



# Navigating the Federal Process

## next steps for projects with federally funded preliminary or design engineering

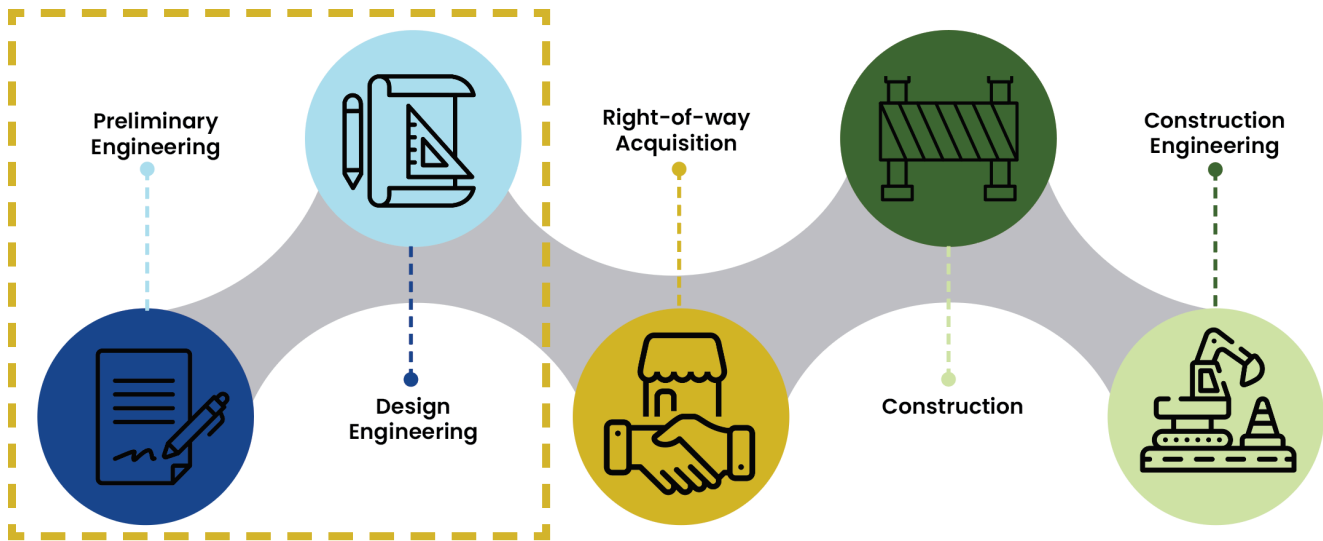
Securing funding is only one of many steps in implementing a project. Now that your project has been awarded funding, you might be wondering about the next steps that need to be taken. This document aims to guide sponsors through those steps to ensure your project is reaching its anticipated milestones and letting date.

Projects that leverage federal funds have a set of requirements that must be fulfilled to be able to use those funds for the implementation of that project. Now that your project has been awarded surface transportation funds (STP) from your local council for preliminary (Phase 1) or design (Phase 2) engineering, it is required that you follow federal guidelines. By understanding these requirements and anticipating the type of coordination that is needed to meet these requirements early in the process, sponsors are better

able to successfully implement their projects on schedule and on budget. Not knowing these federal requirements and the timing that is involved between each, increases the risk that your project is delayed or that the funding is withdrawn all together.

The following steps are tailored specifically to projects receiving federal funds for preliminary or design engineering. The steps included in this document walk through many of the actions that will need to be taken before, during, and after using your federally awarded funds. While most of these steps are required, it does not mean that your project is not subject to other guidelines under certain circumstances. Please work with your project team to identify particular circumstances early on in the process.

**Attention:** This information is current as of October 18th, 2022, and is meant to be general guidance on the processes that apply to most federally-funded projects within the CMAP region. This document is not a substitute for the IDOT BLRS manual or any IDOT or other regulatory agencies' policies and procedures.



**Figure 1:** Project implementation consists of five interconnected phases. This document focuses on the steps that need to be taken to complete preliminary engineering and design engineering.

### Program Requirements for all Projects

Before your project tackles the federal process, it will first need to fulfill actions that are required under the STP programs active program management policies. Additionally, there are various deadlines outlined in APM policies that project staff should be aware of to avoid project delays. Lastly, no matter the phase being federally funded, all projects will need to have an approved PPI.

