Ash Ln
Village of Linden	Iowa	CTH X	Cook Grove St to Main St
Jefferson County	Jefferson	CTH F	USH 18 to CTH B
Juneau County	Juneau	CTH A	Krypton Rd to Leer St
Kewaunee County	Kewaunee	CTH A	Northbrook Dr to CTH K
Pierce County	Pierce	CTH P	CTH PP to May Ave
City of Evansville	Rock	CTH C	5 <sup>th</sup> St to 1 <sup>st</sup> St
Town of Turtle	Rock	Townline Road	CTH J to CTH G
Winnebago County	Winnebago	CTH D	STH 116 to W County Line

## Bridge Projects

<u>Sponsor</u>	<u>County</u>	<u>Bridge</u>	<u>Location</u>
Bayfield County	Bayfield	CTH D	Namekagon River
Buffalo County	Buffalo	Buells Valley Road	Branch Waumandee Creek
Crawford County	Crawford	Buck Creek Road	Buck Creek
Town of Wascott	Douglas	Cheever Road	Ounce River
Town of Wascott	Douglas	East Copper Mine Road	Ounce River
Grant County	Grant	CTH D*	Rountree Branch
Iowa County	Iowa	CTH C	Sneed Creek
City of Kenosha	Kenosha	38 <sup>th</sup> Street	Kilbourn Road Ditch
Town of Meeme	Manitowoc	Pioneer Road	Meeme River
Town of Meeme	Manitowoc	South Cleveland Road	Pigeon Road
Town of Meeme	Manitowoc	County Line Road	CTH M to Range Line Rd
Monroe County	Monroe	CTH M	Lemonweir Creek
Monroe County	Monroe	CTH M	Linnehan Valley Creek
Oconto County	Oconto	CTH S	0.1 miles N of Junction of CTH SS
Oconto County	Oconto	CTH S	0.2 miles N of Junction of CTH SS
Outagamie County	Outagamie	Center Valley Road	Duck Creek
Outagamie County	Outagamie	Greiner Road	Branch of Apple Creek
Richland County	Richland	Cortland Lane	Mill Creek
Shawano County	Shawano	CTH D	North Branch Embarrass River
Trempealeau County	Trempealeau	Sylla Road	Borst Valley Creek
Vernon County	Vernon	CTH UU	Victory Creek
City of Lake Geneva	Walworth	Wrigley Drive	White River
Town of Linn	Walworth	Mohawk Road	Nippersink Creek
Washburn County	Washburn	CTH E	Namekagon River
City of Neenah	Winnebago	Adams Street	Knight Avenue to Van Street

\*This project includes related road reconstruction and realignment work on Chesnut Street in the City of Platteville, between CTH D and Southwest Road.

## Transportation Enhancements Projects

<u>Sponsor</u>	<u>County</u>	<u>Project</u>
Red Cliff Reservation	Bayfield	STH 13 Streetscape Improvements
Brown County	Brown	Fox River Recreation Trail Commuter Enhancements
Village of Bellevue	Brown	Verlin Road Sidewalk and Bike Lane Construction
Town of Harrison	Calumet	Noe Road Bicycle and Pedestrian Facility
Town of Laona	Forest	Rehabilitate Historic Laona Northern Railroad Tracks
City of La Crosse	La Crosse	Mormon Coulee Road Bike Path Improvements
City of Milwaukee	Milwaukee	Hank Aaron State Trail
City of Milwaukee	Milwaukee	Kinnickinnic River Bicycle Trail
City of Milwaukee	Milwaukee	S Cesar Chavez Drive Streetscaping
Fox River Authority	Multiple	Rehabilitate Fox River Navigation System Lock Keeper Houses
Town of Greenville	Outagamie	Greenville Downtown Bike/Pedestrian Trail
Polk County	Polk	Amery to Dresser Trail
Racine County	Racine	North Shore Multi-Use Path
City of Janesville	Rock	Rotamer Road Bike Trail Connector
City of Whitehall	Trempealeau	Whitehall Historic Railroad Depot Restoration
City of Spooner	Washburn	Bicycle and Pedestrian Facilities
Waukesha County	Waukesha	Lake Country Trail

## **BACKGROUND**

Under a provision of 2009 Act 2, the Governor is required to submit a plan for the expenditure of federal economic stimulus funds to the Joint Committee on Finance. The Committee may approve or modify and approve that plan. The requests discussed in this memorandum (one for highway and bridge projects and one for enhancements projects) are an allocation of stimulus funds received under the highway formula component of the American Recovery and Reinvestment Act of 2009 (ARRA).

The State of Wisconsin will receive a total of \$529.1 million in funds under the highway formula component of ARRA. Of this amount, the Department of Transportation has established a policy of making \$158.7 million available for local highway and bridge projects, and the federal act requires an additional set-aside of \$15.9 million for transportation enhancements projects. Of the \$158.7 million reserved for local highway and bridge projects, the state is required under federal law to allocate certain amounts to urbanized areas with a population greater than 200,000. Specifically, \$38.7 million is reserved for projects in the Milwaukee urbanized area, \$9.8 million is reserved for projects in the Madison urbanized area, and \$0.6 million is reserved for the portion of the Round Lake Beach, Illinois, urbanized area that lies in western Kenosha County. After making these deductions, there is \$109.6 million available for projects in other parts of the state.

