



MnDOT Highway Project Selection

Update to 2016 Evaluation Report

February 2018

Problems Identified

- **Lack of Transparency.** MnDOT selected most trunk highway projects through behind-the-scenes processes. Importantly, MnDOT did not provide information to stakeholders about projects it decided *not* to do, which would have enabled them to assess the department's choices in comparison to alternatives.
- **Subjective Decision Making.** We had few disagreements with the projects selected through MnDOT's standard processes. However, we expressed concerns about alternative processes used to select some projects. In particular, MnDOT used inconsistent and subjective methods to choose projects funded through the Corridors of Commerce program. The department did not use all selection criteria in the law and introduced criteria of its own. Additionally, some projects that ranked highly on the criteria MnDOT used were not selected, while others with lower or incomplete rankings were.
- **Overemphasis on Projects' Readiness for Construction.** Several of MnDOT's alternative project selection processes used project readiness as a primary criterion, sometimes ruling out otherwise highly ranked projects solely because they would take longer to build.

Changes Implemented

- **New Project Selection Policy Required.** The 2017 Legislature directed MnDOT to develop a new project selection policy. The department must transparently rank potential projects, provide information about projects not selected, and reduce the influence of project readiness in the selection process. The Legislature also limited MnDOT's discretion in choosing Corridors of Commerce projects and required the department to publish its rankings of all proposed Corridors of Commerce projects.
- **Administrative Changes Planned.** MnDOT has begun several initiatives to improve transparency around its project selection process beyond the requirements of the new law. These include, for example, creating a web page that explains the process to the public.

Action Needed

- **Continued Legislative Oversight.** The 2017 legislation and MnDOT's administrative initiatives address all of the recommendations from our 2016 report. However, the Legislature should monitor the effects of these changes and make any needed adjustments.