



Efficient Use of Local Federal Funds

ILT 2016 High Priority Initiative

Local Program Leadership Team

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Background



Federal funds
are a vital
resource



Federal funds
come with
stringent
requirements



ODOT is looking
for ways to
support local
agencies





Efficient Use of Local Federal Funds

Project Goals

Improve
ODOT's local
government
program and
processes

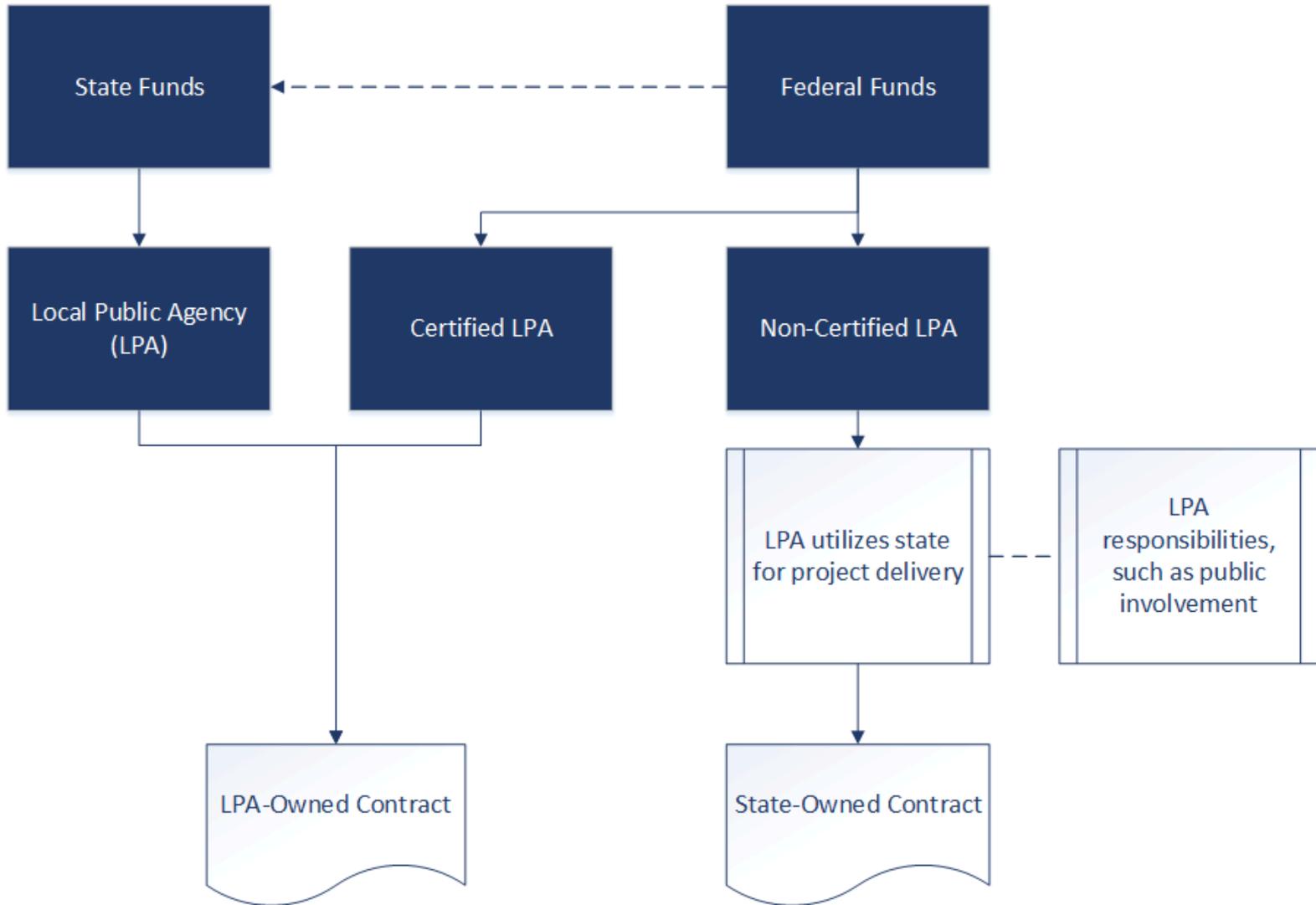
Enable ODOT
to better help
local agencies

Ensure federal
funds are used
fully and
efficiently

Increasing Local Ownership...



Federal-aid Local Project Funding & Delivery Options in Oregon





Business Case

Why now?

