



# Improving Delivery of Local Transportation Projects

June 21<sup>st</sup>, 2016 Workshop

Mac Lynde, Active Transportation Manager



# Background



Federal funds  
are a vital  
resource



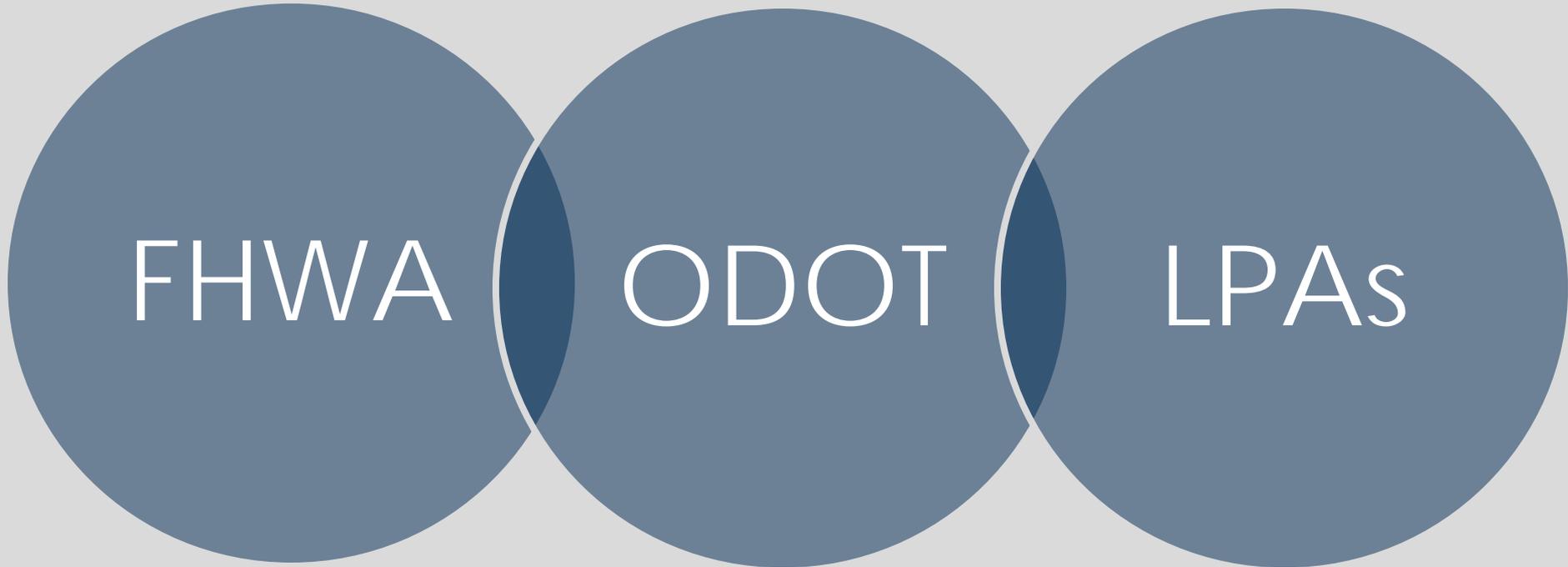
Federal funds  
come with  
several  
requirements



