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- City of Lacey
- City of Olympia
- City of Rainier
- City of Tenino
- City of Tumwater
- City of Yelm
- Confederated Tribes of the Chehalis Reservation
- Nisqually Indian Tribe
- Town of Bucoda
- Thurston County
- North Thurston Public Schools
- Olympia School District
- Tumwater School District
- Intercity Transit
- LOTT Clean Water Alliance
- Port of Olympia
- PUD No. 1 of Thurston County

ASSOCIATE MEMBERS:

- Lacey Fire District #3
- Puget Sound Regional Council
- The Evergreen State College
- Thurston Conservation District
- Thurston Economic Development Council
- Timberland Regional Library

MEMORANDUM

TO: Thurston Regional Planning Council

FROM: Paul Brewster, Senior Planner

DATE: November 29, 2024

SUBJECT: 2024 Federal Transportation Funding Call for Projects Action: Award Recommendations

PURPOSE

To present the Transportation Policy Board's (TPB) funding recommendations for the Council's approval.

Summary:

- On November 13, 2024, the Transportation Policy Board (TPB) approved award recommendations put forth by the TPB Grant Evaluation Subcommittee.
- This memorandum outlines the TPB's recommendations for federal grant program awards and the Rural Community Support Program (RCSP).
- The Council is scheduled to review and approve these recommendations on December 6, 2024, totaling \$19,183,335 in federal grant funding and \$550,000 in RCSP funding.

REQUESTED ACTION

1. Approve the TPB's award recommendations for priority projects under the Rural Community Support Program.
2. Approve the TPB's federal funding award recommendations for the following programs:
 - Carbon Reduction Program
 - Congestion Mitigation and Air Quality Improvement Program
 - Surface Transportation Block Grant Program
 - Transportation Alternatives Program

pb:bl



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EQUITY CONSIDERATIONS

The Call for Projects process is a critical component of TRPC's commitment to ensuring that regional transportation investments reflect the diverse needs of all community members. The goal is not just to allocate funds but to ensure that funding decisions actively promote equity, inclusivity, and accessibility across the region. As part of this effort, Thurston Regional Planning Council (TRPC) has incorporated an equity-focused evaluation criterion into its project selection process, developed in 2022 in collaboration with the TPB and the Council.

This criterion uses data from a comprehensive countywide transportation priorities survey designed to capture the transportation challenges and priorities of underserved populations, including low-income individuals, people with disabilities, seniors, and communities of color. By integrating these insights into the funding decision-making process, TRPC aims to prioritize projects that reduce transportation disparities, enhance mobility options for marginalized groups, and ensure that all residents benefit from investments in the regional transportation system.

BACKGROUND

Federal Grant Funding

TRPC has a total of \$19,183,335 in federal grant allocations, which will be awarded to priority transportation projects that align with regional goals, including enhancing active transportation, improving multimodal efficiency, addressing maintenance needs, improving safety, making the system more resilient, and planning for future transportation investments. These funds are provided through four federal grant programs, each with distinct objectives, and they represent a significant opportunity to strengthen the region's transportation infrastructure.

Table 1 provides an overview of the federal grant program allocations, detailing the amount of funding available and the anticipated timeline for when the funds will be available for obligation. This timeline is crucial for local agencies to plan and implement their projects effectively. Map 1 illustrates the geographic distribution of the federal grant allocations, highlighting the areas of the community where TRPC must program these funds. The four federal grant programs are as follows:

- **Carbon Reduction Program (CRP)** – \$1,708,335 is allocated for projects that reduce greenhouse gas emissions from transportation sources. CRP funding focuses on increasing sustainable transportation options, such as public transit, active transportation infrastructure (e.g., bike lanes and pedestrian paths), and electric vehicle infrastructure.
- **Congestion Mitigation and Air Quality Improvement Program (CMAQ)** – \$5 million is allocated for projects that reduce traffic congestion and improve air quality. CMAQ funding supports various initiatives, including public transit improvements, traffic management systems, and congestion reduction strategies. This program is vital for enhancing mobility while minimizing the environmental impact of transportation systems, particularly in the north urban area that has historically suffered from excess PM10 emissions.
- **Surface Transportation Block Grants (STBG)** – \$10 million is allocated for a broad range of transportation infrastructure projects, including road and bridge repairs, public transit improvements, and projects aimed at improving multimodal connectivity. These funds allow local communities to address their most pressing infrastructure needs while contributing to the region's long-term transportation vision.
- **Transportation Alternatives (TA)** – \$2,475,000 allocated for projects that promote non-motorized transportation options, including bike and pedestrian pathways, streetscape enhancements, and projects that preserve or restore historic transportation infrastructure. This program supports projects that foster community connectivity, improve public health, and provide transportation choices for people who do not rely on cars.