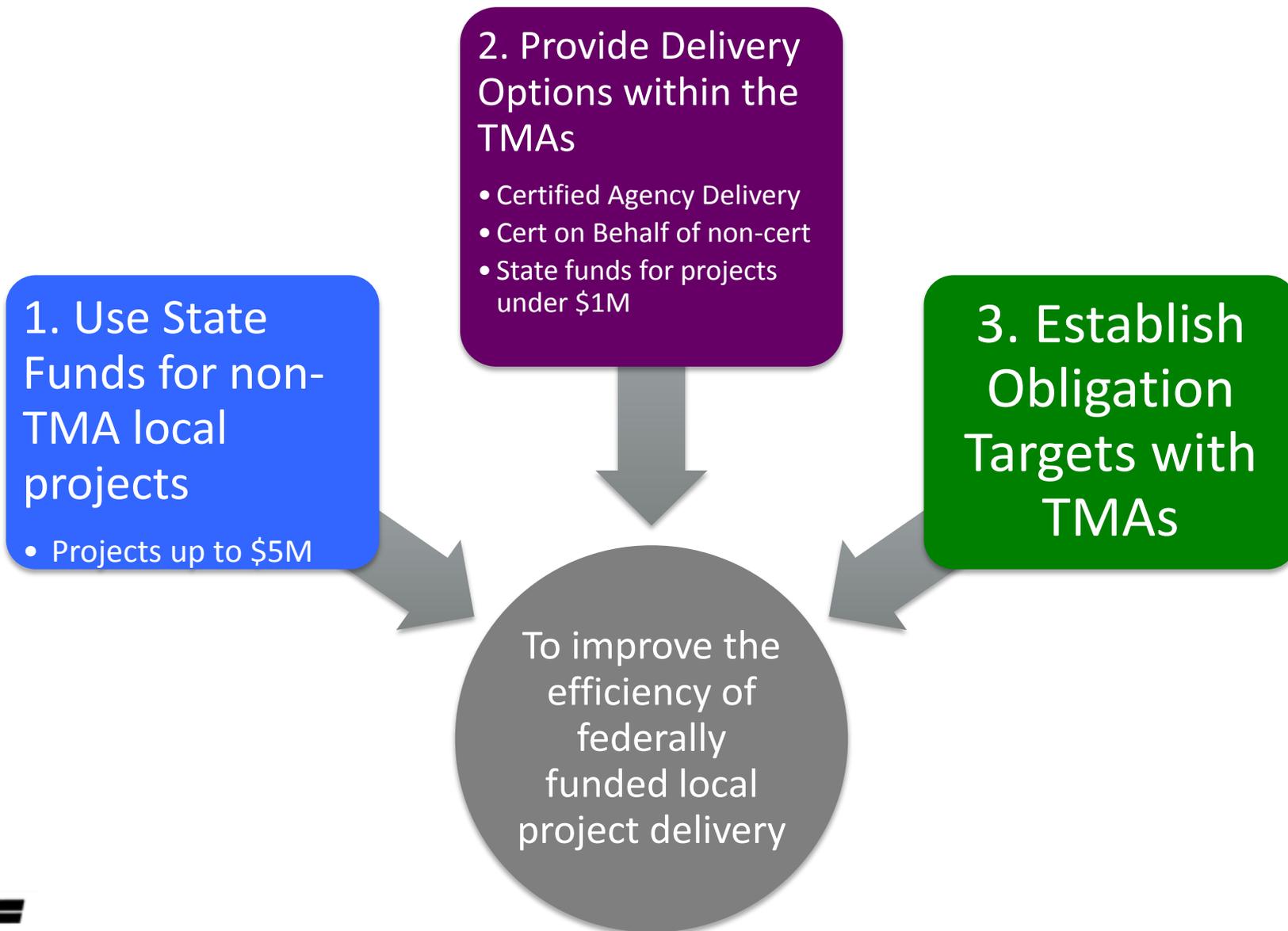
Growing
balance of
unobligated
federal funds

