



IDAHO TRANSPORTATION INVESTMENT PROGRAM

Purpose

This policy implements Board Policy 4011 authorizing the Chief Operations Officer and Chief Administrative Officer to establish, maintain, and publish a seven-year Idaho Transportation Investment Program following all applicable Departmental policies and federal regulations.

Legal Authority

- Idaho Code 21-142 – Authority of Board to design, construct and maintain state aeronautical facilities.
- Idaho Code 40-310(4) – Authority of Board to locate, design, construct and maintain state highways.
- Idaho Code 40-310(6) – The Board shall cause to be made and kept surveys, studies, maps, plans, specifications, and estimates for construction and maintenance of state highways.
- Idaho Code 40-312(1) – The Board shall prescribe rules and regulations affecting state highways.
- Idaho Code 40-312(2) – Authority of Board to promulgate rules for the expenditure of all moneys appropriated or allocated by law to the Department or the Board.
- Idaho Code 40-312(3) – The Board shall make reasonable regulations for the installation, construction, maintenance, repair, renewal and relocation of utilities in or along the right-of-way of state highways.
- Idaho Code 40-707 - Appropriation of money in the state highway account.
- Idaho Code 40-708 – Legislative policy regarding expenditure from the state highway account – only for state highway purposes.
- Idaho Code 40-719 - The Board shall establish and maintain a Strategic Initiatives Program.
- 23 United States Code Sections 134 and 135 – Metropolitan transportation planning.
- 23 Code of Federal Register Part 450 – Federal planning assistance and standards for statewide planning and programming.
- 49 Code of Federal Register Part 613 - Planning assistance and standards.

General

The Idaho Transportation Investment Program (hereafter called the ITIP) is a seven-year commitment of resources for developing, obligating, and contracting transportation improvement projects by year. The Financial Planning & Analysis (FP&A) Financial Officer and the Chief Engineer shall publish policy guidance, instructions, program descriptions, and procedures for scheduling a project and updating the ITIP annually in February. This annual guidance shall be used in lieu of publishing individual policies describing each program.

Idaho Transportation Department Share of Apportionments

The Idaho Transportation Department's (ITD) share of Net Federal Formula Fund Apportionments, referenced in Board Policy 4028, is set at 87.4%. Of this share, the following 7 programs will receive their apportionment percentage in an amount equal to, but not exceeding 100% of the state's Federal Fiscal Year Obligation Authority. The remainder is to be placed in all other State Highway System Programs.

1. Indirect Costs

Federal Indirect Cost Recovery is an internally set amount at 25,000,000.

2. GARVEE Debt Service

Annual amount to service the federal portion of the GARVEE Debt.

3. Railroad Crossing

Railroad Crossings funds are a part of the Highway Safety Improvement Program. Both local and state safety driven rail-highway crossing projects may be funded. Projects are nominated based upon Federal Rail Administration crossing criteria including rail and highway traffic, fatalities, near misses, crossing geometry, and the protective devices currently in place. Proposed rail projects undergo a return on investment analysis. The Director funds this program at the federal formula apportionment level and distributes as directed in Board Policy 4085 and Administrative Policy 5085 - Rail Highway Crossing Program.

4. Local Bridge

This program is available to replace, rehabilitate, and repair local bridges that are on the federal-aid system. In transportation acts prior to Moving Ahead for Progress in the 21st Century Act (MAP-21), 35% of Idaho's bridge apportionment could be used for bridges either on or off of the federal-aid system and this program was funded at that apportionment level. Subsequent to MAP-21, the Director funds this program at \$5,047,119 federal-aid as found in 2009 of SAFETEA-LU with LHTAC acting as the administrator.

5. Off System Bridge

These federal formula apportionments are available to replace, rehabilitate, and repair local bridges that are off of the federal-aid system. In transportation acts prior to the MAP-21, 15% of Idaho's bridge apportionment was specific to this program. Subsequent acts fund this program at \$3,785,005 federal-aid as found in 2009 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). The Director funds this program with LHTAC acting as the administrator.

6. Local Highway Safety Program (HSIP)

Highway Safety Improvement Program apportionments are available to any public road even if off of the federal-aid system. The Department is moving toward competitive awards of HSIP apportionments via project applications based on return on investment; whether the application be from a local jurisdiction or the state. Until such a system is implemented, beginning in 2020 the Director will provide LHTAC with one half of the federal formula HSIP apportionment to administer through their local competitive process.