ODOT is looking  
for ways to  
support local  
agencies



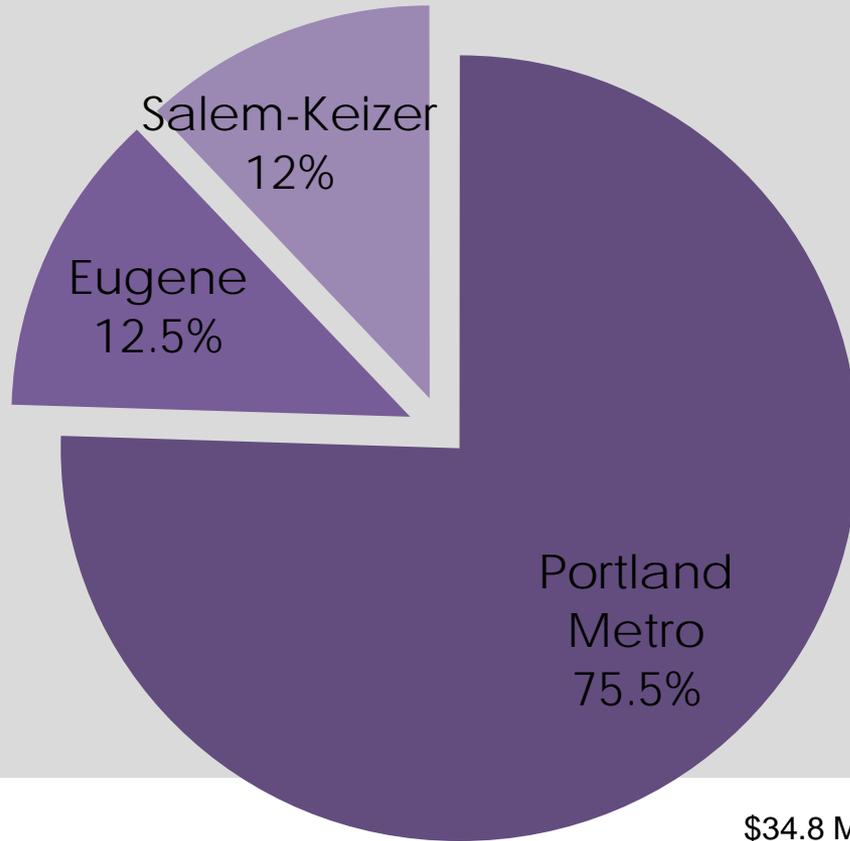
# Relationship



# State Transportation Improvement Programs

STP for 3 Transportation Management Areas (TMAs)