Given the high demand for funding, TRPC received 19 eligible grant applications (for 16 distinct projects) totaling \$24,028,715, resulting in a funding shortfall of \$4,845,380. This underscores the need for strategic prioritization to ensure that limited resources are allocated to projects with the greatest potential to meet the region's transportation goals and deliver equitable outcomes.

Table 1. 2024 Regional Transportation Call for Projects Grant Program Availability

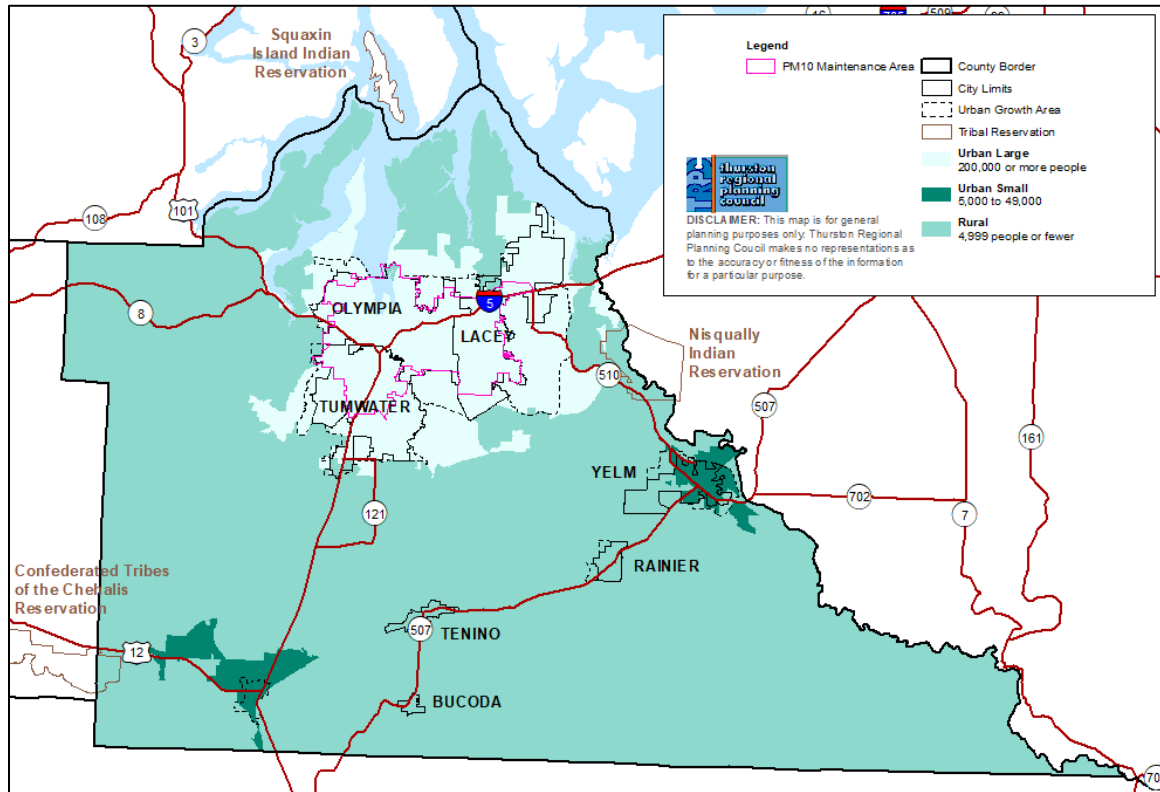
	STBG	TA	CMAQ	CRP	RCSP
Total Available	\$10 million	\$2.5 million	\$5 million	\$1.7 million	\$550,000
Urban Large	\$6,600,000	\$1,175,000	N/A	\$717,010	N/A
Urban Small	\$700,000	\$125,000	N/A	\$437,097	N/A
Rural	\$800,000	\$350,000	N/A	\$554,228	N/A
Flexible	\$1,900,000	\$825,000	N/A	N/A	N/A
Years to Program	FFYs 2028-2030		FFYs 2025-2027	FFYs 2025-2027	CYs 2025-2026

Rural Community Support Program

In addition to federal grant funding, TRPC will allocate \$550,000 in non-federal funding through the Rural Community Support Program (RCSP). This program is designed to assist our smaller communities with transportation-related projects that align with regional priorities but would be more difficult to implement with federal grant funding requirements.

