

03/05/15
OVERVIEW:
STATEWIDE
TRANSPORTATION
INFRASTRUCTURE
PROGRAM

<TARGET><BILL></BILL><SUBJECT>03-05-15 OVERVIEW
STATEWIDE TRANSPORTATION INFRASTRUCTURE
PROGRAM</SUBJECT><COMM>HTRA29</COMM></TARGET>

Alaska Department of Transportation & Public Facilities Statewide Transportation Improvement Program Overview

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March 5, 2015





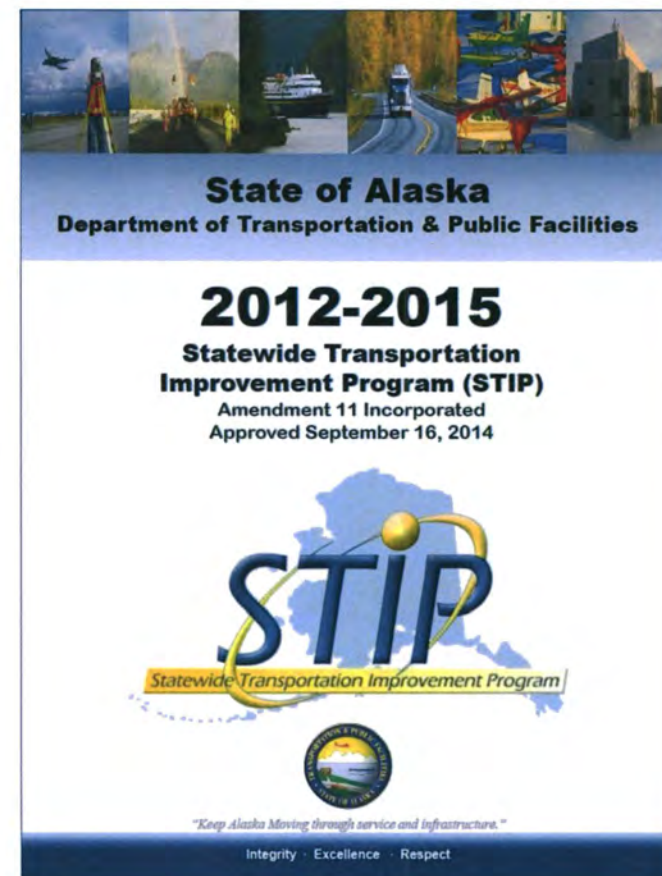
Outline

- Introduction to the STIP
- Project Selection Factors
- FHWA Program Overview
- MAP-21
- 2012-2015 STIP
- 2016-2019 STIP
- Programming Considerations
- Funding Wild Cards



Introduction to the STIP

- **S**tatewide **T**ransportation **I**mprovement **P**rogram
- Federally required in order to spend federal transportation dollars
- Approved by both Federal Highway Administration (FHWA) and Federal Transit Administration (FTA)
- *Must* include all FHWA and FTA funding
- *May* include state funded projects





Introduction to the STIP (2)

- Must be fiscally constrained
- Strict public involvement process
- Covers a period of at least four years
- Changes regularly by ***amendment*** or ***administrative modification*** due to give and take of project schedules and estimates
- Each funding type has unique eligibility requirements

