



# *Working together to plan for the future*

## **POLICY STATEMENT**

**No. Board 2019-03**

**Adopted:** February 25, 2019  
**By:** COMPASS Board of Directors  
**Last Revision:** June 20, 2016

**Policy Statement:**

### **Balancing Surface Transportation Program (STP) and Transportation Alternatives Program (TAP) Funds**

**Background:**

STP and TAP funds are directly allocated to areas with populations over 200,000 (Transportation Management Areas [TMAs]). The Regional Transportation Advisory Committee (RTAC) is responsible for balancing the programs.

STP funds for areas 5,000 to 200,000 population are managed by the Idaho Transportation Department (ITD); however, the Urban Balancing Committee is responsible for balancing the program.

TAP funds for areas 5,000 to 200,000 population are managed by ITD and awarded through a competitive process. TAP funds managed by ITD are typically not allowed to change once a project is added to the program.

This policy provides direction to prioritize funds available through cost savings and through the End-of-Year Program and redistribution for current-year projects.

**Programming Available Funding in the Current Year and Transportation Improvement Program Update:**

As funding needs are known, sponsors should submit requests to COMPASS staff to add the projects to COMPASS' lists of funding needs. COMPASS maintains two lists – one for projects funded with TMA funds, which is shared with RTAC.

The rationale of these priorities is to target funds towards current construction, then use funds for design or right-of-way needs in an effort to minimize the delay of scheduled projects.

Projects currently funded in the STP and TAP programs are the top priorities for funds in order to fully develop and build projects in the programs. Project needs in other programs may be funded with STP and TAP funds if projects meet program eligibility and if no other projects are ready to use the funds within the programs at the appropriate time.

COMPASS staff will recommend funding actions for both the TMA and Urban programs, based on the following order of priorities for balancing:

1. Cover cost overruns/project needs in the construction phase for projects in the STP or TAP programs consistent with the original project scope
2. Remove or reduce an "advance construction" situation (where construction costs are spread over two or more funding years) on projects in the STP or TAP programs
3. Cover cost overruns/project needs or advance design or right-of-way phases on construction projects in the STP or TAP programs consistent with original project scope
4. Advance the construction phase on projects in the STP or TAP programs
5. Cover cost overruns/project needs or advance planning projects in the STP or TAP programs consistent with original project scope
6. Cover cost overruns/project needs in the construction phase on projects in non-STP or TAP programs consistent with original project scope
7. Cover non-construction cost overruns/project needs or advance design or right-of-way phases on construction projects in non-STP or TAP programs consistent with original project scope
8. Cover cost overruns/project needs or advance planning projects in non-STP or TAP programs consistent with original project scope
9. Add new projects as prioritized by the COMPASS Board of Directors
  - New projects should align with the goals, vision, and direction of the long-range transportation plan
  - Construction for new projects is typically added in preliminary development (PD). Other phases of the project (design and right-of-way) may be added in earlier years of the program, if funds are available
  - The limit for PD in STP-TMA is two times the projected funding allocation in the last year of the program
  - The limit for PD in STP-Urban is \$5,000,000 per metropolitan planning organization or the Local Highway Technical Assistance Council. Projects are added in coordination with the Urban Balancing Committee
    - The construction phase may not advance into a funded year until the concept report is approved by ITD

If there is a tie using the above prioritization criteria:

- RTAC will determine how the TMA programs will be balanced, without a recommendation from COMPASS staff
- The COMPASS Executive Director, in coordination with the Urban Balancing Committee, will determine how the Urban program will be balanced, after discussions with sponsor agencies involved in the tie

Capital improvements for alternative transportation, such as bus or van replacements, are considered "construction" projects.

STP and TAP programs should balance as close to 100% of the estimated allocation as possible.

## **Prioritizing End-of-Year and Redistribution Requests:**

Redistribution funds coming to the State of Idaho are allocated using ITD's formula and distributed to the appropriate programs.

End-of-Year funds are funds "swept" by ITD when projects were unable to obligate prior to deadlines – July 1 for design or right-of-way and August 1 for construction.

End-of-Year Program and redistribution funds are first made available to projects within each program. If there are not enough projects in the program ready for obligation, funds may become available for other programs.

The COMPASS Board of Directors approves the priority order of requests submitted for consideration of funding through the End-of-Year Program and redistribution, based on ITD's rationale of "construction first." The priority order is:

1. Obtain 100% of the estimated allocation
  - Congress historically limits obligation authority to 92%-97% of the estimated allocation
2. Cover cost overruns/project needs on projects obligated in a previous year or currently under contract
3. Advance the construction phase of projects
  - Projects must be ready for advertisement, including submittal of all agreements, and a check for local match, by August 1 of the programmed year
4. Cover cost overruns/project needs or advance design or right-of-way phases on construction projects
5. Cover cost overruns/projects needs or advance planning projects

Public transportation projects requiring funds to transfer to the Federal Transit Administration are not eligible for this program because the deadline for a transfer is June 1. The End-of-Year Program and redistribution occur in late August and early September.

### **Adjustments within a project:**

Sponsoring agencies may adjust funding among funding categories within a project budget in a fiscal year, if there is no net change to the funding total for the year of change.

### **Previous Policy:**

This policy replaces original policy 16-02, approved by the COMPASS Board of Directors on June 20, 2016.