

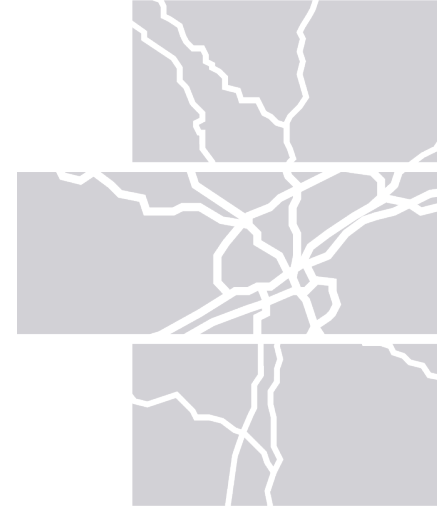
Item 4

FY 2026-2029 Transportation Improvement Program (TIP) Update

PRESENTER: CRAIG LUEBKE, TPO STAFF

NO ACTION REQUIRED

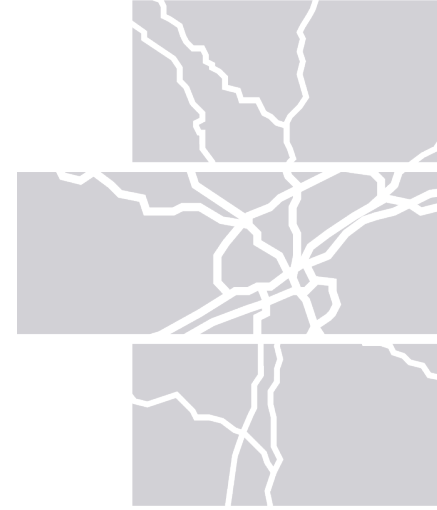
TIP Development Overview & Policy Updates



1. Draft TIP Schedule
2. Project Call Summary
 - Dates
 - Estimated funding available
3. TIP Programming Policies Review & Discussion
4. Other TIP Discussion/Questions

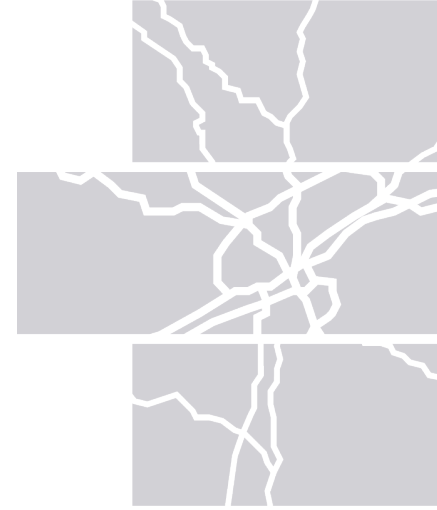
Draft TIP Schedule

- January 14, 2025: TIP Workshop
- January 17, 2025 – February 28, 2025: Call for Projects Open
- January 2025: Operations & Maintenance Request for Information
- March 2025: New Project Scoring/Prioritization
- April - May 2025: TDOT Project Submission
- May 2025: Submit Draft TIP to TDOT for Review
- June 2025: Draft TIP to TPO Technical Committee /Executive Board
- July - August 2025: FHWA/FTA review of Draft TIP
- October 2025: Technical Committee recommendation/Executive Board approval of final TIP
- November 2025: Submit Final Board Approved TIP to TDOT
- January 2026: FHWA/FTA Approval of Final STIP/TIP



Call for Projects Summary

- Project call open: January 17, 2025
- Applications due: February 28, 2025



Total TIP Period Federal Revenue Projections

- Estimated L-STBG: \$126.3M
- Estimated L-STBG-TA: \$11.9M
- Estimated CRP: \$9.3M
- CMAQ PM 2.5: TBD in consultation with TDOT AQ Office

Project Applications



FY 2026-2029

Transportation Improvement Program

Call for Projects Application Form

Mobility Plan 2050 Goals

The following goals, reaffirmed for the 2050 Mobility Plan, will guide the selection of projects for the FY 2026 – 2029 TIP.