### Quarterly Status Updates (QSU)

Project updates are required quarterly as outlined in both CMAQ/TAP-L and STP active program management (APM) policies. After a project has been awarded CMAQ, TAP-L, STP-SF, or STP-L funding, an initial quarterly status update is required to be submitted to CMAP with estimated dates of project milestones. When a milestone is reached, or there is a change in a milestone estimate, the next status update should reflect these dates. QSU's are required every March, June, September, and December until the project has been financially closed out. For STP, QSU's must be submitted by the technical or financial managers. Failure to submit a QSU can result in removal or deferral of project funding. More information on QSU's can be found on the [QSU instructions](#).

### Project Manager Form

Received with your notice of award letter, this form designates a technical and financial manager for the project. The technical manager is the point of contact for the project ensuring implementation of the project, including the managing of consultants hired. The financial manager, among other things, ensures the correct local match is included in the Local Public Agency's (LPA) budget. These designations are required by the region's STP active program management policies.

### Project Programming Information Form (PPI)

Discussed further in step 3 of the federal process, the PPI is the first step to initiate a project at IDOT District 1 and must be approved before initiating any funding agreements. The PPI must match the CMAP TIP in order to be approved and for federal funds to be authorized.

# Engineering

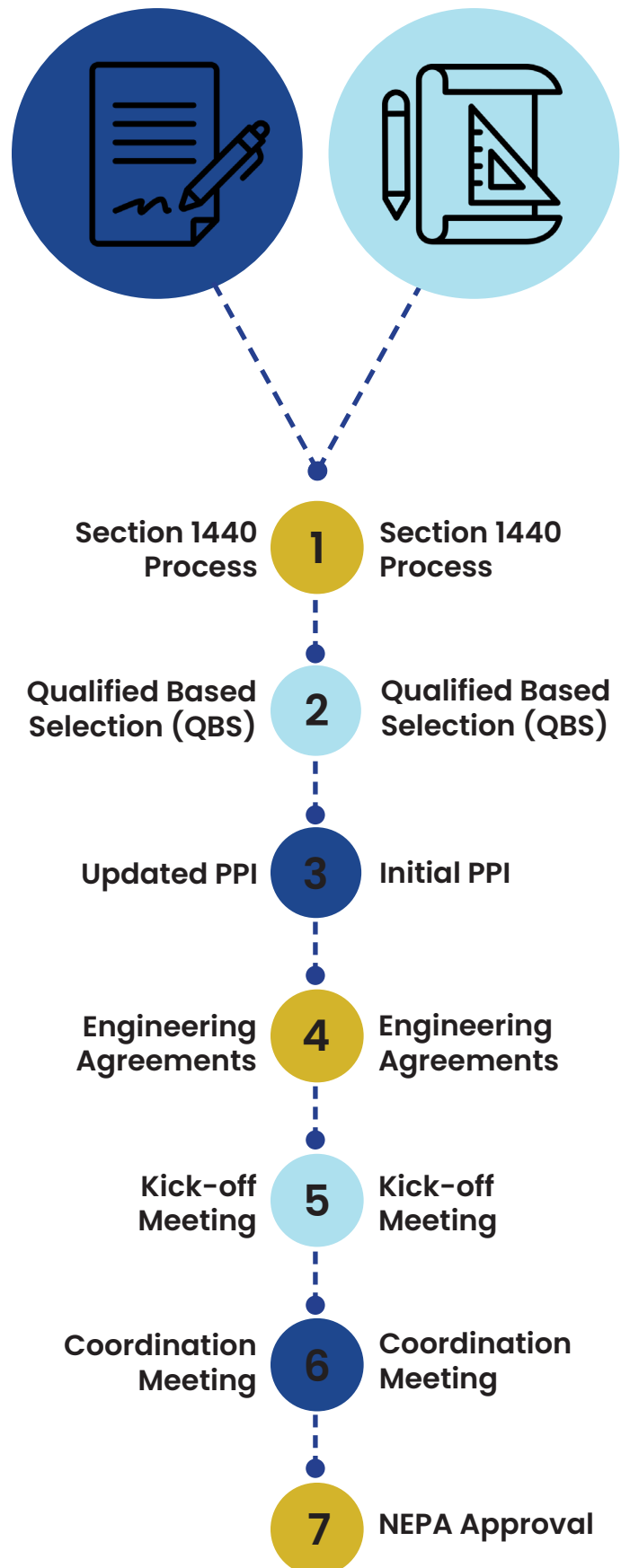
## 1 The Section 1440 Process

Leveraging the Section 1440 process allows the LPA to advance engineering work at an earlier date using locally sourced funds while agreement approvals are processed. Once approvals have been obtained, the LPA can request federal reimbursement for costs incurred. If all federal guidelines are not followed, or approvals not received, the LPA risks not receiving reimbursement. Further, use of the Section 1440 process does not change obligation deadline requirements under active program management policies. To ensure agreements are executed and federal funds authorized by the assigned deadline, it is recommended sponsors initiate the 1440 process at least 12 months prior to their obligation deadline.

Early on in project initiation, project sponsors should decide if they want to utilize the 1440 process. Additional information on the 1440 process can be found in [IDOT circular Letter 2021-10](#). If the 1440 process is not used, sponsors should expect approximately 9-12 months for approvals to execute the agreements.

## 2 Qualified Based Selection (QBS)

Selecting a consultant to complete your federally funded work is the first step in implementation. LPA's are required to use QBS where engineering agreements are for \$40,000 or greater of federal funds. The small purchase procurement method must be followed for any engineering contracts that are estimated to be below \$40,000. A QBS includes a competitive negotiation method of procurement for engineering and design related services. A series of required steps must be taken by the LPA to fulfill QBS policies and procedures outlined in Chapter 5 of the [BLRS manual 5-5.06](#). The LPA can include the option for the consultant to perform one or more phases as part of the original selection to mitigate the need for multiple QBS processes for a project.