## Surface Transportation Program (STP) & TAP funds (2016)



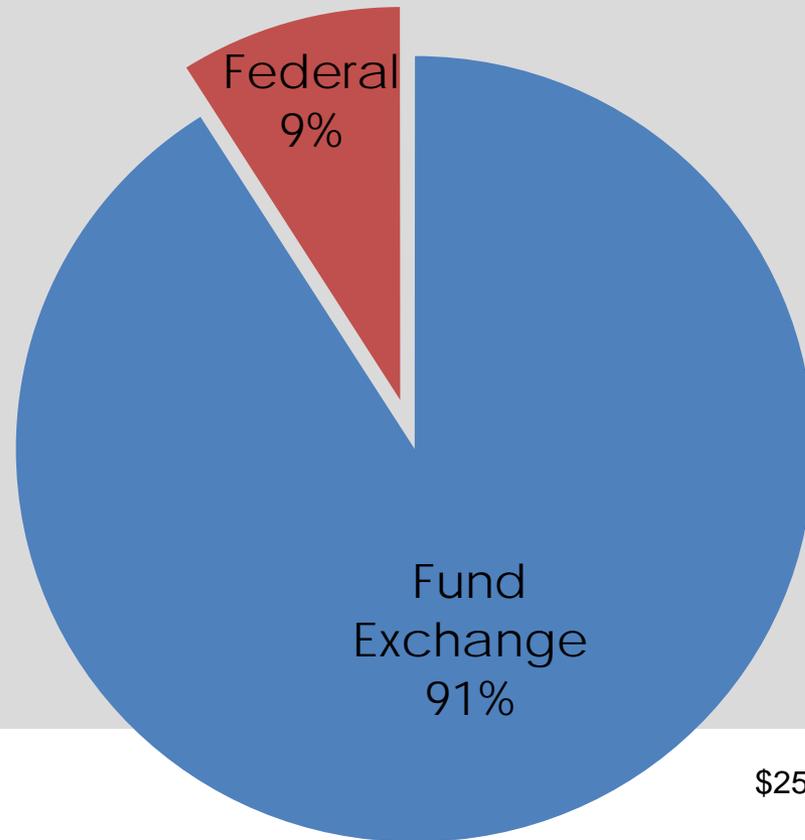
\$34.8 Million per year



# STP Fund Exchange: A win-win!

STP for Local Governments

## Federal Surface Transportation Program for Local Governments



\$25 Million per year





## So what's the problem?

Growing  
balance of  
unobligated  
federal funds

Over-  
programming  
projects is  
unsustainable

Rising costs to  
administer the  
local program

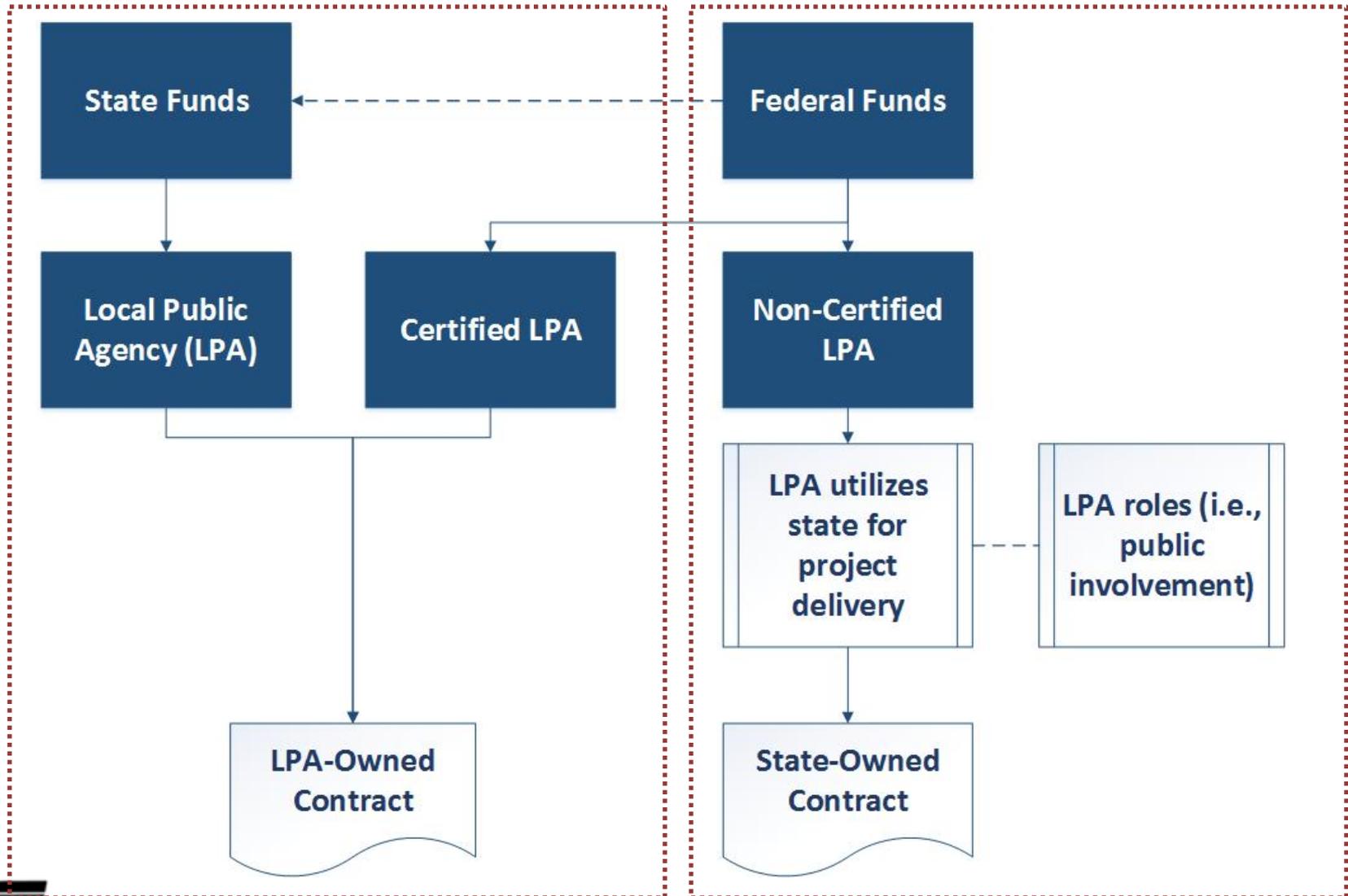


# Federal Project Phases Unobligated by Year

Year	Number of Phases	Amount (\$)
2011	1	192,740
2012	17	7,910,963
2013	48	16,411,879
2014	15	6,382,122
2015	108	104,368,544
<b>Total</b>	<b>189</b>	<b>135,266,249</b>