Technical Advisory Committee (TAC) members were polled to assign weights of relative importance to these goals as they pertain to [small/local projects](#) and [large/regional projects](#). The results are shared below ([small/local](#) / [large/regional](#)):

Safety & Security: (21 / 17) Reduce the rate of crashes with serious injuries and fatalities. Reduce the region's vulnerability to incidents and threats.
Congestion Reduction: (15 / 19) Use our system more efficiently through technology like traffic signal coordination, real time traffic info, and emergency response vehicles.

Maintenance & Efficiency: (14 / 15) Preserve and maintain our existing infrastructure through repaving projects, bridge replacements, access management, sidewalk repairs, and intersection improvements.

Health & Environment: (13 / 12) Minimize negative impacts on the environment and people's health, and increase access to active transportation / physical activity for all ages.

Equitable Access: (11 / 9) Connect communities to opportunities and services throughout the region, particularly areas with higher proportions of low income, senior, and minority populations.

More Options (mode choice): (10 / 6) Improve access to services and employment with bicycle and pedestrian facilities, and transit services.

Preservation of Place: (8 / 8) Preserve natural and cultural areas and places that make our region unique (e.g., mountains, open space, farmland, viewsheds, small communities).

Economy & Freight: (8 / 14) Improve intermodal connections to help move freight to and through the region. Reduce delay on major freight corridors

This application is for new TIP projects only. Eligible current FY 2023-2026 TIP projects are to submit the Call for Projects Rollover Form. Fiscal Year 2026 funds are available no earlier than January 1, 2026. Please read through the entire application prior to filling out any fields.

Please submit this application along with any additional supporting materials via email to the Knoxville Regional TPO.

ATTN: Craig Luebke

By e-mail: craig.luebke@knoxplanning.org (include 2026 TIP Project Application in the subject line)

By mail: City/County Building, Suite 403 | 400 Main Street | Knoxville, TN 37902

DEADLINE: FRIDAY, FEBRUARY 28, 2025

KNOXVILLE REGIONAL TRANSPORTATION PLANNING ORGANIZATION
KnoxTPO.org | 400 Main Street, Suite 403 | Knoxville, TN 37902 | 865.215.2500

- New projects (those not rolled over from FY 2023-2026 TIP) will submit a full application form
- Projects programmed in the current TIP will submit a simplified project rollover/update form
- New project scoring follows criteria for Mobility Plan 2050
- Applications due: February 28, 2025



TIP Policies Review

Delayed Project Policy

***Current Policy:** Project sponsors are given a one-year grace period to obligate funding for projects beyond the originally programmed year of work. If the delay is beyond the control of the project sponsor, TPO managed federal funds will not be removed from the project. If the delay is due to causes within the control of a sponsor, the delay will be documented and the project reviewed by TPO Technical Committee and Executive Board for possible action, up to and including the removal of TPO managed federal funds. Removed funds will be returned to the TPO general fund and re-programmed. Examples of delays that are considered within the control of a sponsor include: shifting priorities, insufficient local match, etc.*

TPO staff will report on the obligation status of TPO managed federal funds projects quarterly to the Technical Committee and Executive Board. Project status information and updated phase of work cost estimates for these reports will be provided by project sponsors.

Proposed Change to Delayed Project Policy

Revised Policy: Project sponsors are given a one-year grace period to obligate funding for projects beyond the originally programmed year of work. If the delay is beyond the control of the project sponsor, TPO managed federal funds will not be removed from the project. If the delay is due to causes within the control of a sponsor, the delay will be documented and the project reviewed by TPO Technical Committee and Executive Board for possible action, up to and including the removal of TPO managed federal funds. Removed funds will be returned to the TPO general fund and re-programmed. Examples of delays that are considered within the control of a sponsor include: shifting priorities, insufficient local match, etc.

TPO staff will report on the obligation status of TPO managed federal funds projects **twice annually** to the Technical Committee and Executive Board. Project status information and updated phase of work cost estimates for these reports will be provided by project sponsors.