The Committee has approved two prior requests (on March, 17, 2009, and May 12, 2009) for use of stimulus funds, totaling \$82.6 million for highway and bridge projects and \$4.3 million for transportation enhancements projects. For these earlier requests, the Department submitted projects for which it was determined that construction could occur in 2009, whereas all of the projects included in the current requests would be let in February, 2010, for construction in 2010.

After adjusting the highway and bridge amount to reflect the elimination of one highway project in the Milwaukee urbanized area that did not receive the approval of the Southeastern Wisconsin Regional Planning Commission (as is required under federal law), there is an estimated \$79.6 million in local highway and bridge funding and \$11.6 million in transportation enhancements funding remaining to be allocated. The Governor's requests would allocate all of these remaining funds to projects.

The highway projects in the large urbanized areas that are included in the Governor's request were selected by the metropolitan planning organizations (MPOs) for each area, utilizing their remaining allocations. For the selection of projects in other parts of the state, the Department generally used the same process that is currently used to allocate funds in the federal aid local highway and bridge assistance programs.

For the purposes of the federal aid local highway assistance program, the Department divides the state's rural and smaller urban areas into the following categories: (a) urban areas with a population between 50,000 and 200,000; (b) urban areas with a population between 20,000 and 50,000; (c) urban areas with a population between 5,000 and 20,000; and (d) rural areas (areas outside urban areas, as defined by the U.S. Census Bureau). The Department allocated stimulus

funds to each of these areas, as well as to bridge projects, in the same proportion as the current program allocations.

Within each category, the selection of individual projects also followed the same procedure used in the current program. For the 50,000 to 200,000 population category, funds were allocated to individual urban areas based on relative population and eligible miles of highway and the MPOs in each area selected the projects that are included in the request.

For the smaller urban area categories and the rural category, each area was assigned an "entitlement," based on relative population and eligible highway mileage, for the purpose of ranking project applications. For each eligible project, a ratio was calculated equal to the total entitlement for the area in which the project is located over the project's cost. Using this ratio, projects were ranked from the highest value to lowest and awarded funding in that rank order. That is, projects with a relatively low cost in relation to the area entitlement have a high ratio and were most likely to be selected.

In the regular federal aid assistance program, any funding that is awarded within a particular area is subtracted from the area's entitlement, but any "unused" entitlement carries over into subsequent years. Therefore, if an urban area does not receive funding for a project in a particular year, the carry-over area entitlement makes it more likely that the area will be awarded funding in subsequent years. For the purposes of selecting stimulus projects in the smaller urban areas and rural areas, the Department used carry-over entitlements from the regular program. Consequently, areas that had not recently received a grant under the regular program were more likely to receive a stimulus grant, since a larger carry-over entitlement balance generates higher project ratios.

The Governor's request contains no projects in the urban areas in the 5,000 to 20,000 population category since projects approved under the earlier requests used the full amount allocated to this category. Conversely, in the bridge category, there was enough funding for all eligible projects.

For the transportation enhancements projects, the Department convened a committee to consider and rank the project applications. Projects were selected and included in the Governor's request based on the average ranking of all of the members of this committee. For transportation enhancements projects located in larger urban areas, MPOs were asked to prioritize projects within the area and those rankings were taken into consideration by the selection committee. Normally, the committee that selects transportation enhancements projects is composed of representatives from several state agencies, citizen groups related to bicycle advocacy and historic preservation, and members of the Legislature. The Department used a subset of the regular committee to select projects for the stimulus funds because of the short amount of time available under ARRA to obligate the funds.

The Department indicates that it will reassess the cost estimates for the projects and the amount of available funding remaining in September to determine whether any funds are available for additional projects.

## **ANALYSIS**

As noted above, the Governor's requests are intended to use all remaining funds from the highway and bridge and transportation enhancements set-asides for projects that would be constructed in 2010. The requests indicate that the Committee's approval is desired at this time so that preparation for the projects can begin. If the Committee does not approve the Governor's requests, the remaining stimulus funds would remain unallocated at this time, and a subsequent request would have to be submitted to spend the stimulus funds on local projects.

As also noted above, the Department used the same "entitlement" process to select highway projects in the smaller urban areas and rural areas that is used in the regular federal aid assistance program. Although the stimulus funds were added to existing entitlement balances for each area for the purpose of ranking projects, the Department indicates that the additional entitlements will not affect future project selection under the regular program. Consequently, the local governments that receive a stimulus grant will not be adversely affected in the competition for future funding in the regular program and those that do not receive a grant will not, in effect, move ahead in the priority list for future program cycles. If the Committee decides that those local governments that do not receive a stimulus grant should be given priority in the awarding of future grants under the regular federal aid local assistance program, it could approve the Governor's highway and bridge request on the condition that the amounts awarded for projects should count against the calculation of entitlement balances under the federal aid program.

## **ALTERNATIVES**

### **A. Highway and Bridge Projects**

1. Approve the Governor's request for \$79,600,000 for 96 local highway and bridge projects.
2. Approve the Governor's request on the condition that stimulus funds awarded to local governments be taken into consideration in the calculation of entitlement balances under the federal aid local assistance program.
3. Deny the request.

### **B. Transportation Enhancements Projects**

1. Approve the Governor's request for \$11,558,127 for 17 transportation enhancements projects.
2. Deny the request.

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