Three applicants have submitted proposals that would fully utilize the \$550,000 allocated for the RCSP. These proposals reflect the unique needs of their communities, which have fewer transportation options for residents. By investing in these rural transportation initiatives, TRPC aims to promote greater equity by addressing the transportation needs of underserved populations outside the urban centers.

Map 1. U.S. Census Geographic Areas for Federal Transportation Grant Funding Distribution



Transportation Policy Board Subcommittee

As part of TRPC's enhanced Call for Projects process, the TPB established a Grant Application Review Subcommittee to ensure a thorough and transparent review of grant proposals. The subcommittee comprised Chair Ryder and Board Members Belk, Millar, Murray, and Vanderpool. This Subcommittee met on October 16, 2024, to review project proposals and evaluate how each project aligns with TRPC's funding priorities.

During the meeting, the Subcommittee engaged with applicants to clarify project details, understand community impacts, and validate the evaluation scores. The Subcommittee then ranked the proposals by grant program and provided staff with guidance on allocating the available funds. Their findings, along with the recommended funding scenarios, are documented in the [November 13 TPB Call for Projects Staff Memorandum](#).

Project Rankings

The Subcommittee used evaluation scores as a starting point to rank the proposals but emphasized that some projects offer regional benefits not fully captured by the scoring system. For example, the trail network preservation proposals only scored between 6 and 8 points, however the Subcommittee recognized their importance in maintaining safe non-motorized connectivity and sustainable transportation. It recommended that policymakers have flexibility to consider activities that lack scoring criteria including planning, system maintenance, and transportation resiliency.

Similarly, the Regional Trails Plan Implementation proposal, which ranked lowest among STBG projects, is viewed as crucial for coordinating trail planning and fostering interagency collaboration. To support this regional priority, the Subcommittee recommended partial funding and adjusted other project awards accordingly.

TPB Award Recommendations

On November 13, 2024, the TPB unanimously approved the Subcommittee's federal grant award recommendations for TRPC's consideration. The final recommended awards for each project are detailed in Tables 2-9. To simplify the recommendation, the two Lacey College Street Corridor Improvements Phase 3 proposals and the three Thurston County Chehalis Western Trail Pavement Preservation proposals are shown as single projects, respectively.

The TPB's award recommendations have several key outcomes:

- All but two projects/programs receive grant funding.
- 100% of the four federal grant allocations are awarded, ensuring that available resources are fully utilized.
- All applicants confirmed that they can successfully leverage partial grant awards, ensuring that projects can move forward even with reduced funding levels.

The Basis for the Awards

The TPB's recommendations were guided by the following key principles to ensure alignment with regional priorities, revenue equity considerations, and available resources:

1. Full Funding for Highest-Scoring Projects

The highest-scoring proposals, which closely align with regional transportation priorities, were awarded their full requested amounts, as long as sufficient funds were available within each geographic area's allocation. This approach ensures that the most competitive projects, which are most likely to achieve the greatest impact, are fully supported.

2. Partial Funding for Other High-Scoring or Lower-Priority Projects

For proposals that ranked just below the top-tier projects or were lower in priority, partial funding was allocated. When funds were limited within a geographic area, remaining funds were distributed to projects with the next highest scores, ensuring that no project with a strong regional benefit was overlooked. Each applicant identified a minimum funding threshold, so projects could still proceed despite receiving partial awards.

3. Maximizing CRP for Trail Preservation

A key strategy for maximizing the impact of available funds was prioritizing trail preservation efforts through the Carbon Reduction Program (CRP). TRPC allocated up to \$1 million in CRP funds specifically for regional trail network pavement preservation. The Thurston County Chehalis Western Trail Preservation project, which requested a combined total of \$2,621,544 across CRP and TA funds, received a larger than requested share of CRP funds to support its rehabilitation, ensuring a safe and well-maintained trail corridor.