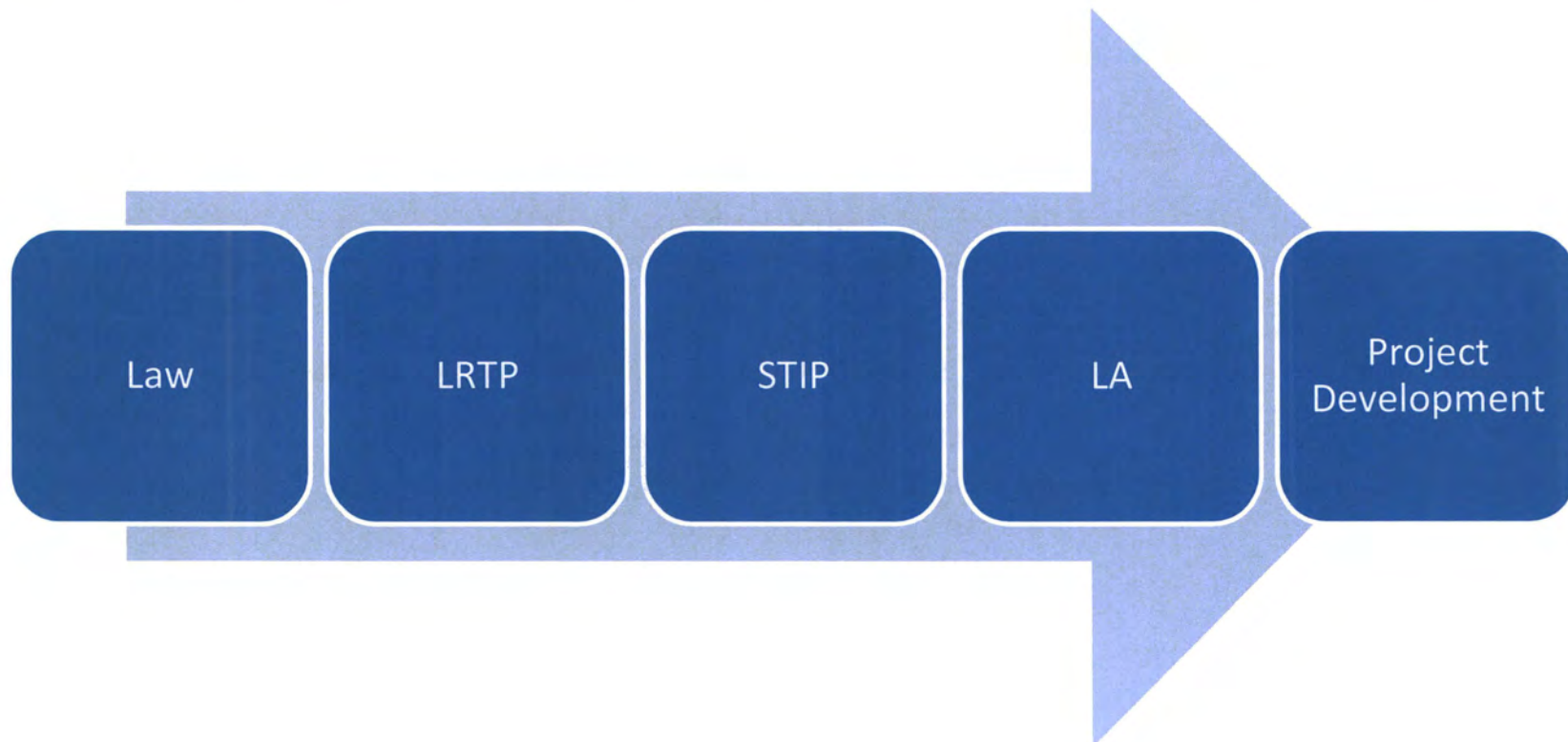


Project Selection Factors

- Significant rules in federal and state law
- NHS projects are primarily state owned and selected
 - System plans, performance data
 - Emphasis on safety, capacity, economy and continuity
- Safety projects are required to be data driven focus:
 - Reducing major injuries and fatalities by proven solutions
- STP funding: scored by both state and MPOs (FMATS, AMATS)
 - Due to lower funding, this program has large 4-6 year backlog of projects waiting on funds; no state-level scoring past 3 years