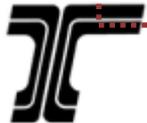


# Federal-aid Local Project Delivery Currently



*LPA-controlled process*

*ODOT-controlled process*





# Improving Delivery of Local Transportation Projects

## Initiative Goals

Improve  
ODOT's local  
government  
program and  
processes

Enable ODOT  
to better help  
local agencies

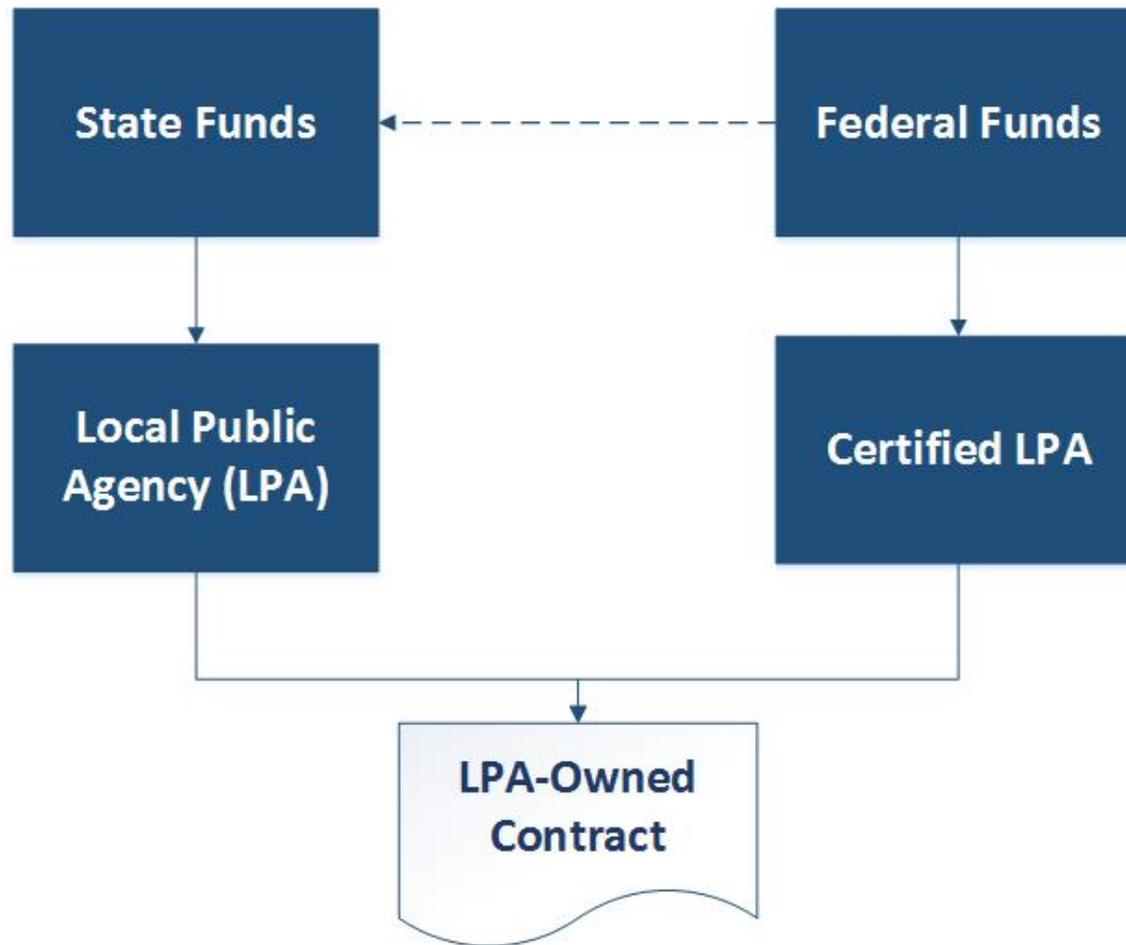
Ensure federal  
funds are used  
fully and  
efficiently

*Increasing Local Ownership...*



# Federal-aid Local Project Delivery Proposed

*LPA-controlled process*



# Strategies

Use State  
Funds for  
Local Projects

Provide  
Delivery  
Options in  
TMAs

Establish  
Obligation  
Targets for  
Federal Funds



# Key success factors



Ensure applicable state and federal program requirements are met on all projects across the state.



Build in annual federal obligation requirements for each program area.



Provide enough state cash to sustain state funding program in the short term and plan ahead to the long term.



# Today's Structure

*Remember: We need your involvement today!*

## State Funded Local Projects

- Current STP Process
- Proposed State Funded Process

## TMA Delivery Options

- Certification
- Certification on Behalf of non-Certified Agencies
- Limited Fund Exchange

## Lunch (Provided)

- Who should stay after lunch and why?

## Certification User Group Development



# Conclusion

How will ODOT  
use the  
feedback from  
today?

What is the  
Certification  
User Group?

Who should  
stay after  
lunch?





# State Funded Local Projects

*Scott Adams, Initiative Lead*

*Jeff Flowers, Program & Funding  
Services Manager*

# Overview

STP Fund  
Exchange

“New” State  
Funded Local  
Projects

Near & Long  
Term  
Strategies



# Surface Transportation Program (STP)

## Current Fund Exchange

- Provides local agencies a flexible funding option for delivering transportation improvements without federal constraints
- Local agencies can swap Federal STP funds for state funds at 94 cents per dollar
- Authorized through the AOC-LOC-ODOT Working Agreement
- Eligibility restricted to all counties, cities above 5,000 residents outside of a TMA, and small MPOs
- *How does it work...?*

**The existing fund exchange system  
will remain unchanged!**







# State Funded Local Projects

## Beyond the Current STP options

- STP Fund Exchange is unchanged, but ODOT will now fund four new programs:
  - ARTS
  - Local Bridge
  - Enhance
  - AT Discretionary
- All local agencies are eligible, subject to limitations:
  - Projects up to \$5 million outside TMAs
  - Projects up to \$1 million inside TMAs
  - Federal share is exchanged at 94 cents on the dollar
  - Local agencies invoice ODOT up to the exchanged amount
  - Unspent state funds returned to funding source



# State Funded Local Projects

## Near Term Projects (2015-18 STIP Cycle)

Projects in 2015-18 STIP cycle are potentially eligible if:

- If project has not started yet, you may get funds
  - Meets eligibility of State gas tax funds (i.e., inside the public right of way)
  - Not on state right of way
- If project has started, funds will be reversed based on:
  - Up to 30% plans and \$100,000 or less spent in federal funds in Preliminary Engineering phase
  - Construction-only phases on case-by-case basis
- All other projects will remain federal



# State Funded Local Projects

## Project Deliverables

### Initiation

- ODOT provides to LPA:
- Scoping notes
- Any additional documents from selection process

### Closeout

- Final inspection form
- **If ARTS:**
  - Final Cost
  - As-Constructed Drawings
  - Structural Analysis Info.
- **If Bridge:** Same as ARTS, plus
  - Foundation Report
  - Hydraulic Report including Scour Analysis
  - Pile Records
  - Final Load Rating



# State Funded Local Projects

Future Projects (2019-21 STIP & Beyond)

- STP Fund Exchange will remain untouched
- ODOT has decided to keep 94/100 exchange ratio for both STP Fund Exchange and state funded local projects
- State funded local projects dependent on funding package



# State Funded Local Projects

## Overview

Assumptions

ARTS & Local  
Bridge

Enhance



# State Funded Local Projects

## Key Assumptions

1. All projects are scoped as federal
2. If there is no future state funding package, these programs will remain federal
3. Projects can be delivered more efficiently with state verses federal funds
4. State dollars are spent first (up to state share), followed by local funds if needed
5. ARTS and Local Bridge are different from Enhance



# State Funded Local Projects

## All Roads Transportation Safety (ARTS)

At Selection and Exchange					
	Total	Federal Share (100%)	Min. Req. Local Match	Local Overmatch	Total Local \$
<b>Awarded</b>	\$2,000,000	\$2,000,000	\$0	N/A	\$0
		<b>State Share (94% of Federal Share)</b>			
<b>Exchange</b>	\$2,000,000	\$1,880,000	\$0	N/A	\$120,000



# State Funded Local Projects

## Local Bridge

At Selection and Exchange					
	Total	Federal Share (89.73%)	Min. Req. Local Match	Local Overmatch	Total Local \$
<b>Awarded</b>	\$2,000,000	\$1,794,600	\$205,400	N/A	\$205,400
		<b>State Share (94% of Federal Share)</b>			
<b>Exchange</b>	\$2,000,000	\$1,686,924	\$205,400	N/A	\$313,076



# State Funded Local Projects

Enhance

At Selection and Exchange					
	Total	Federal Share (89.73%)	Min. Req. Local Match	Local Overmatch	Total Local \$
<b>Awarded</b>	\$2,000,000	\$1,000,000	\$102,700	\$897,300	\$1,000,000
		<b>State Share (94% of Federal Share)</b>			
<b>Exchange</b>	\$2,000,000	\$940,000	\$102,700	\$897,300	\$1,060,000



# Discussion Questions

1. What **challenges** do you see for your agency with the state funded process?
2. What **opportunities** will the state funded process provide?
3. What questions do you have about the state funded process?





# TMA Project Delivery Methods

*Tiffany Hamilton, Certification Program  
Manager*

# Overview

1. Current & Proposed Delivery Options
2. Challenges with Current Delivery Options & Certification Program
3. Proposed Delivery System
4. Transition Plan