### 3 Project Programming Information Form

A PPI is the first step to initiate a project at IDOT District 1 and must be approved before initiating any funding agreements. The PPI is what activates your project in the IDOT financial database. A PPI summarizes the scope and funding, including phase allocations and local match requirements, of a project. The initial PPI for a project establishes the state job and federal project numbers for each phase of the project. It is the project sponsor's responsibility to complete the initial PPI and any subsequent revisions.

The PPI must match the CMAP TIP in order to be approved and for federal funds to be authorized. All PPI's must be submitted and processed through the appropriate Planning Liaison (PL) or TIP programmer, who will then submit on to IDOT. PPI's submitted directly from the project sponsor or their consultants will not be accepted by IDOT.

Any time a project change is made that impacts information detailed on the PPI, the project sponsor needs to update and resubmit the PPI to their PL or TIP programmer for transmittal to IDOT. Be sure to always obtain the current version of the PPI form from the IDOT website. Submitting an old version of the form will cause it to be rejected by IDOT and may delay the project.

Note: For projects located in Kendall, Grundy, or DeKalb counties within IDOT District 3, PPI forms are currently not required.

**Timeline to prepare:** After award notice, and prior to the start of the year in which federal funds are programmed

**Timeline for approval:** Approximately two weeks

**Final Deliverable:** Approved copy from IDOT

### 4 Funding & Engineering Agreements

#### *Funding Agreements*

Following the initial PPI approval by IDOT, project sponsors should prepare the appropriate BLRS 5310 form for submittal and send it to their PL for review and final submittal to IDOT. Funding agreements are project sub-award agreements between the State DOT and the local public agency that makes the funding available. There are two types of funding agreements:

- BLR 05310PE: used for engineering 1, engineering 2, and ROW
- BLR 05310C: used for construction and construction engineering

Like the PPI, engineering agreements need to be submitted to IDOT directly from the appropriate Planning Liaison.

Engineering work is typically completed in three phases: Engineering 1 (or Preliminary Engineering), Engineering 2 (Design Engineering), and Construction Engineering (sometimes called Engineering 3).

Engineering 1 includes initial cost estimates and environmental assessment, found in [BLRS Manual 18-2](#), and may include preliminary design drawings. State job numbers assigned to items prepared during Preliminary Engineering will start with a 'P.' The final product from Engineering 1 is a Project Development Report (PDR, BLR 22210), which may be as simple as a one-page form, or as complex as a full Environmental Impact Statement (EIS), depending on the scope and potential impacts of the project. IDOT approval of the final form or report is known as "Phase 1 Design Approval" and is a critical milestone for project implementation.

