



# *Working together to plan for the future*

## **POLICY STATEMENT**

**No. Board 2021-01**

**Adopted:** February 22, 2021  
**By:** COMPASS Board of Directors  
**Last Revision:** February 25, 2019

### **Policy Statement:**

### **Balancing Surface Transportation Block Grant Program (STBG) and Transportation Alternatives Program (TAP) Funds**

#### **Background:**

STBG and TAP funds are directly allocated to areas with populations over 200,000 (Transportation Management Areas [TMAs]). These programs are managed by COMPASS, the metropolitan planning organization (MPO) for Ada and Canyon Counties. The Regional Transportation Advisory Committee (RTAC) is responsible for balancing the programs.

STBG funds for areas with populations of 5,000 to 200,000 are managed by the Idaho Transportation Department (ITD). The Urban Balancing Committee is responsible for balancing the program. The Urban Balancing Committee is made up of the MPO directors across the state of Idaho (representing populations of 50,000 to 200,000) and a representative of the Local Highway Technical Assistance Council (representing agencies with populations of 5,000 to 50,000).

TAP funds for areas with populations of 5,000 to 200,000 are managed by ITD and awarded through a competitive process. TAP funds managed by ITD are outside the purview of this policy.

This policy provides direction to prioritize funds available through cost savings and through the End-of-Year and Redistribution Program 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, and one for projects funded with Urban funds, which is used in the Urban Balancing process.

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 STBG 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 STBG and TAP funds if projects meet program eligibility and if no other projects currently in either program need funding at that 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 STBG or TAP programs consistent with the original project scope
  - A. Construction already under contract
  - B. Engineer's estimate for construction scheduled in current fiscal year
  - C. Additional right-of-way for ongoing negotiations
2. Either:
  - A. Remove or reduce an "advance construction" situation (where construction costs are spread over two or more funding years) on projects in the STBG or TAP programs)
  - B. Replace local funds for procurement under contract
  - C. Cover cost increase for procurement projects (generally transit-related projects, such as rolling stock or equipment purchases, as prioritized in the Transit Asset Management Plan)
3. Cover project needs/advance right-of-way phase on projects in the STBG or TAP programs consistent with original project scope.
4. Cover cost overruns/project needs/advance design phase on projects in the STBG or TAP programs consistent with original project scope
5. Advance the construction phase on projects in the STBG or TAP programs
6. Cover cost overruns/project needs/advance planning projects/studies in the STBG or TAP programs consistent with original project scope
7. Cover cost overruns/project needs in the construction phase on projects in non-STBG or TAP programs consistent with original project scope
8. Cover cost overruns/projects needs/advance right-of-way phase on construction projects in non-STBG or TAP programs consistent with original scope
9. Cover cost overruns/project needs/advance design phase on projects in non-STBG or TAP programs consistent with original project scope
10. Cover cost overruns/project needs/advance planning projects in non-STBG or TAP programs consistent with original project scope
11. 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 STBG-TMA is two times the projected funding allocation in the last year of the program
  - The limit for PD in STBG-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
  - Sponsor agencies are requested to prioritize project needs within their list of projects to assist RTAC in the event of a tie and/or provide the timing and importance of the needs prior to the RTAC meeting
- The COMPASS Executive Director will determine how projects in the Urban program will be prioritized for the balancing process, after discussions with sponsor agencies involved in the tie

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

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

As funds are released from projects based on cost savings or project closeout, the local match portion may be used on other projects sponsored by the same agency after submitting a Transfer Local Match Request Form. COMPASS staff will coordinate with member agency staff to submit requests.

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

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

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

End-of-Year and Redistribution Program 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 and Redistribution Program, based on the rationale of "construction first." Projects must be ready for obligation and advertisement (when appropriate), including submittal of all agreements, and a check for local match, prior to August 1 of the programmed year.

Projects currently funded in the STBG 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 STBG and TAP funds if projects meet program eligibility and if no other projects currently in either program need funding at that time.

The priority order is:

1. Obtain 100% of the estimated allocation  
Congress historically limits obligation authority to 92% to 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
4. Cover cost overruns/project needs/advance right-of-way phase on projects in the STBG or TAP programs
5. Cover cost overruns/project needs/advance design phase on projects in the STBG or TAP programs
6. Cover cost overruns/projects needs/advance planning projects in the STBG or TAP programs
7. Cover cost overruns/project needs/advance project phases in non-STBG or TAP programs
  - A. Construction
  - B. Right-of-Way
  - C. Design
  - D. Planning/Studies

Only public transportation projects not requiring funds to transfer to the Federal Transit Administration are eligible for this program because the deadline for a transfer is approximately June 1. The End-of-Year and Redistribution Program occurs 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 policy 19-03, approved by the COMPASS Board of Directors on February 25, 2019.