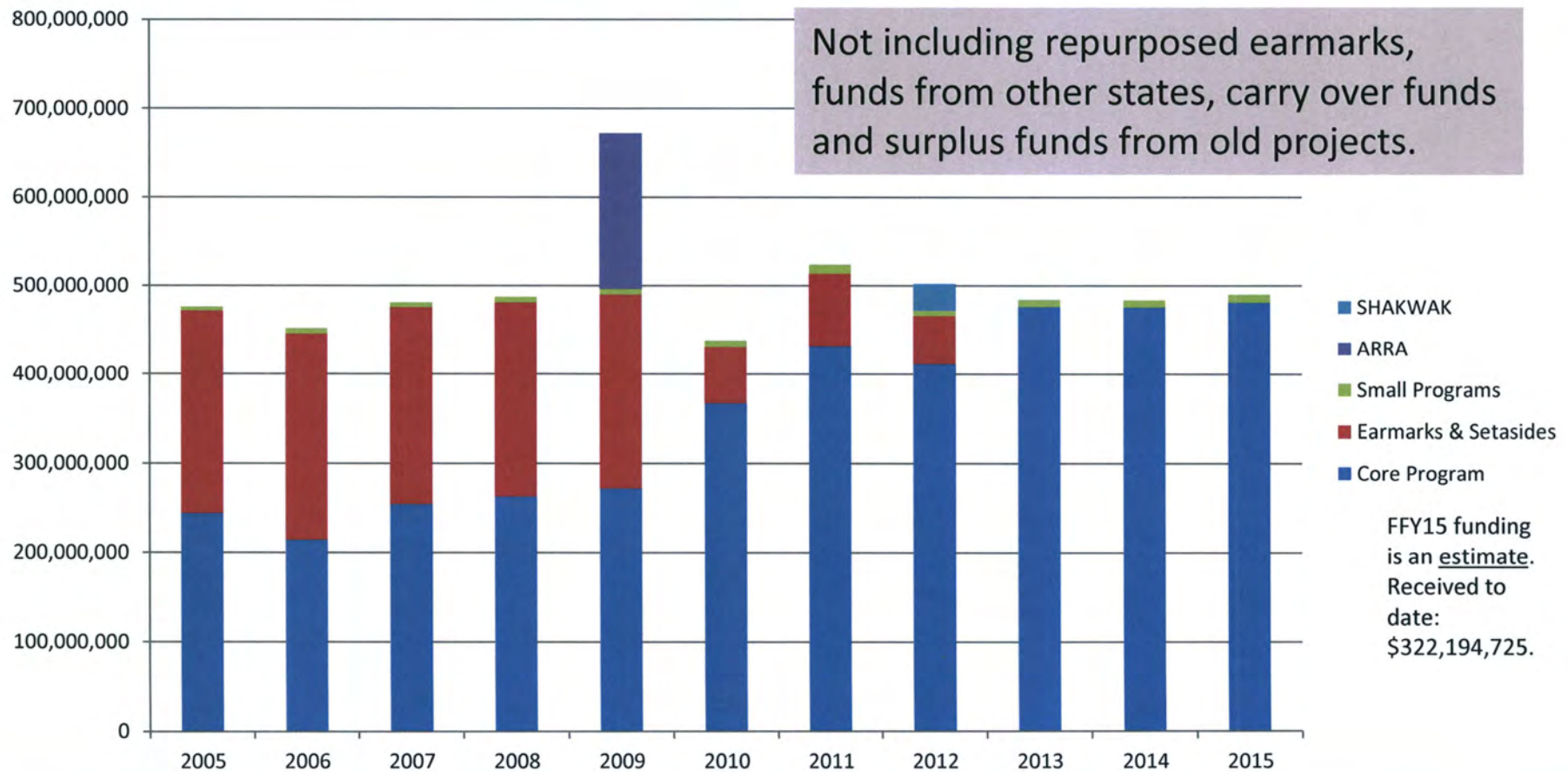


Project Selection Factors (2)





FHWA Program Overview





MAP-21

Moving Ahead for Progress in the 21st Century

Upside to 2012 MAP-21 Changes

- National Highway System (NHS) funding grew substantially
 - Number of NHS road miles increased too
- Safety funding grew substantially
 - Must be used on documented safety concerns
- New mandates for performance standards
 - NHS pavement, bridges, safety conditions to be *graded*
 - If standards not achieved, *penalties* to be invoked



MAP-21 (2)

Moving Ahead for Progress in the 21st Century

Downside to 2012 MAP-21 Changes

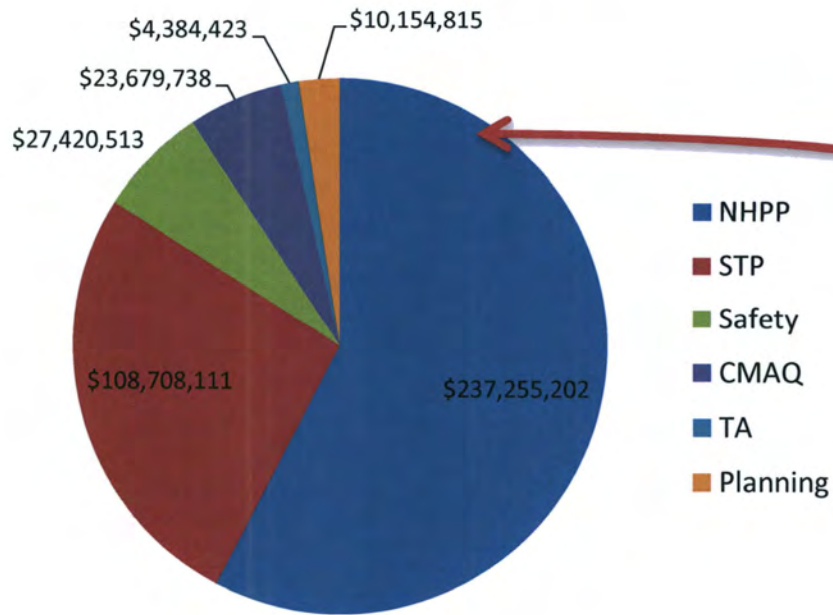
- Surface Transportation Program (STP) funding declined and funds must address a wider set of needs:
 - 58% of all public bridges
 - 77% of all public roads
 - Numerous mandatory tasks and also transit, trails and many state and local ferry needs.
- Projects served by STP being slowed or terminated; new requests put on hold for past several years.



