

Mega-MPDG

NATIONAL INFRASTRUCTURE PROJECT ASSISTANCE

Next opportunity anticipated Summer/Fall 2024.

ADMINISTERED BY: U.S. DEPARTMENT OF TRANSPORTATION (USDOT)

The National Infrastructure Project Assistance (Mega) program provides approximately \$1.8 billion in funding for FY 2023 and FY 2024. The Mega program is focused on large multimodal transportation projects, funding major projects that are too large or complex for traditional funding programs.



SAFETY

STATE OF GOOD REPAIR

ECONOMIC IMPACTS

CLIMATE CHANGE

EQUITY

INNOVATION

ELIGIBLE APPLICANTS

Class I railroads are not eligible applicants under the Mega-MPDG program; however, they may partner with eligible applicants – as Project Partners – to pursue funding for projects.

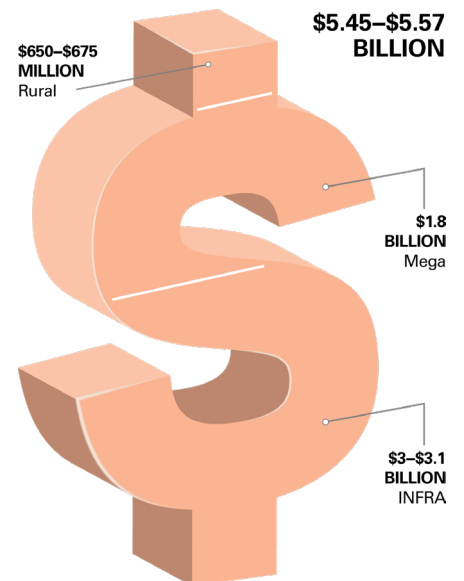
- State or group of states
- Metropolitan planning organization
- Unit of local government
- Political subdivision of a state
- Special purpose district
- Tribal government(s)
- Amtrak
- A group of entities



BNSF PII

BNSF Railway’s Public Infrastructure and Investment (PII) team is committed to building strong partnerships that maximize the impact of funding opportunities. As Project Partners, we can collaborate to help secure funding that drives positive change and progress for communities where we work, live, and play.

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BCA: BENEFIT-COST ANALYSIS

According to USDOT, projects are evaluated using a benefit-cost analysis (BCA). A BCA provides estimates of the anticipated benefits that are expected to accrue from a project over a specified period and compares them to the anticipated costs of the project. Estimated benefits would be based on the projected impacts of the project terms.

For example, a benefit-cost ratio of 1 means every dollar spent on construction of the project generates a dollar in economic benefits.

The MPDG NOFO lists the economic analysis ratings for INFRA and Mega as:

Rating	Description
HIGH	The project's benefit will exceed its costs with a benefit-cost ratio of at least 1.5
MEDIUM-HIGH	The project's benefits will exceed its costs
MEDIUM	The project's benefits are likely to exceed its costs
MEDIUM-LOW	The project's costs are likely to exceed its benefits
LOW	The project's costs will exceed its benefits

Based on analysis of past INFRA and Mega awards, a strong benefit-cost analysis is necessary for successful applications.

BNSF-supported economic teams will work with applicants on maximizing all benefits to quantify a project's value in the community.

The BCA quantifies and monetizes, as thoroughly as possible, the benefits generated under the criteria defined by the MPDG.

Benefit Considerations*

Benefits measure the economic value of outcomes that are reasonably expected to result from the implementation of the project. Depending on the project, considerations might include:

- **Safety Benefits**
 - › Valuing Injuries and Fatalities
- **Travel Time Savings**
 - › Vehicle Occupancy
 - › Reliability
- **Operating Cost Savings**
- **Emissions Reduction Benefits**
- **Facility and Vehicle Benefits**
 - › Pedestrian and Cycling Facilities
 - › Transit System, Facility, and Vehicle Amenities
 - › Reduced Facility and Vehicle Crowding
 - › Passenger Transfer Reduction
- **Health Benefits**
- **Other Considerations**
 - › Agglomeration Economies and Land Use
 - › Noise Pollution
 - › Stormwater Runoff
 - › Wildlife Impacts
 - › Repurposed Right-Of-Way
- **Other Issues in Benefits Estimation**
 - › Benefits to Existing and Additional Users
 - › Model Diversion
 - › Work Zone Impacts
 - › State of Good Repair
 - › Resilience
 - › Geographic Extent
 - › Property Value Increases

Cost Considerations**

Project costs consist of economic resources (including capital, land, labor, and materials) and life-cycle costs are usually measured by their market values.

Depending on the project, considerations might include:

- Capital, Land, Labor, and Material Expenditures
- Operating and Maintenance Expenditures
- Residual Value and Remaining Service Life
- Innovative Technologies and Techniques

Comparing Benefits to Costs and Economic Analysis***

There are several summary measures that can be used to compare benefits to costs in a BCA. The two most widely used measures are **net present value** and the **benefit-cost ratio**.

Other types of economic analysis are also frequently used to assess the potential consequences of transportation improvement projects, including **economic development impacts, financial outcomes, and distributional effects**.

*USDOT Benefit-Cost Analysis Guidance for Discretionary Grant Programs, published Jan. 2023; Benefits.

**USDOT Benefit-Cost Analysis Guidance for Discretionary Grant Programs, published Jan. 2023; Costs.

***USDOT Benefit-Cost Analysis Guidance for Discretionary Grant Programs, published Jan. 2023; Comparing Benefits to Costs; Other types of Economic Analysis.

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\$1.8 Billion

- Project should generate national or regional economic, mobility, or safety benefits
- Projects must be in significant need of Federal funding
- Design should be based on preliminary engineering results

- Highway freight projects carried out on the national Multimodal Freight Network (MFN)
- Highway or bridge projects on the National Highway Freight Network (NHFN) or National Highway System (NHS)
- Freight-related projects encompassing intermodal, freight rail, and railway-highway grade separation or elimination
- Initiatives related to intercity passenger rail and public transportation

Funding Split

\$1.8 Billion

Project Min:	\$100M for 50% of Mega funds \$500M for other 50% of funds
Project Max:	\$500M for 50% of funds
Funding Ceiling:	\$1.8B
Funding Floor:	N/A

Questions to ask yourself about the project:

What are project requirements for Mega?

Projects should offer broad national or regional benefits, be cost-effective, have comprehensive funding sources for all phases, capacity to carry out the project, and a data analysis plan to assess impacts.

Can applicants apply for multiple programs under MPDG?

Yes, applicants are encouraged to apply to multiple programs to maximize their potential of receiving federal support. Applicants will be considered across all three programs unless they opt-out.

What is the Project Cost Share?

It is a 20% to 40% funding match for all Mega projects.

Are there project specific benefit and cost considerations to include?

Yes, applicants are encouraged to consider all capital expenditures of the project as well as changes in cost for operation and maintenance. Applications should consider travel time savings, safety, emissions reduction, health benefits, and other qualitative benefits of the project on local communities.



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