4. Reallocation Across Eligible Grant Sources

In some cases, funding from different grant programs was reallocated to maximize available resources. For example, Congestion Mitigation and Air Quality Improvement Program (CMAQ) funds were used to support the Intercity Transit Smart Corridors Phase 4, which originally sought CRP funds. This reallocation ensures that projects with overlapping eligibility across funding sources are fully funded without exceeding the program's allocation.

5. Allocation of Flexible STBG and TA Funding

To ensure an equitable distribution of funding across the region, the flexible portion of STBG and TA funds was prioritized for proposals in the Urban Small and Rural areas, provided the projects met program eligibility requirements. This approach ensures that smaller and rural communities receive the support they need to address their unique transportation challenges. The funding recommendations also considered the 2022 grant awards to avoid over-concentration of resources in larger urban areas, ensuring balance across the region.

6. Regional Trails Plan Implementation Funding

The Regional Trails Plan Implementation proposal, which was deemed a regional priority, required funding from multiple sources to ensure adequate funding would be available for the project’s planning and coordination efforts. To meet the \$500,000 partial funding need, the TPB recommends using combination of STBG and CMAQ funds, specifically:

- \$200,000 from Olympia Pacific Avenue Crossing Improvements
- \$200,000 from Lacey College Street Corridor Improvements Phase 3
- \$100,000 in Rural funding from Thurston County Chehalis Western Trail Preservation.
- In addition, \$200,000 CMAQ funds were allocated to Lacey’s College Street Corridor Improvements in lieu of STBG funds to restore the Lacey’s requested funding level.

Impact of Funding on the Regional Trails Plan Implementation

to understand the trade-offs associated with partial funding and the potential implications for community engagement and project effectiveness, the Subcommittee requested an explanation from TRPC staff regarding how a reduced award would affect the scope of the Regional Trails Plan Implementation.

Figure 1: Comparison of Regional Trails Plan Implementation Scope – Full vs. Partial Funding

Activity	Fully Funded Proposal (\$650,000)	Partially Funded Proposal (\$500,000)
Comprehensive 5-year update to the Plan	Yes	Limited update: recommendations and maps only
Formation of the Trails Advisory Committee	Yes - Quarterly	Yes - Quarterly
Number of Annual Trails Plan Summit Meetings	Five	Two

While partial funding for the Regional Trails Plan Implementation would still allow progress to be made, fully funding the project provides the opportunity to achieve a more comprehensive and impactful update. A fully funded proposal ensures a thorough update to the plan, greater community engagement through multiple summit meetings, and the development of a more robust and actionable framework for the region’s trail network. However, even with the reduced funding, TRPC staff believes the project can still make meaningful progress, with a focus on updating key recommendations and maintaining critical community involvement.

Table 2: 2024 Call for Projects Federal Transportation Grant Award Recommendations Summary

Grant Program	Area*	Applicant	Score	Apps Priority	Proposal	Phase**	Request	Award	Difference	Grant Allocations	Obligation Years***
STBG	UL	Olympia	12	1	Martin Way Corridor Project	PE	\$2,500,000	\$2,500,000	\$0	STBG	2028
		Olympia	12	2	Pacific Avenue Enhanced Crosswalks	PE, CN	\$1,500,000	\$1,300,000	(\$200,000)	STBG	2028
		Lacey	11	1	College Street Corridor Improvements Phase 3	ROW	\$2,108,284	\$1,538,284	(\$570,000)	STBG, CMAQ	2026
		Thurston County	9	1	Old Pacific Hwy/Kuhlman Rd Intersection Improvements	ROW, CN	\$1,989,500	\$1,661,716	(\$327,784)	STBG	2028/2030
		Thurston County	9	2	Meridian Rd/Mullen Rd SE Intersection Improvements	PE	\$272,475	-	(\$272,475)	-	-
	Tumwater	8	2	Trosper Road Mobility Study	PL	\$173,000	-	(\$173,000)	-	-	
	US	Yelm	10	1	Rhoton Road NW Reconstruction	CN	\$3,600,000	\$1,738,865	(\$1,861,135)	STBG, TA, CRP	2028
		Thurston County	9	1	196th Ave SW - Sargent Rd SW to Elderberry St SW	PE, ROW	\$732,500	\$600,000	(\$132,500)	STBG	2028/2030
	R	Thurston County	5	1	Tilley Rd Bridge Replacement (T-2)	ROW, CN	\$700,000	\$700,000	\$0	STBG	2028/2029
	F	Thurston County	9	RCSP	Old Hwy 99 at Intersections of Sargent Rd	CN	\$600,000	\$600,000	\$0	STBG	2026
TRPC		5	1	Regional Trails Plan Implementation	PL	\$650,000	\$500,000	(\$150,000)	STBG	2029	
TA		Intercity Transit	8	1	Walk N Roll 2027-2030	PL	\$1,623,232	\$1,623,232	\$0	TA	2029/2030
CRP	UL	Intercity Transit	7	2	Introducing Two New Smart Corridors (Smart Corridors Phase 4)	PE	\$1,297,500	\$1,139,320	(\$158,18)	CMAQ	2025
	UL & R	Thurston County	6		Chehalis Western Trail Preservation	PE, CN	\$2,621,544	\$1,621,238	(\$1,000,306)	CRP, TA	2026
CMAQ	UL	Tumwater	9	1	Deschutes Valley Trail - Segment C	CN	\$2,595,000	\$2,595,000	\$0	CMAQ	2026
		Intercity Transit	7	3	Battery Electric Dial-A-Lift Vehicles with Charging Infrastructure	PE, CN	\$1,065,680	\$1,065,680	\$0	CMAQ	2025
Totals							\$24,028,715	\$19,183,335	(\$4,845,380)		

