

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.

Iowa DOT's Position

- 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 is 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

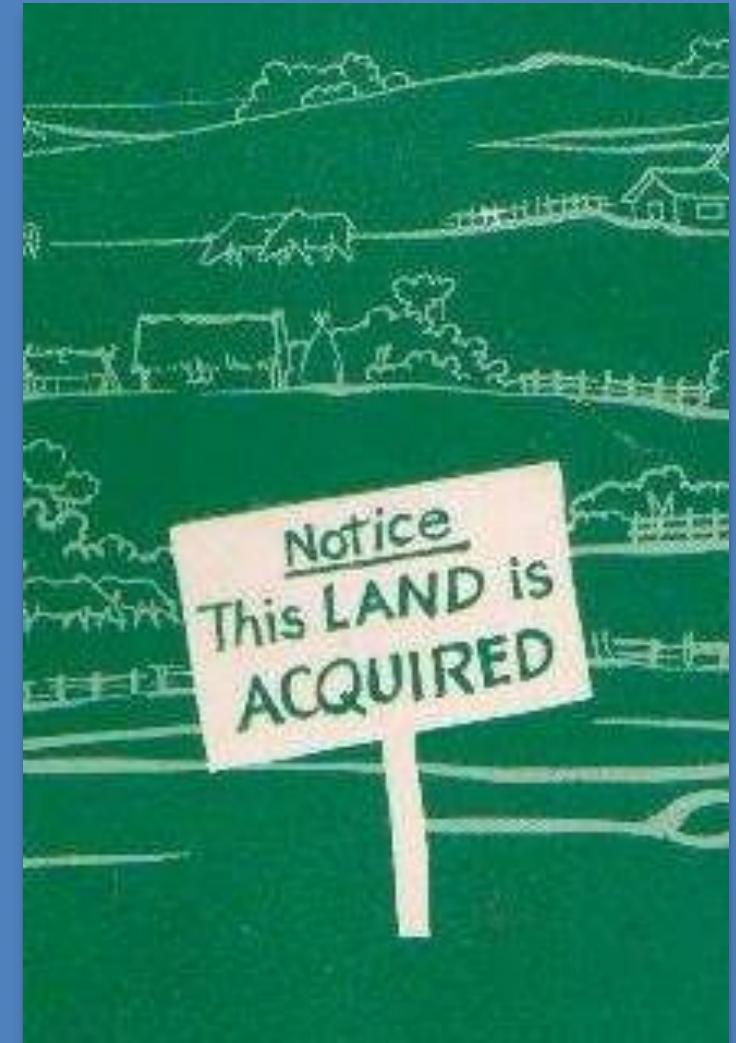
- Environmental Laws and Regulations
 - Section 404 Permits (US Army Corps of Engineers permit - 33 U.S.C. 1344)
 - Endangered and Threatened Species (16 U.S.C. 1531 & Iowa Code 481B)
 - Section 7 Applies to FHWA Funded Projects.
 - Section 10 Applies to Non-Federal Funded Projects
 - Threatened and 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