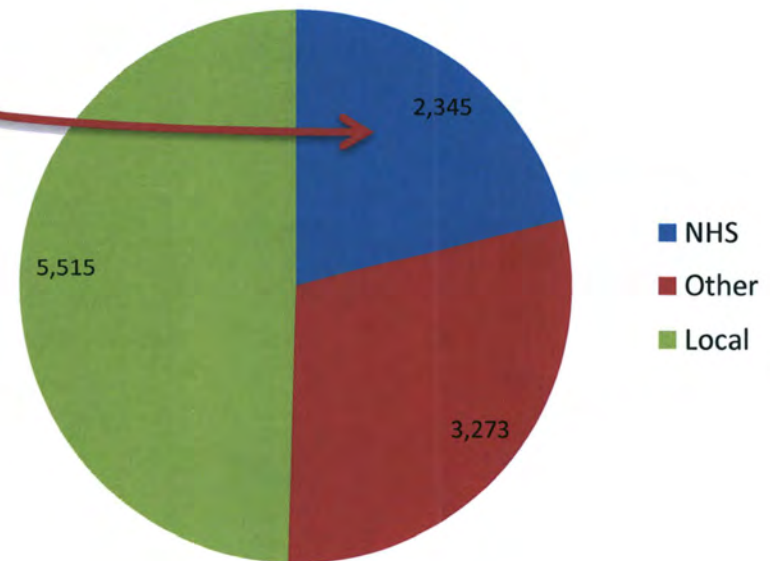
MAP-21 (3)

Emphasis is to National Highway System (3)

Federal-aid Funds



Miles of Road



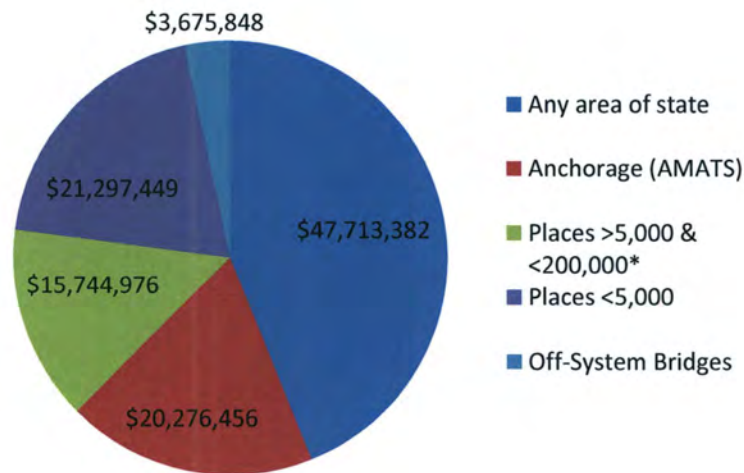
23% of Road Miles Garner 57% of Federal-aid Funding



MAP-21 (4)

