STP Active Program Management:
Revised Policy Framework for STP
PSC Discussion
May 23, 2018
Today’s goals

- Review revised policy framework
- Discuss next steps in policy development
Review: Initial Staff Proposal

- Proposal applies to Local Programs (Councils and CDOT) and the Shared Fund
- Four components:
  - Program Development
  - Project Management
  - Program Management
  - Additional Provisions
Proposal: Program Development

No revisions

- Calls for Projects
- Active Programs
- Contingency Programs
Proposal: Project Management

No revisions

- Training
- Designated Project Managers
- Quarterly Status Updates
Revised Proposal: Program Management

- **Obligation Deadlines**
  *Revised: Project phase extensions; Limited extension of unused programming authority*
  - Goal is to obligate 100% of mark by end of FFY (9/30)
  - Flexibility to reprogram to accomplish goal
  - *Revised*: Project Phase Extensions
  - *New*: Limited extension of unused programming authority

- **Active Reprogramming**
  *No revisions: Clarifications/Samples*

- **Carryover Limitations and Redistribution of Unobligated Funding**
  *New: Access to redistributed funds*
Revised Proposal: Obligation Deadlines

Project Phase Extensions

- **Revised:** Phase 1 or Phase 2 Engineering or Right of Way: *6 months* (to Mar 31)
- **Construction:** 6 months (to the pre-final submittal date associated with the April state letting)
- Must request by TBD date in April
- Selecting body staff decides, based on ability to meet extended deadline
- If request denied, can appeal to selecting body or choose other options
- If approved, programmed funds can be carried over (subject to limits)
Extension granted to individual project phase

Each phase can only be granted one extension

Can actively reprogram (replace with a different project/phase) an extended project phase
  - No future extensions for the reprogrammed project phase or replacement project phase
  - Replacement project phase must meet deadlines of project phase it replaced

If not obligated by extended deadline:
  - All project phases moved to contingency program (and must reapply next call if not advanced)
  - Funds carried over with phase are withdrawn from local program and redistributed to Shared Fund
  - Project phase will not be eligible to access Shared Fund to move forward or receive cost increases
## Proposal: Active Reprogramming

### Examples – delayed project phases

<table>
<thead>
<tr>
<th>Date</th>
<th>Status</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>10/1/2020</td>
<td>Phase 1 started in September, no significant env. impacts anticipated – DA expected 3/1/2021</td>
<td>Phase 2 programmed in FFY 21; CON in FFY 22</td>
</tr>
<tr>
<td>11/15/2020</td>
<td>Discovered soils tests will be needed, but can’t be completed until the ground thaws in the spring – revised DA date 8/1/2021</td>
<td>Phase 2 should be reprogrammed in FFY 22 (and CON in FFY 23) to avoid missing deadlines</td>
</tr>
<tr>
<td>10/1/2021</td>
<td>Phase 2 in progress – target letting April 2022, pending ROW clearance</td>
<td>CON programmed in FFY 22</td>
</tr>
<tr>
<td>3/30/2022</td>
<td>ROW not certified due to one parcel going to condemnation proceedings – new target letting June 2022</td>
<td>No program changes</td>
</tr>
<tr>
<td>4/30/2022</td>
<td>December 2021 court date set, but sponsor will continue efforts to settle out of court.</td>
<td>Three options: Reprogram CON in FFY23 Move CON to Contingency until ROW clears Request an extension (to March 2023)</td>
</tr>
</tbody>
</table>
Proposal: Active Reprogramming
Example – funds available

- $700K is available in the current year. Several ready projects could use funds:
  - Project A: construction bids were $210K higher than the programmed amount
  - Project B (contingency): received DA and is ready to obligate $150K for Phase 2 Eng.
  - Project C (contingency): completed QBS and is ready to obligate $400K for Phase 1 Eng.