7. Metro Planning

These apportionments fund Idaho's Metropolitan Planning Organizations which manage the urbanized areas. These organizations provide planning, research, and project nomination services to their respective constituencies.

Project Scheduling Documentation

For all proposed project additions or deletions to the ITIP, an ITD 1414, *Program Entry or Revision*, shall be submitted to FP&A. An approved Charter is also required with requests for new highway projects.

New local highway project proposals also require submittal of an ITD 2435, *Local Federal-Aid Project Request*, with original signature to document local sponsorship and financial commitment. Submittal of a local area map is required to confirm location and funding eligibility.

Project Delivery

District Engineers are to submit state highway system project Plans, Specification and Estimate (PS&E) packages for advertisement as scheduled, but no later than six months prior to the start of a project's scheduled Federal Fiscal Year for construction. This delivery schedule allows for flexibility if there is an increase in funding or if prior year money is available as well as to maximize construction payouts in the year funding is available. Local projects, including matching funds, must be submitted by August 1st of the program's scheduled construction year.

The Chief Engineer shall create and maintain a bid schedule and shall establish state highway system projects priorities based on project readiness and available funding. All state highway system projects submitted for PS&E per the above delivery schedule and are biddable shall be advertised for construction and awarded prior to the construction season of the Federal Fiscal Year.

Obligating Funds to Projects

The FP&A Financial Officer in cooperation with the Chief Engineer and the Controller shall establish, publish, and oversee obligation processing and monitoring procedures.

All project budgets shall reflect the most recent available cost estimates and obligations and be balanced against available funding. The Chief Engineer or delegate shall commit all unused funding to priority projects throughout the year. The Chief Engineer or delegate shall give final approval to all documents and agreements obligating or otherwise committing public or private funds toward the approved budget for a project.

Prior to a project being advertised, the total current estimated cost of the project, including construction incentives, contingencies, and construction engineering shall be obligated for federal, state and/or local funded projects. If the total estimated cost exceeds the budget listed in the approved ITIP, the budget will be adjusted prior to obligating the funds. Estimated costs for projects that are adjusted during advertisement shall have an approved plan for increased funding if approved budget is exceeded. The construction obligation amount shall be adjusted at contract award to match the final detailed estimate of costs.

Project Cost Increases

The Chief Engineer or delegate shall approve cost changes and shall re-direct all unused project budget amounts for state highway system projects after contract award. Any unused budget amounts will be directed to construction or development cost increases, to obligate the next available current year project and to advance other projects.

Annual formula federal obligation authority (OA) is lost to Idaho if not used by the end of the federal fiscal year. To ensure full use of OA, all project budgets shall reflect the most recently available cost estimates and be balanced against remaining federal obligation authority during the 4th quarter of the federal fiscal year. The Chief Engineer or delegate shall commit all unused annual OA plus redistribution of obligation limitation to priority projects by the end of the fiscal year. Recipients (ITD and local agencies) shall independently manage finances for earmarked projects. Recipients shall be solely responsible for cost adjustment for these projects.

The Director or his designee is authorized to add/remove or advance/delay projects to the approved Pavement, Bridge, Safety & Capacity and Supporting Infrastructure Assets Programs in the ITIP as warranted by the Department's management systems, provided such changes further the goals of those programs and remain within the annual funding levels targeted for each program. Otherwise, mid-year changes to the ITIP which involve a major scope or delivery change to an existing project require Board consent. These changes may also require an amendment as applicable in federal regulations.

The Chief Engineer shall present the Board an end-of-year statement for projects on the state highway systems to demonstrate full use of ITD's annual OA. End-of-year project cost adjustments and reallocations shall be financially managed independently by ITD and Local agencies. Cost adjustments are the sole responsibility of the project sponsor.

Redistribution

Funds received as a result of redistribution of obligation authority that increase Idaho's obligation apportionment allotments and shall be distributed between the ITD and Local Agencies proportionately between all state and local programs based on the allotments derived by Board policies including Board Policy 4028 – Allocations of Federal Formula Highway Apportionments to Local Public Agencies, federal regulations and ITD best practices.

Projects to be considered for advancement on the local system must be ready for advertisement by August 1st and presented by the FP&A Financial Officer at the August Board Meeting for prioritization and Board approval. Agreements must be complete prior to obligation of funds.

The use of Department resources and funding on transportation improvement projects that are not included in the ITIP shall not be allowed except as approved by the Board.

Brian W. Ness
Director

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