# TMA Project Delivery Methods

## Current

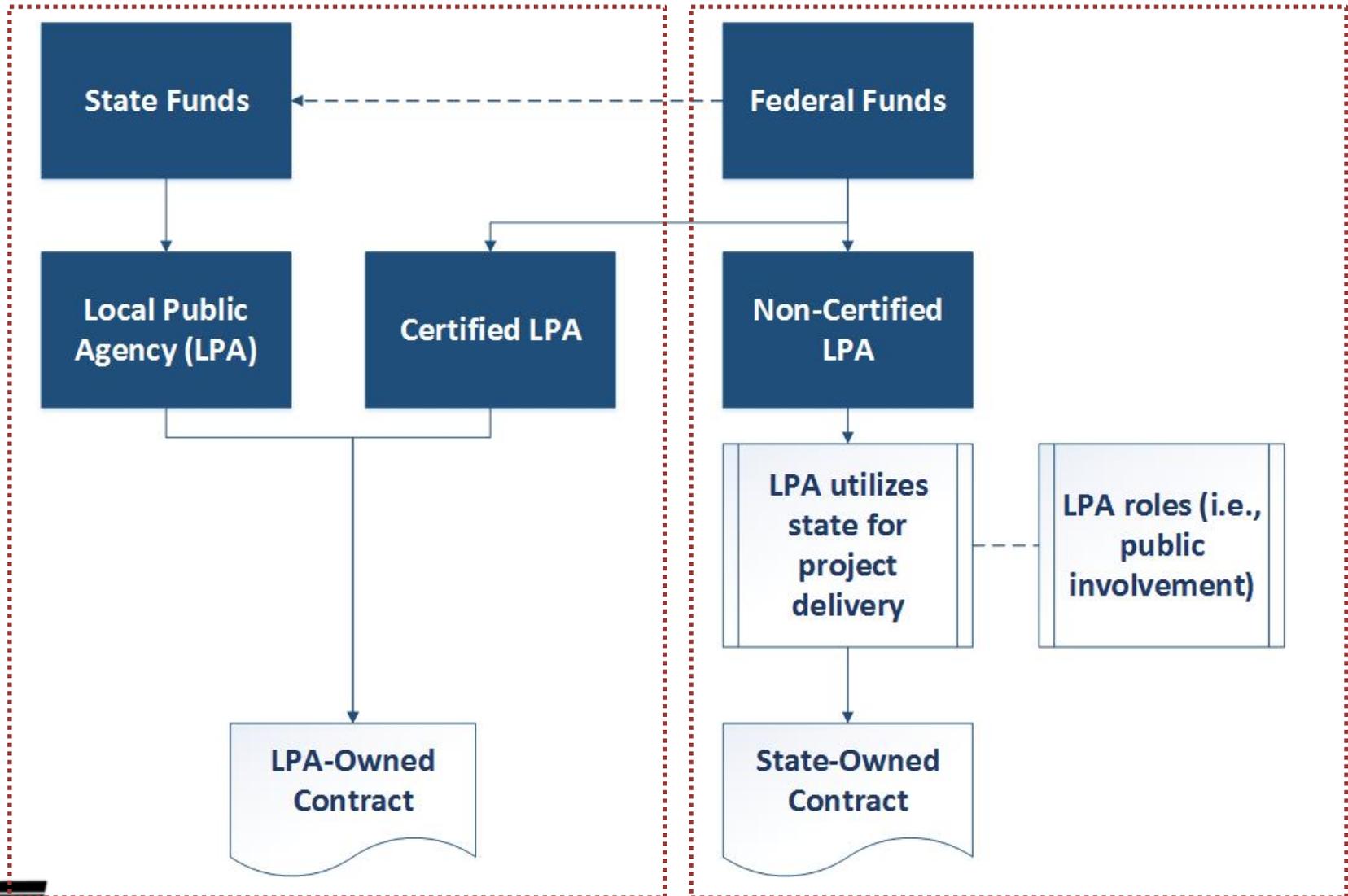
- ODOT on behalf of LPA
- LPA certified
- Hybrid

## Proposed

- LPA certified
- LPA certified on behalf of non-cert.
- State funded

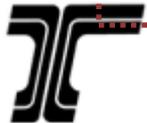


# Federal-aid Local Project Delivery Currently



*LPA-controlled process*

*ODOT-controlled process*



# Current Delivery Challenges

## Current Delivery Methods

- ODOT on behalf of LPA
- LPA certified
- Hybrid

## Certification Challenges

- Roles & responsibilities: Who 'owns' the project?
- Certification: 'Come one, come all'
- By discipline
- Certified LPAs stuck in 'test'
- Project timeliness



# Proposed Delivery Methods: Guiding Principles



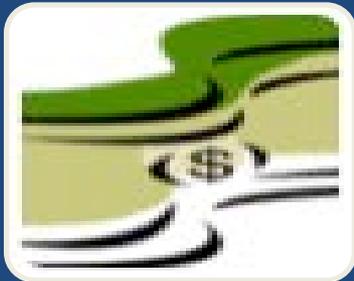
## Partner for SUCCESS

- Shift ownership to LPAs
- Partner with MPOs to increase obligation rates
- Improve communication/ coordination