Allocation to STP

MAP-21 STP Funds



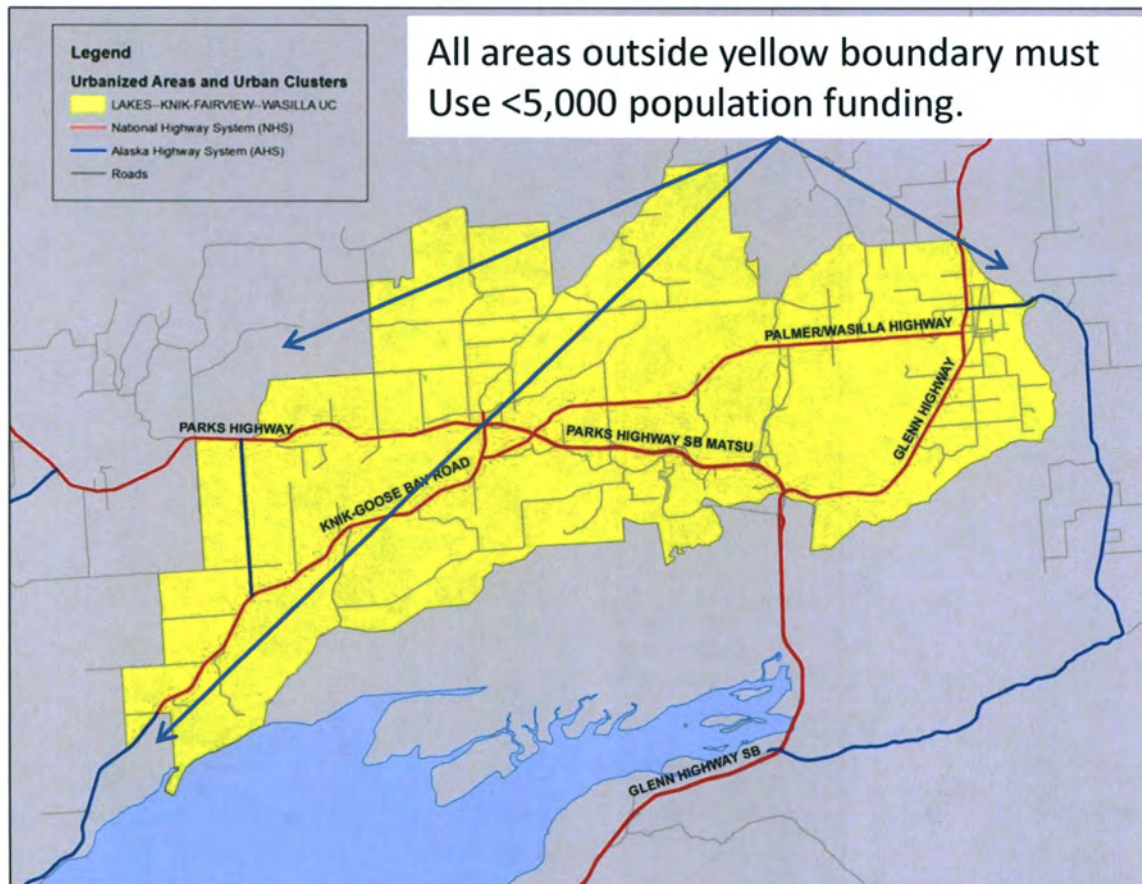
*Fairbanks, Juneau, Kenai, Ketchikan, Kodiak, Sitka, Palmer & Wasilla

- All non-NHS roads and other needs will compete for smaller share of funding.
- Dollars available per mile:
 - NHS = \$92,000/mile
 - Other, except local = \$32,100/mile
- Many required work items must be funded from STP also.



MAP-21 (5)