Cost Overrun and Funding Contingency Reserve Policy

Current Policy: *In cases where a community does not have sufficient funding to fulfill the scope of a project funded with TPO-managed federal grant funds, as originally programmed, the project sponsor may be granted the flexibility to shift funding across phases and/or years (pending the availability of funding) to cover increased cost estimates for the affected phases.*

The TPO will retain a program reserve of TPO suballocated federal funds to cover cost overruns within the local program of projects. In response to program needs during the previous TIP period, the program reserve amount will be calculated as a minimum of nine percent of all TPO suballocated funds (L-STBG, L-STBG-TA and CRP), including any carryover balance amounts. Cost overruns in excess of 25% of the total project costs, or increasing TPO federal funds in excess of \$500,000 require approval by the TPO Technical Committee. Cost overruns below these thresholds may be approved by TPO staff. Measurements for these cost changes are cumulative from the project budget established with the adoption of the approved TIP.

TPO staff will monitor the contingency reserve balance and provide updates to the TPO Technical Committee and Executive Board following all approved cost overruns. Contractual agreements between TDOT and the project sponsor must not bind the TPO to pay for cost overruns with TPO-managed federal grant funds.

Cost Overrun and Funding Contingency Reserve

Policy Update Discussion:



Proposed Change:

- Revise policy to increase contingency reserve percentage (10% suggested).

Current Policy Context:

- Under the current policy, upon a cost overrun request from a project sponsor, additional federal funds are approved by staff (by TIP Modification or Amendment) if sufficient L-STBG funding is available to maintain fiscal constraint within the TIP. Approved L-STBG cost increases currently total \$6.1M against a reserve amount of \$9.9M established at the outset of the FY 23-26 TIP. Additional cost overruns are anticipated within FY 2025.

	% of L-STBG Program	L-STBG Amount
L-STBG Program Reserve	9%	\$9.9M
Processed Cost Overruns (5)	5.6%	\$6.1M

New Projects Policy

Current Policy: *If a project sponsor requests that a new project be funded with TPO-managed federal grant funds after the initial Call for Projects, the project sponsor must submit a completed project application to TPO staff. If TPO staff recommend that the project be funded with TPO-managed federal grant funds, it must also be brought to the Technical Committee and Executive Board for consideration, unless it meets the definition of an administrative modification.*

- No proposed changes

Project Rollover Policy

Current Policy: Any project programmed in the TIP with TPO-managed federal funds, which continues to meet all eligibility requirements and retains continued support by the project sponsor, shall be a priority in developing a new TIP program of projects. Projects with federal funding already obligated shall automatically have unobligated programmed funds carried forward to the new TIP. To document sponsor support, and to reaffirm schedule and costs, a project rollover form is required for projects to be carried forward into a new TIP. Projects that have not obligated funds do not fall under the Rollover Policy, and will be required to re-compete for federal funds through the established project selection process. The Delayed Project Policy and other factors (e.g. obligations from a previous TIP) may also be considered when determining the eligibility of TIP rollover projects.

- No proposed changes

Proposed New Policy – CMAQ Programming

Draft Policy: *Historically, the administration of CMAQ funds has encountered challenges with matching programmed amounts to actual utilization due to varying project timelines. In response to this issue, TDOT introduced a streamlined approach to better accommodate projects that are prepared to advance to the next funding phase.*

Moving forward, the Transportation Improvement Program (TIP) will initially include the NEPA and Design phases for CMAQ funded projects. Subsequent phases, such as Right of Way and Construction, will be designated either as reserved line items or noted in the comment section of the TIP, in accordance with the TPO policies.

The original award amount allocated to the project will be secure. As projects progress to subsequent phases, such as Right of Way or Construction readiness, the project sponsor will coordinate with the TPO to initiate the process of amending the TIP to include these phases.

- TDOT Policy Acknowledgement for discussion/consideration

Other TIP Discussion & Questions