## Efficient Delivery of Projects

- Cut "red tape"
- Provide delivery options to LPAs



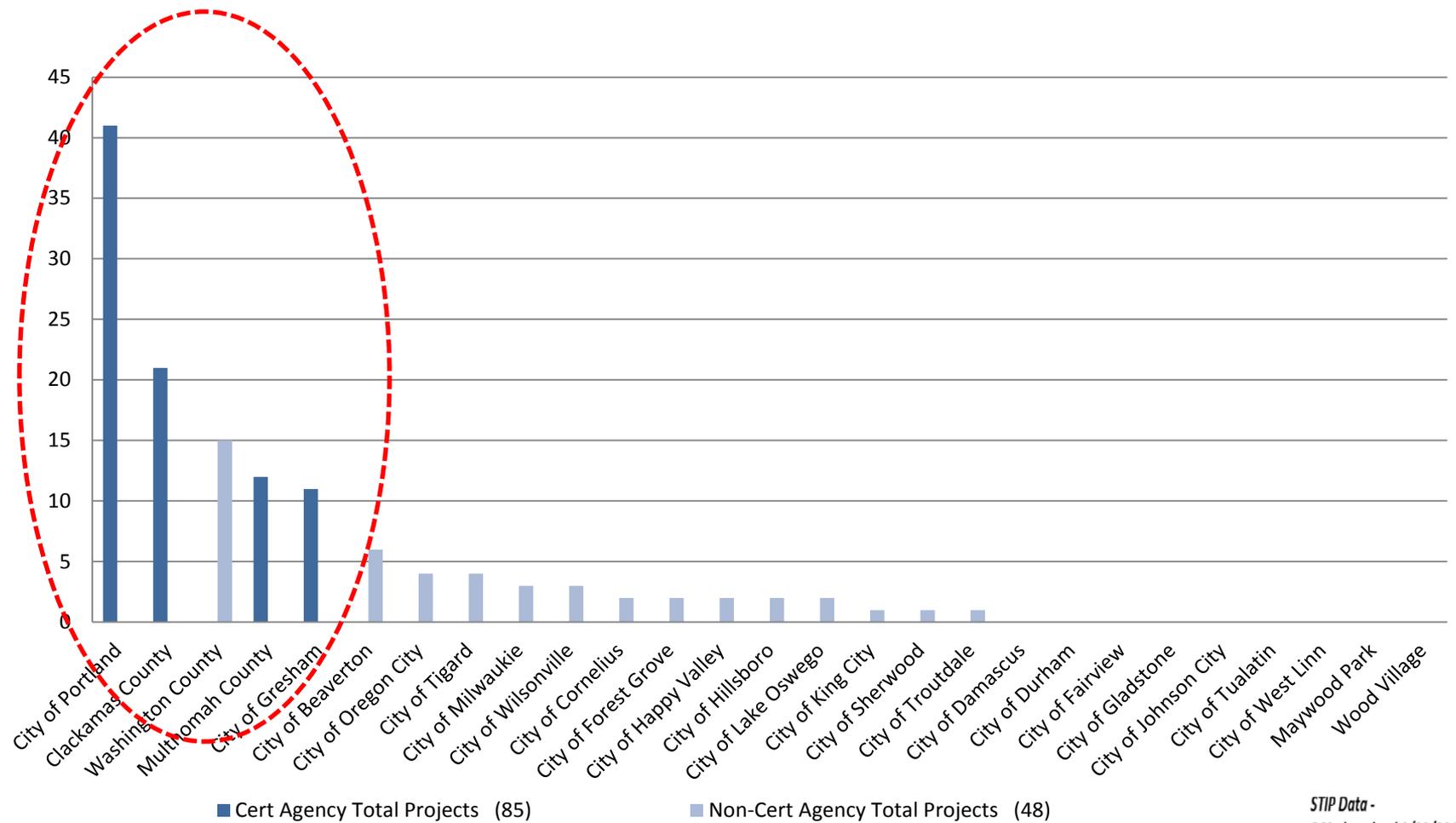
## Effective Oversight

- Move ODOT towards oversight role
- Use risk-management based approach
- Coordinate improvements



# Evaluation of TMA Delivery Needs

An example of TMA project distribution (2006-18)



STIP Data -  
PCS download 2/22/2016



# Proposed Changes to Delivery Methods

Agencies within TMAs

## Delivery Options

- LPA certified
- LPA certified on behalf of non-cert.
- State Funded

## Certification Focus

- Agencies within TMAs
- Agencies with 5+ projects (last 4 STIP cycles)

## Program Refinements

- Certification in all\* disciplines
- Refine guidance documents
- Increase use of templates