*UL: Urban Large; US: Urban Small; R: Rural; F: Flexible; PM10: Air Quality Maintenance Area for CMAQ grants.

**PE: Preliminary Engineering & Design; ROW: Right of Way; CN, Construction; PL, Planning.

***Obligation Years: Some projects obligations must be split to align with phasing needs and meeting fiscal constraint.

Table 3: Funding Recommendation Sum Total Federal Grant Awards by Applicant

Applicant	Total Requested	Combined Awards
Intercity Transit	\$3,986,412	\$3,828,232
Lacey	\$2,108,284	\$1,538,284
Olympia	\$4,000,000	\$3,800,000
Tumwater	\$2,768,000	\$2,595,000
Yelm	\$3,600,000	\$1,738,865
Thurston County	\$6,916,019	\$5,182,954
TRPC	\$650,000	\$500,000
Totals	\$24,028,715	\$19,183,335

FUNDING RECOMMENDATION DETAILS

On December 6, 2024, staff will present the award recommendations by grant program to the Council.

Rural Community Support Program Award Recommendations

The TPB recommends that the Council approve all three RCSP requests (Table 4). A total of \$550,000 will be divided equally among the Nisqually Indian Reservation, the City of Rainier, and the Town of Bucoda. Additionally, Thurston County has requested \$600,000 in STBG Flexible funding for the Old Hwy 99 at Intersections of Sargent Rd project, which is essential for maintaining supporting this important non-federal grant program.

Table 4: RCSP Awards

Applicant	Proposal	Award
Bucoda	Sidewalk Replacement on Main Street	\$183,333
Rainier	Thermoplastic Striping	\$183,333
Nisqually	Camas Road Extension Project	\$183,333
	Total	\$550,000

CRP Award Recommendations

TRPC has \$1,708,335 CRP to program to priority projects. For the 2024 Call for Projects, the Council approved up to \$1 million in CRP funds to focus on preserving the region’s shared-use trails. To meet this initiative, the TPB recommends awarding the entire Urban Large and Rural CRP allocations to Thurston County’s consolidated Chehalis Western Trail preservation proposals.

While no applications were received for the \$437,097 Urban Small allocation, the City of Yelm’s Rhoton Rd NW Reconstruction project includes multimodal facilities that qualify for CRP funding. The proposed shared-use path would connect to the Yelm Alternate Loop shared-use path and the Yelm-Prairie Line Trail, which extends to Roy in Pierce County.

Table 5: CRP Awards

Applicant	Proposal	Award
Thurston County	Consolidated Chehalis Western Trail Pavement Preservation	\$1,271,020
Yelm	Rhoton Road NW Reconstruction	\$437,097
	Total	\$1,708,335

CMAQ Award Recommendations

TRPC has \$5,000,000 in CMAQ funds for projects in the Air Quality Maintenance Area. The TPB recommends fully funding Tumwater’s Deschutes Valley – Trail Segment C construction project, as well as supporting Intercity Transit’s Battery Electric Dial-A-Lift Vehicles and Charging Infrastructure. A partial award for Intercity Transit’s Smart Corridors Phase 4 will also be provided, using CMAQ funds instead of CRP. Additionally, \$200,000 will be allocated to Lacey’s College Street Corridor improvements to address the funding gap related to the Regional Trails Plan Implementation.