Engineering 2 includes final design drawings, construction plans and specifications, cost estimates, utility plans, and construction bid packages. State job numbers assigned to items prepared during Design Engineering will start with a 'D.' The final product from Engineering 2 is the Plans, Specifications, and Estimates (PS&E) package. The PS&E should be submitted 9 weeks prior to the scheduled letting date. In most cases, each engineering phase is authorized separately. Note that agreements for Engineering 2 cannot be approved until Design Approval is received from IDOT. Additional information on Design Approval can be found in [Chapter 22, Section 2 of the BLRS Manual](#). All agreement forms are available on the [IDOT website](#) under Local Roads and Streets.

#### *Engineering Agreement*

If project sponsors hire a consultant to perform engineering services, regardless of the phase, a Local Public Agency Engineering Services Agreement (BLR 05530) is required. If the sponsor will complete federally funded engineering work using in-house staff, a Request for Engineering Services to be Performed by Local Public Agency Employees (BLR 05540) form is

required. The appropriate form should be completed by the project sponsor and sent to the PL for review and submittal to IDOT, along with the corresponding draft Local Public Agency Agreement for Federal Participation (BLR 05310) form (discussed in previous section) for the current phase of the project. IDOT will not accept agreement submittals directly from project sponsors; the submittal to IDOT must be made by the PL.

**Timeline to prepare:** After QBS is completed and before beginning any work

**Timeline for approval:** Approximately 9-12 months

**Final Deliverables:** Executed agreement

## 5 Kick-off Meetings

Kick-off meetings are required to initiate a project with IDOT. Most projects have both a Phase 1 and Phase 2 kick-off meeting. The timing of kick-off meetings is influenced by project funding. Topics covered at the kick-off meetings include:

**Phase 1:** discussion of the preliminary project scope, funding, and schedule with the IDOT Field Engineer. Additionally, a preliminary determination is given on the type of environmental processing that will be required. The section number to be utilized for the project is typically confirmed at the kick-off meeting

**Phase 2:** discussion of final project scope, funding, and schedule with the IDOT Field Engineer and to review commitments made as part of the phase 1 design approval.

If federal funds are being used for either phase, all agreements must be executed and a notice to proceed issued prior to the kick-off meeting to ensure expenses for attending the meeting are eligible for reimbursement.

Contact your planning liaison to schedule a kick-off meeting. The planning liaison will coordinate the meeting with IDOT, D-1, and the BLRS Field Engineer.

## 6 Coordination Meetings

District Coordination meetings involve the project sponsor, IDOT, FHWA, CMAP, and PLs. District 1 meetings are held monthly, always on a Tuesday (either the 1st, 2nd, or 3rd Tuesday of the month), according to the schedule that is approved annually by FHWA and CBLRS. District 3 meetings do not follow a

set schedule, but typically occur every other month. The goal of the coordination meeting is to determine early in the process the purpose and need, logical termini, environmental and public involvement requirements, and the class of action for a project (State Categorical Exclusion (CE), Federal CE, Environmental Assessment (EA), or Environmental Impact Statement (EIS)). See [BLRS Manual Chapter 18](#) for more information.

IDOT and FHWA serve as joint lead agencies during this process with active participation and submittal of final reports required by the LPA. The LPA is responsible for project implementation. The information, discussions, and decisions made during this meeting are important as they impact the cost, scope, length of each phase, and the target letting date. TIP and conformity requirements are also routinely discussed at this meeting.

Minutes of the coordination meeting must be recorded by the LPA or their consultant. Once completed, the minutes are sent to the district who will then distribute to IDOT Central Office Bureau of Local Roads and Streets (CBLRS) and FHWA for review.

**Timeline to Schedule:** Contact field engineer no later than 3 weeks prior to the next scheduled meeting to have your project added to the agenda.

## 7 NEPA Process

There are three types of Environmental processing for projects: categorical exclusion (CE), environmental assessment (EA), and an environmental impact statement (EIS). The type that applies to each project is determined based on the likely impact a project will have on an area. A preliminary determination of the environmental processing will be made at the Phase 1 kick-off meeting. Final determination may not be made until the results of the Environmental Survey Request (ESR), if required, are received, and/or until a federal coordination meeting is held. [Chapter 18 of the BLRS Manual](#) covers general environmental procedures for federally-funded projects. [Chapter 19 of the BLRS Manual](#) details what qualifies as a CE, and what processes and documentation apply. If any environmental studies are required, details of those requirements and processes are found in [Chapter 20 of the BLRS Manual](#).