# Proposed Delivery Methods

Certification in all disciplines



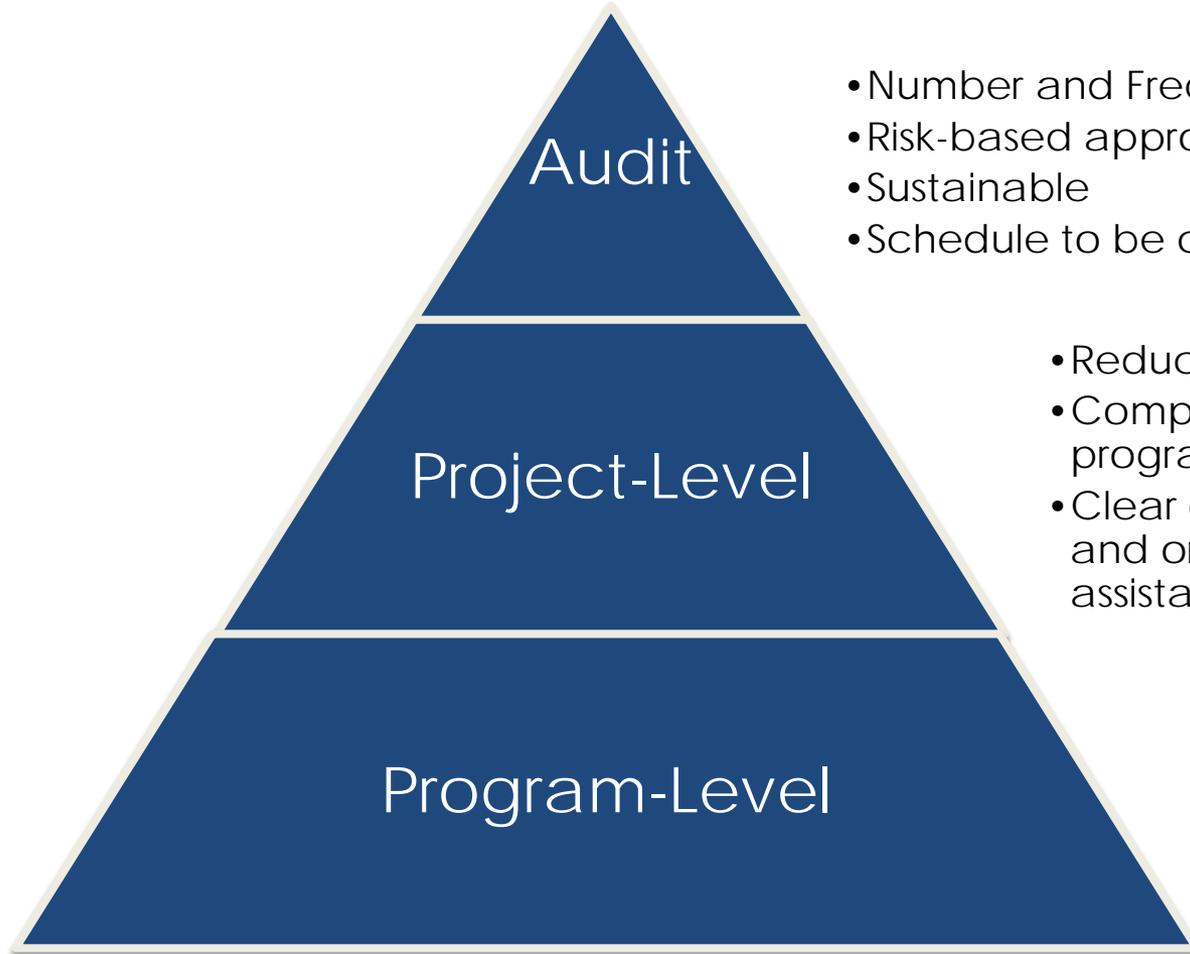
# Proposed Delivery Methods

What if an agency is not certified?

'Certification on Behalf'	State Funding
<p>Non-certified agency partners with certified agency for delivery</p> <ul style="list-style-type: none"><li>• Example: Marion County delivering a project for City of Keizer</li></ul>	<p>ODOT will state fund projects up to \$1 million in TMA</p> <ul style="list-style-type: none"><li>• ARTS</li><li>• AT Discretionary</li><li>• Enhance</li><li>• Local Bridge</li></ul> <p>ODOT will state fund a portion of TAP/STP-U funds in TMAs.</p> <ul style="list-style-type: none"><li>• TMA to determine which projects to state fund.</li></ul>



# ODOT's Oversight Role



Audit

- Number and Frequency to be determined
- Risk-based approach
- Sustainable
- Schedule to be created

Project-Level

- Reduced day-to-day oversight
- Compare project compliance to program plans
- Clear distinction between "test" and ordinary certified project assistance and review

Program-Level

- Ensure robust Quality Program Plans
- Increase use of templates
- Strategic use of Corrective Action Plans



# Transition Plan

Summer

- Draft policy, basic structure, & resourcing
- Establish Certification User Group Steering Team
- Identify necessary implementation tools

Fall-  
Winter

- Develop standardized tools and documentation
- Hold Certification User Group conference

Through  
2017

- Implement standard process and tools
- Continue closing certification gap between agencies



# Table Discussion Questions

Be ready to share with the larger group!

1. What **challenges** do the proposed methods present?
2. What **opportunities** do the proposed methods present?
3. What questions do you still have about the proposed methods?



# Morning Wrap Up

How will ODOT  
use the  
feedback from  
today?

What is the  
Certification  
User Group?

Who should  
stay after  
lunch?



# Project Delivery is a Partnership!



Brooking Safe Routes to School Project Ribbon Cutting



Thank you.