Table 6: CMAQ Awards

Applicant	Proposal	Award
Tumwater	Deschutes Valley Trail – Segment C	\$2,595,000
Intercity Transit	Battery Electric Dial-A-Lift Vehicles with Charging Infrastructure	\$1,065,680
Intercity Transit	Introducing Two New Smart Corridors (Smart Corridors Phase 4)	\$1,139,320
Lacey	College Street Corridor Improvements Phase 3	\$200,000
Total		\$5,000,000

TA Award Recommendations

With \$2,475,000 available in TA funds, the TPB recommends fully funding Intercity Transit’s Walk N Roll Program, which received the highest ranking among the TA proposals. Given the geographic constraints of this smaller grant program, the recommendation includes leveraging both the Urban Large and Flexible allocations for this project.

Remaining funds will be allocated to the Yelm Rhoton Road NW Reconstruction project, promoting greater geographic equity for areas with fewer opportunities for larger funding allocations. A \$350,000 Rural allocation will also support the consolidated Chehalis Western Trail preservation project.

Table 7: TA Awards

Applicant	Proposal	Award
Intercity Transit	Walk N Roll 2027-2030	\$1,623,232
Yelm	Rhoton Road NW Reconstruction	\$501,768
Thurston County	Consolidated Chehalis Western Trail Pavement Preservation	\$350,000
Total		\$2,475,000

STBG Award Recommendations

The TPB recommends approving awards for the highest-ranking proposals based on geographic area while reserving a portion of the Urban Large and Rural funding allocations to support the TRPC Regional Trails Plan Implementation.

Table 8: STBG Awards

Applicant	Proposal	Award
Olympia	Martin Way Corridor Project	\$2,500,000
Olympia	Pacific Avenue Enhanced Crosswalks	\$1,300,000
Lacey	College Street Corridor Improvements Phase 3	\$1,338,284
Thurston County	Old Pacific Hwy/Kuhlman Rd Intersection Improvements	\$1,661,716
Yelm	Rhoton Road NW Reconstruction	\$1,738,865
Thurston County	196th Ave SW - Sargent Rd SW to Elderberry St SW	\$600,000
Thurston County	Tilley Rd Bridge Replacement (T-2)	\$700,000
Thurston County	Old Hwy 99 at Intersections of Sargent Rd	\$600,000
TRPC	Regional Trails Plan Implementation	\$500,000
Total		\$10,000,000

Contingency List Recommendation

Staff recommends adding proposals not recommended for funding or those receiving partial awards to TRPC’s Contingency List. This will position these projects for eligibility for redistributed federal funding through WSDOT between TRPC’s Call for Projects cycles. Table 9 outlines the unfunded requests, with the actual amounts subject to change as project costs are finalized. Staff will work with applicants to validate and update the funding levels after the Council approves the 2024 Call for Projects awards.

Table 9: Contingency List Estimates

Applicant	Proposal	Estimated Amount
Olympia	Pacific Avenue Enhanced Crosswalks UL	\$200,000
Lacey	College Street Corridor Improvements Phase 3 UL	\$570,000
Thurston County	Old Pacific Hwy/Kuhlman Rd Intersection Improvements UL	\$327,784
Thurston County	Meridian Rd/Mullen Rd SE Intersection Improvements UL	\$272,475
Tumwater	Trosper Road Mobility Study UL	\$173,000
Yelm	Rhoton Road NW Reconstruction US	\$1,861,135
Thurston County	196th Ave SW - Sargent Rd SW to Elderberry St SW US	\$132,500
Thurston County	Consolidated Chehalis Western Trail Pavement Preservation	\$1,000,306
TRPC	Regional Trails Plan Implementation	\$150,000
Intercity Transit	Introducing Two New Smart Corridors (Smart Corridors Phase 4)	\$158,180
Total		\$4,845,380

NEXT STEPS

Following the Council’s action, staff will issue award letters to the applicants, outlining award amounts, conditions, and timelines for obligation. Funding scheduled for obligation in 2025 will require amendments to TRPC’s Regional Transportation Improvement Program (RTIP). Most other projects will be programmed in the 2026-2029 RTIP through the annual update cycle.