Example: Mat-Su Urban Cluster





2012-2015 STIP

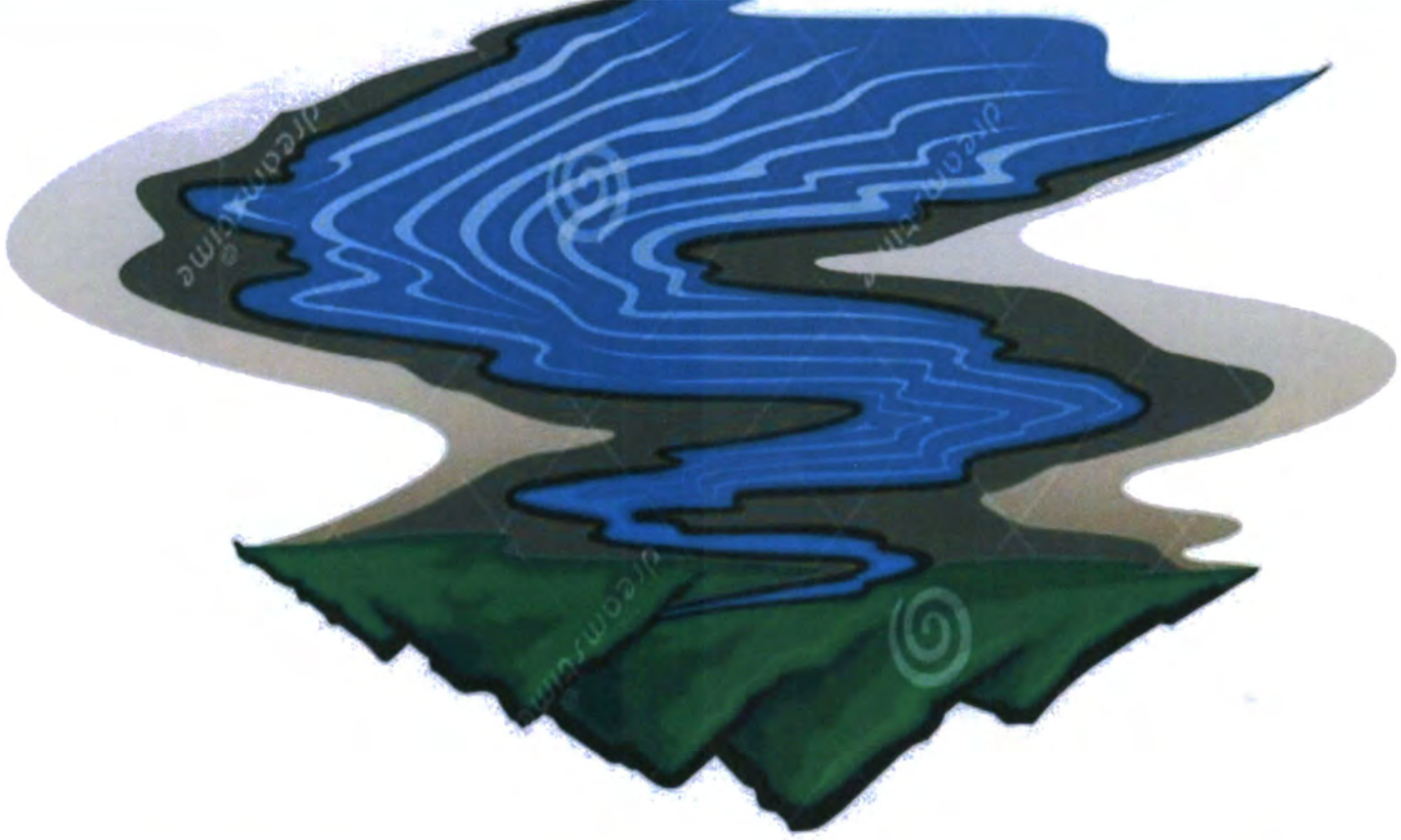
- Currently in the last year of this four year STIP
- Amendment #12 addressed regional boundary changes and FFY14 carryover
- Amendment #13 addresses AO 271
- Amendment #14 addresses ebb and flow of project development
- Absence of STIP covering FFY2016 becoming an issue

Project							Funding - Approved Amendment 12			
Program	Region	2013 Election District	Place Name	Highway	Primary Work	Bridge #s	Ph	Fund	FFY15	After 2015
Need ID: 2202 Name: Seward Highway Rabbit Creek to 36th Avenue										
NHS	C	50	Anchorage	Seward Highway	Reconstruction	1157 1160 1350 1861	Totals:	0		0
Description: This project funds the design effort for improvements on the Seward Highway corridor from Rabbit Creek to 36 Avenue. The overall project will add lanes to the Seward Highway, improve connectivity with the adjacent road system, and will be constructed in multiple stages.										
Need ID: 11925 Name: MP 75-90 - Ingram Creek to Girdwood Road and Bridge Rehabilitation										
NHS	C	28	Central Region	Seward Highway	Reconstruction	0627 0629 0630 0631 0634 0636 0638 0639	2 NHPP 2 SM 3 AC 3 SM	1,819,400 180,600 454,850 45,150		
Totals: 2,500,000 156,500,000										
Description: Rehabilitate pavement and rehabilitate or replace the following bridges: Placer River Overflow #0627, Placer River Main Cross # 0629, Portage Creek #0630 & 0631, 20 Mile River #0634, Peterson Creek #0636, Virgin Creek #0638, and Glacier Creek #0639. Project may include road realignment, grade separations at Portage Valley road and the Alyeska Highway, passing lanes, and pedestrian accommodations, including improved curb ramps to meet ADA standards as required according to the Alaska Preconstruction Manual.										
Need ID: 12640 Name: MP 99-105 Bird and Indian Improvements										
NHS	C	28	Anchorage	Seward Highway	New Construction		Totals:	0		21,000,000
Description: Design and construct Seward Highway improvements. Project includes passing lanes and bike/ped trail. Includes replacement of bridge over Indian Creek.										
Need ID: 12641 Name: MP 105-115 Passing Lanes - Indian to Potter										
NHS	C	28	Anchorage	Seward Highway	Reconstruction		4 OSF	39,950,000		20,000,000
Totals: 39,950,000 20,000,000										
Description: Construct passing lanes and a trail between Indian and Potter Marsh. Includes Windy Corner project to expand and improve the existing pullout and add pedestrian/wildlife viewing, interpretation and landscaping. Segment of Seward Highway Passing Lanes project. First phase of construction will improve the highway in the vicinity of Windy Corner. The initial state funds will construct a portion of the total project, specifically a 2 mile segment. MP 105-107.										



