Federal-aid Swap
Office of Local Systems
Iowa Department of Transportation
What is a Federal-Aid Swap?

• The State of Iowa receives approximately $500 million per year in Federal-aid for highway/bridge projects.
  • Iowa DOT Share: ~$333 million
  • Local Jurisdictions Share: ~$167 million
• Allow local jurisdictions to exchange their federal funds with the Iowa DOT for Primary Road Funds.
• Iowa DOT is able to utilize federal funds in an efficient manner.
• Lowers Iowa DOT oversight requirements.
• Reduces local jurisdiction project costs and delays.
• Same amount of funding is being subject to federal requirements after swap as before.
Federal-Aid Swap History

• HF 203 - Authorizing the Use of Primary Road Fund Moneys for the Secondary Road and Municipal Street Systems
  • Signed by the Governor on March 23, 2017.

• How are funds managed and distributed?
  • Discussion with:
    • Iowa League of Cities, APWA, Iowa State Association of Counties (ISAC) / Iowa County Engineers Association (ICEA), Regional Planning Affiliations (RPAs) and Metropolitan Planning Organizations (MPOs)

• Iowa Transportation Commission approves final plan.
Projects will be let at the Iowa DOT.
Funds will only be used for Construction.
$1 for $1
Pre-Determined (Davis Bacon) Wage Rates and Buy America will not apply.
Amount of available swap funds depends on the Federal Highway Bill behind it and our ability to make the payment.
We will continue to maintain our Instructional Memorandums (I.M.) per 761 IAC 172.
Swapped Programs
STBG Program

- Surface Transportation Block Grant (STBG)
  - Funds allocated through RPAs and MPOs
  - Eligible Routes:
    - All Federal-aid eligible routes, including Rural Minor Collectors
    - All Farm-to-Market System Routes
  - Not allowed on Local Roads
  - Bridges on any road
Highway Bridge Program

• Programming through RPA’s in not necessary - projects will be extracted from CFYP and put into a “Swap project list”

• Needed a waiver from FHWA for the Off-System bridges
  • FAST Act requires at least 15% of HBP (from 2009 allocation) be spent on off-system bridges
  • Iowa DOT does not have off-system bridges
  • Otherwise, off-system bridges would still need to be Federal-aid

• County Program - 100% funding - no match required
• City Program - 20% match required
• Current requirements - SD or FO, SR 80 or less, 25 or more ADT
Highway Safety Improvement Program (HSIP)
Secondary Program for Counties

- $2M in this fund
- Continue the program as is
- Use state funding, rather than Federal
- Advantages:
  - No NEPA Clearance for signing, rumble strips, etc
  - No Concept Statement or Preliminary Plans
  - Saves potentially 6 months project development time
Some programs will not be Swapped

- Transportation Alternatives
- Federal Recreational Trails

Why?
- Can’t spend RUTF off the roadway system
Efficiencies

• Items no longer needed:
  • DBE Commitment - can have if desired though
  • Davis-Bacon wages - Certified Payrolls
  • Buy America
  • NEPA through FHWA (however, other environmental restrictions remain)

• Programming efficiencies - no TIP/STIP for these projects
• Environmental Process efficiencies
• Construction Oversight efficiencies
• Project End Dates and In-Active Obligations
Federal and State Laws that Always Apply

• Americans with Disabilities Act
• Discrimination
  • Civil Rights Act of 1964 applies to any agency who receives any Federal funds (42 U.S.C. 2000d-4a)
Project Development

- Environmental Laws and Regulations
  - Section 404 Permits (US Army Corps of Engineers permit - 33 U.S.C. 1344)
  - Endangered and Threatened Species (16 U.S.C. 1531 & Iowa Code 481B)
    - Section 7 Applies to FHWA Funded Projects.
    - Section 10 Applies to Non-Federal Funded Projects
  - Threatened and Endangered Species
  - Storm Water Pollution Prevention (33 U.S.C. 1341 & Iowa Code 455B)
- Cultural Resources
  - Historic Districts, Properties, Bridges
  - Burial Laws & Archaeology
- Asbestos on bridges - Iowa DNR requirement
Project Development

• Agreements? YES - protect LPA to get funds from DOT (RISE, TSF, etc)
• Concept Statement - NO
• Preliminary Plans - NO
• Check Plans - Yes, 6 weeks ahead of Final Plans
• Final Plans - Yes
• Turn-in Checklist - Yes
• Project Development Certification - Yes
• **Saves ~6 months on Project Development
Federal and State Requirements that apply

- Design Requirements - adopted by ICEA Exec Board
- Hydraulic Review -
  - Required on Federal-aid projects where bridge is being replaced by RCB
  - Not required on swap, but a service LPA may request from Iowa DOT
- Structural Review - not needed w/ Bridge Standards
- Right-of-Way - Iowa Code 6A and 316, 761 IAC 111
- Utilities - 761 IAC 115
- Railroads - still need coordination
Letting and awarding contracts

- Iowa DOT Lettings
  - Federal-aid (TAP, etc)
  - Farm-to-Market
  - Swap projects
- State (not swap, but other state funds) or Local Funding:
  - Local lettings if desired
  - Can let at Iowa DOT if desired
Construction

- Construction Inspection
- Items no longer needed:
  - DBE Commitment - can if desired
  - Davis-Bacon wages - Certified Payrolls
  - Buy America (spec change needed)
- Iowa DOT Oversight

- Materials Certifications
  - Materials I.M. 101 - still fill out, no audit
- Field Inspection by DOT at Field Completion stage
- Project Closeout and Audits
  - Pre-audit Checklist - gets less in depth
  - Final Forms Packet Checklist - gets less in depth
- Iowa DOT Oversight
Questions?
Iowa Department of Transportation, Office of Local Systems