Over-
programming
projects is
unsustainable

Rising costs to
administer the
local program

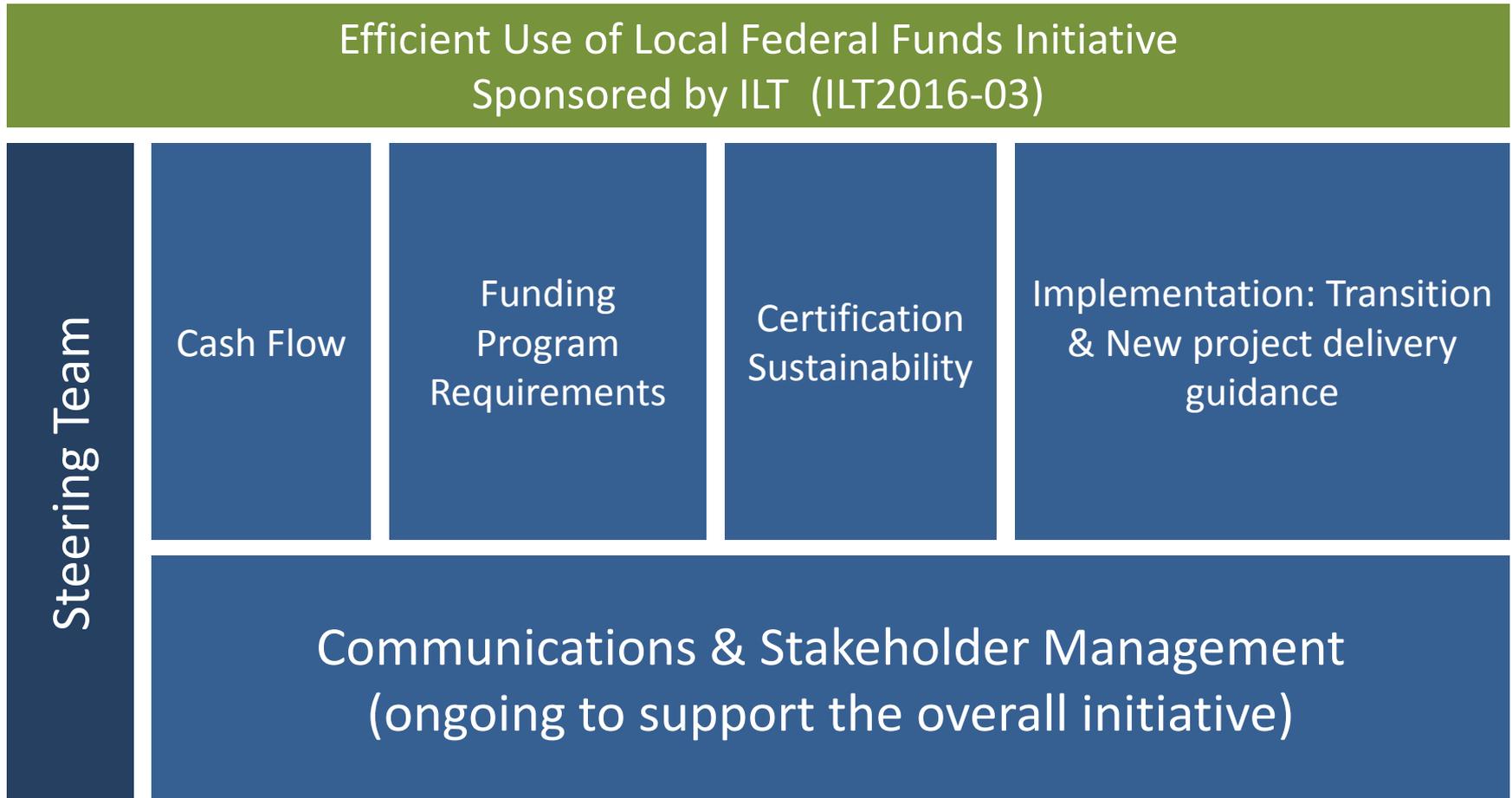


Strategies



Resourcing & project structure

Steering team managing four work streams



Strategy 1: Use State Funds for non-TMA local projects

Direction moving forward

All projects up to 5 million outside of TMAs

Some projects within the TMAs*

Enhance, ARTs and Local Bridge programs

Phased payments

* See following slide



Cash Analysis Results

3 Scenarios reviewed using actual STIP figures

Scenario	2016	2017	2018	TOTAL
1. Projects up to \$1M in TMA and \$2 M outside exchanged	10,771,167	10,322,321	8,771,141	28,864,628
 2. Projects up to \$1M in TMA and \$5 M outside exchanged	36,092,265	28,139,416	33,873,859	98,105,541
3. Projects up to \$1M in TMA and \$8 M outside exchanged	37,210,325	35,844,261	40,687,998	113,742,585

CMAQ funds were included in original scenarios that are referenced in the report on page 5, but later removed.





Strategy 2: Provide Delivery Options within TMAs

Direction moving forward

Fully certify
LPAs already
in the
program

Certify the 1 –
3 agencies
that meet the
new criteria

Develop Cert
on Behalf of
process,
options, tools



Certification Program Changes

Requires all disciplines

Bridge Design is optional; focused on those LPAs that have a need

To meet objectives of this initiative and ensure sustainability of the program

Required for LPAs with 5 or more projects between 2006 - 2018

Streamlined entrance process; with larger focus on compliance



State Fund Exchange within the TMAs

Projects under \$1M

	2016-2018 Transition –based on known projects	2019-2021
Portland Metro	\$12.7M	25% of their local program funds
Salem	\$3.3M	50% of their local program funds
Eugene	\$1.4M	50% of their local program funds





Strategy 3: Establish Obligation Targets for TMAs

Status

Working with
Stakeholders

Identifying Key
Issues

Will Develop
Recommendations in
Summer 2016



Key success factors



Ensure 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 this in the short term and plan ahead to the long term.



Overall Timeline:

March 2016
(completed)

- Be able to answer whether or not our hypotheses regarding the proposed changes still hold true. If not, what modifications need to be made and why.

July 2016

- Have an implementation plan for:
 - TMA delivery options (certification, certification on behalf, or fund exchange)
 - “New” statewide fund exchange
 - Setting and managing obligation targets

Fall 2016

- Have early success stories and testimonials from newly exchanged projects (pilots plus whatever other projects we can flip sooner rather than later)
- October 1st: Flip the switch on the remainder of projects now eligible for state fund exchange



Wrap-up Discussion

Questions on
the direction

Input on
Engagement
Plans

Any concerns
with the
messaging



Thank you.