2016-2019 STIP

- Draft 2016-2019 STIP currently being developed
- Regional requests submitted January 30, 2015
- Draft expected to go to public comment April 2015
- 2016-2019 STIP likely to be completed in June 2015



Programming Considerations



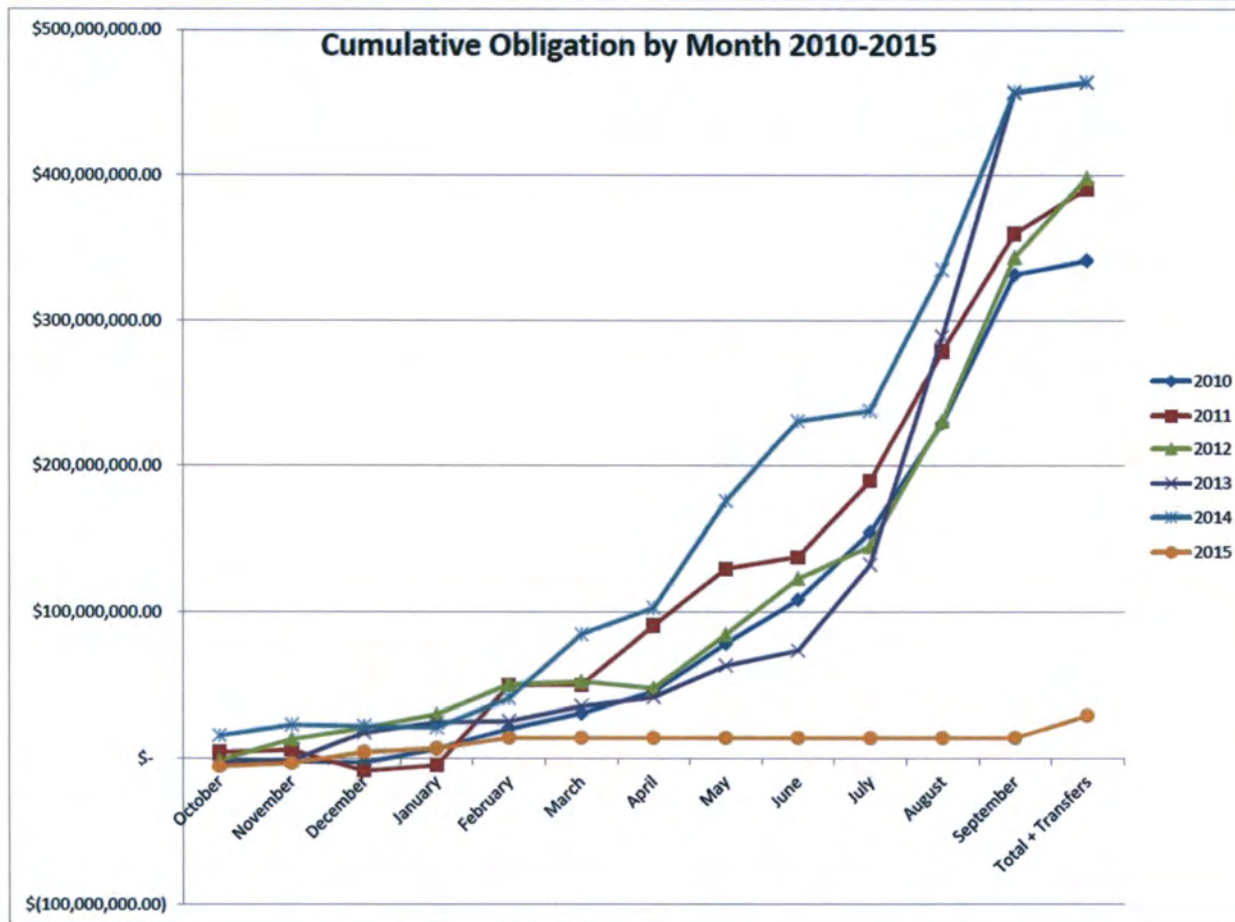


Programming Considerations (2)