- Option: Prioritize funding for the highest ranked projects that fit available funding
  - ($210 for Project A, $150 for Project B, unprogrammed: $330)

- Option: Prioritize active projects over contingency & maximize use of funds
  - ($210 for Project A, $400 for Project C, unprogrammed: $90)

- Option: Maximize number of projects & utilize all available funds
  - ($150 for Project B, $400 for Project C, $150 for Project A, unprogrammed: $0)
Revised Proposal: Program Management
Carryover Limitations & Redistribution of Unobligated Funding

- No more than the annual allotment can be carried over at the end of each FFY

- **Revised Carryover can be from:**
  - Obligation Remainders
  - Funds programmed for a project(s) granted an extension
  - Unprogrammed funds, under certain circumstances

- Unobligated funds not carried over will be redistributed to the shared fund

- **New!** Councils and CDOT will be able to access the shared fund for cost increases and for accelerating ready to obligate phases from both out years and contingency programs

- **Revised Carryover cannot be from:**
  - Unprogrammed funds
  - Projects that proceeded at their own risk
Revised Proposal: Carryover Limitations

New! Carryover of Unprogrammed Funds

- Council/CDOT unable to actively reprogram in current FFY may carryover funds under these circumstances:

<table>
<thead>
<tr>
<th>Situation</th>
<th>Caveats</th>
</tr>
</thead>
<tbody>
<tr>
<td>No projects are ready to obligate</td>
<td>The council/CDOT can demonstrate a reasonable expectation for using the carried over funds in the following FFY</td>
</tr>
<tr>
<td>Cost of ready to obligate project(s) exceeds balance available</td>
<td>No funds are available from the shared fund to fill the gap and the council/CDOT has not accessed the shared fund in the current FFY*</td>
</tr>
</tbody>
</table>

*If Council/CDOT used shared funds during the year, the amount of carryover will be reduced in order to “pay back” the shared fund

- Carryover will only be available for 6 months (to March 31)
Revised Proposal: Redistribution of Unob. Funding

New! Accessing the Shared Fund for local program projects

- Cost increases
  - Local current year unprogrammed balance must be used first
  - At time of obligation
  - After obligation (high bid, change order, engineering supplement)
  - Lesser of: 20% of programmed STP or Local Program increase limits
  - STP-eligible costs only

- Advancing “ready” out year or contingency projects
  - Must obligate all local program funds before accessing the shared fund to advance projects
  - Extended phases that missed the extended deadline are never eligible to utilize shared funds

- Same guidelines for shared fund projects to access redistributed funds
  - No unprogrammed funds for cost increases and no unobligated funds to advance projects
Revised Proposal: Redistribution of Unob. Funding

Prioritizing access to redistributed funds

- “First ready, first funded” or prioritized access?
  - CON phase before ROW, ROW before ENG?
  - Cost increases before advancing projects?
  - Advancing active out years before contingency?
  - Other considerations?

No Revisions

- Grant Accountability and Transparency Act (GATA)
- Qualifications Based Selection (QBS)
- Assistance for Disadvantaged Communities
- Methodology Considerations
  - Points for project readiness/current status
  - Pavement Management System provisions
  - Minimum scoring to receive funding

- Special Provisions for Initial Calls for Projects
  - Grandfathering existing projects
Active Program Management System development timeline

- **Selection Committee discussion**
  - Jan 2018: issues & options
  - Mar 2018: initial proposal
  - May 2018: revised proposal
  - Sep 2018: Approval

- Discussion of shared fund methodology continues in June

- Summer 2018: council and partner feedback

- Programming cycle begins with call for shared fund projects in Jan 2019 and local program projects in Jan 2020
Summer Feedback

- Combined presentations: APM and Shared Fund
- Draft Shared Fund Program Guidelines/Application Booklet
  - Eligibility and Scoring Criteria
  - Active Program Management Policies
- Draft Active Program Management Guidelines for Local Programs
  - Policies that must be incorporated into local methodologies
- Audiences:
  - Councils/Council Committees – Regular and/or special meetings?
  - Regionwide “Workshop”?
  - Other stakeholders?
Thank you

Staff Contact:
Kama Dobbs
kdobbs@cmap.illinois.gov
312-386-8710