

PACTS Complex Projects Task Force

Wednesday, August 31, 2022

MEETING NOTES

Attendance

- Attendees: Jeremiah Bartlett, Darryl Belz, Jim Bennett, Jessa Berna, Eamonn Dundon, Tom Milligan, Christian MilNeil
- GPCOG staff: Chris Chop, Aubrey Miller, Elizabeth Roberts, Harold Spetla
- Absent: Erin Courtney

Public Comment

- There was no public comment.

Policy Board Meeting Comments

- Aubrey Miller reminded the Task Force of the work leading up to today's meeting. The Complex Projects Task Force completed its work in April. GPCOG staff presented the Task Force's recommendations to the Regional Transportation Advisory Committee (RTAC) in May; RTAC unanimously recommended approval. The Task Force's recommendations were on the May Policy Board agenda, but the Board postponed the item. GPCOG staff presented the Task Force's recommendations to the Policy Board in July and the Board asked staff to reconvene the Task Force to discuss a couple of issues raised at the Board meeting. Aubrey explained the comments received at the Policy Board and staff responses as shown in Attachment A in the [meeting packet](#).
- In response to questions from Tom Milligan, Aubrey explained that:
 - The 50% local match only applies if a construction bid comes in high, the project sponsor/municipality seeks additional funding from PACTS (up to 20% of the construction cost estimate at the time of construction allocation), funding is available in the PACTS Holding WIN, and the PACTS governing body decides to allocate additional funding to the project. If that happens, the 50% local match applies *only* to the *additional* funding.
 - The Task Force's recommendations already include a recommendation that PACTS *not* fund any scope added to projects by municipalities.
 - Preliminary Horizontal/Vertical Alignment Complete (HVAC) means the project sponsor/municipality has completed MaineDOT's HVAC Design Submittal Form Checklist, but the checklist has not yet been checked by MaineDOT ("Horizontal/Vertical

Alignment Checked”). Preliminary HVAC *includes* identifying right-of-way (ROW) impacts.

- Chris Chop noted that the Policy Board was supportive of the preliminary HVAC recommendation.
- Christian MilNeil suggested that an example of how the local match works would be helpful for the Policy Board, along with a reminder that additional funding is allocated on an ad hoc basis, depends on what is available in the Holding WIN, and is not guaranteed.
- Elizabeth Roberts shared a chart (see attached) she put together to show the impact of the local match requirement on municipalities. [*Please note that the attached chart differs from the chart shown during the meeting. The chart shown during the meeting included a nuanced change to the policy (for the 20% overrun cap to refer to federal funds rather than total (federal + local) funds), which the Task Force did not vote on.*]
- Jim Bennett stated what he sees as the main goals of the group’s recommendations—(1) provide more certainty, clarity, and predictability, and (2) review and address why project development takes so long—and suggested emphasizing these points to the Policy Board. He added that the group has tried to better define and prepare projects so they are less likely to face cost overruns, which makes him more comfortable with the additional local match on the overrun funding.
- Christian emphasized Jim’s point on projects taking a long time, which exacerbates cost increases and inflation.
- Jeremiah Bartlett agreed that his hope is the recommendations make things more predictable and fiscally constrained.
- Eamonn Dundon noted the comment about rewarding municipalities for funding their own PDRs was raised by just one member of the Policy Board.
- **Recommendations**
 - Noting she had heard support for maintaining the original recommendations, Aubrey asked for a show of hands of those in favor of maintaining the 50% local match requirement on funding for cost overruns. 7 of 7 members present raised their hands in favor.
 - Aubrey also asked for a show of hands of those in favor of maintaining the original recommendations related to municipalities funding their own PDRs. 7 of 7 members present raised their hands in favor.
 - Staff will return to the Policy Board on September 22 and welcomes Task Force members to attend and contribute.

Recommendation:

Local Match for overrun funding increases from 25% to 50%.

Overrun cap stays the same at 20% of project budget.

Example:

Project Budget	\$500,000
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% Over Budget	Actual Project Cost	Local Share with Current Policy (25% Overrun Match)	% Local Share of Total Project Cost - Current Policy	Local Share with Proposed Policy (50% Overrun Match)	% Local Share of Total Project Cost - Proposed Policy
-5%	\$475,000	\$118,750	25%	\$118,750	25%
0	\$500,000	\$125,000	25%	\$125,000	25%
5%	\$525,000	\$131,250	25%	\$137,500	26%
10%	\$550,000	\$137,500	25%	\$150,000	27%
15%	\$575,000	\$143,750	25%	\$162,500	28%
20%	\$600,000	\$150,000	25%	\$175,000	29%
25%	\$625,000	\$175,000	28%	\$200,000	32%
30%	\$650,000	\$200,000	31%	\$225,000	35%
35%	\$675,000	\$225,000	33%	\$250,000	37%
40%	\$700,000	\$250,000	36%	\$275,000	39%
45%	\$725,000	\$275,000	38%	\$300,000	41%
50%	\$750,000	\$300,000	40%	\$325,000	43%
55%	\$775,000	\$325,000	42%	\$350,000	45%
60%	\$800,000	\$350,000	44%	\$375,000	47%

Local Cost Share at Different Final Costs



Local Share with Current Policy (25% Overrun Match)

Local Share with Proposed Policy (50% Overrun Match)