- STIP can only be programmed up to expected funding level
- Most STIP funding is “use or lose” and cannot be carried over from year to year
 - Cannot assign funding to specific projects to carry over until it's obligated
 - Obligation occurs when a project is certified as meeting all federal requirements and a funding agreement is signed by FHWA
- In Alaska and nationwide ~30% of projects end up delaying into a later year
 - Large, controversial projects are at a higher risk of slipping



Programming Considerations (3)





Programming Considerations (4)

- Recent trends in project closeouts and underbidding affect the federal program
 - Surplus funding must be reassigned the same fiscal year
 - Past three years this has been \geq \$100M annually
- Extra projects must be pursued to account for project delays and underbids
 - ~\$250-300M worth of projects using tools such as AC and ILLU
 - Development of these projects must be ongoing
 - “Shelf ready” projects must still meet eligibility requirements of available funding



Programming Considerations (5)

Minimum Conditions for Pavement and Bridges
Proposed Application of Penalties

Minimum condition requirements for pavement and bridges

- Pavement [23 U.S.C. 119(f)(1)]
 - Interstate System (excluding bridges)
 - Minimum condition level set by the Secretary through rulemaking (see "Proposed calculation approach" discussion below)
 - Two consecutive calendar years (CY)
 - Penalty requiring that, during the following fiscal year, a State subject to the penalty shall:
 - Obligate NHPP funds in an amount at least equal to the State's fiscal year (FY) 2009 Interstate Maintenance (IM) apportionment for the purposes described in the IM Program. For each year after FY 2013, the amount required to be obligated shall increase by 2 percent over the amount required to be obligated in the previous fiscal year (i.e., the sum is compounded). (See Illustration below that provides an example showing how this would be calculated.)
 - Transfer Funds from STP (but not from STP amounts suballocated based on population) to NHPP in an amount equal to 10 percent of the amount of the State's FY 2009 IM apportionment for the purposes described in the IM Program.
- Bridge [23 U.S.C. 119(f)(2)]
 - National Highway System
 - Minimum condition threshold set by MAP-21: "If... more than 10 percent of the total deck area of bridges in the State on the National Highway System is located on bridges that have been classified as structurally deficient..."
 - Three consecutive reporting years
 - Penalty in following fiscal year:
 - Set aside and obligate NHPP funds in an amount equal to 50 percent of the State's FY 2009 Highway Bridge Program apportionment for eligible NHS bridge projects.

Proposed calculation approach

- Pavement
 - Proposed Minimum condition level: Percent of Interstate lane-miles in Poor condition shall not exceed 5.0 percent
 - Data Source: HPMS
 - Computed annually with data available June 15
 - FHWA will notify States of non-compliance by October 1
- Bridge
 - Minimum condition threshold set by MAP-21 (see above)
 - Data Source: NBI
 - Computed annually with data available June 15
 - FHWA will notify States of non-compliance by February 1, 2015 initially and by October 1 thereafter

Example

- Pavement (assuming rule is effective in 2015)

Date	6/15/17	By 10/1/17	6/15/18	By 10/1/18
FHWA	Extract	Notify	Extract	Notify
Action	CY 2016 data	State DOT	CY 2017 data	State DOT

 - Beginning October 1, 2018, if FHWA determined that the State DOT did not comply in both 2016 and 2017, then the penalty is implemented during FY 2019.

Disclaimer: Factsheet consists of details within the Pavement and Bridge TPM NPRM and is subject to change.

- FHWA priorities
 - National Highway System
 - Pavement condition
 - Bridge condition
 - Safety
 - Asset Management



Funding Wild Cards

- Reauthorization at higher dollar level
 - Crack in Congressional resistance?
 - New report about meeting of minds
- Repurposed earmarks
 - Congress last took action in 2012
 - About \$153 M could be repurposed
 - Rules to use and obligate:
 - 3 months to use or lose