Federal Economic Stimulus Package & the Georgia Department of Transportation

Association of County Commissioners of Georgia

April 27, 2009
Federal Economic Stimulus Package

Initial Start
On December 11, 2008, the State Transportation Board unanimously passed a resolution in support of the Federal Administration’s consideration of a national stimulus package. Any projects to be considered for inclusion in a stimulus package list must:

- be eligible for federal funding,
- follow all federal regulations, and
- be “ready to go.”

“Ready to go” includes all non-funded projects in GDOT CWP which meet requirements.
American Recovery and Reinvestment Act of 2009

- On February 13, 2009, the US Congress passed the **American Recovery and Reinvestment Act of 2009**.
- The ARRA legislation provides for $787 billion toward investments and tax cuts to stimulate the economy. President Barack Obama signed the legislation on February 17, 2009.
Federal Economic Stimulus Package
Requirements
Federal Requirements for “Shovel Ready”

- Must meet all standard federal eligibility requirements
- Must meet federal functional classification requirements
- Environmental clearances in accordance with the National Environmental Protection Act (NEPA)
- Right of Way acquisition and certification in accordance with the Uniform Relocation Assistance and Real Property Acquisitions Policy Act
- Projects must be included or amended into STIP/TIPs
- Must be “ready to go”
  - Phase 1: Authorize for letting no later than June 30
  - Phase 2: Authorize for letting no later than December 30
Federal Requirements for Transportation Economic Stimulus

- Streamlining
  - Final R/W can be purchased after authorization, no streamlining for environmental
- 100% Federal Share (no state match)
- “Use it... or lose it” – strict obligation deadlines
- Responsibility for oversight/management resides with DOTs
- Must comply with adopted FHWA design standards – Design/Build is an option for project delivery
- Standard federal DBE requirements
- 3-week bid advertisements may be relaxed through FHWA
- No Routine Maintenance
- Jobs stimulation
- Transparency - Reporting on status and funding for each project
The following project priority criteria shall be considered and documented during project selection:

● Three-year completion priority: expenses completed by February 17, 2012
● Provides work in Economically Distressed Areas
● Expeditious project delivery with a goal of obligating at least 50% of the funds not later than June 17, 2009.
● Maximize job creation and economic benefit
  ● Construction
  ● Distribute across state
  ● Maximize number of individual contracts
State of Georgia Requirements

• Governor to certified that state will maintain planned state funding
• Governor must certify and accept responsibility for appropriate use of taxpayer dollars;
• State agencies required to submit ARRA Action Plans
• Agencies may not enter into any agreements or use any funds until budget approval is received by the Governor
• Governor wants to insure meaningful, measurable outcomes
• Agencies will submit regular reports on progress
• All ARRA funding must be segregated and tracked separately
• Governor has assigned an Accountability Officer, Celeste Osborn, to monitor use of funds
Federal Economic Stimulus Package Funding
Transportation Stimulus for Georgia

Total Highways Spending in GA: $931,585,680
For any federal highway purpose under STP program. 100% federal share.

$624,162,406 for projects in any area
50% obligated in 120 days, rest within one year of apportionment.

$279,475,704 for MPOs and areas with population less than 5000.
Obligate within one year of apportionment.

$27,947,570 for Transportation Enhancements
50% obligated in 120 days, rest within one year of apportionment.
Transportation Stimulus for Georgia

Breakdown of STP Sub-allocation

$279,475,704
for MPOs and areas with population less than 5000.
Obligate within one year of apportionment.

$143,993,510
for areas with pop > 200k:
$119M Atlanta
$2.2M Chattanooga
$8.5M Augusta
$7M Savannah
$6.6M Columbus

$118,185,897
for MPOs with pop < 200k

$17,296,297
for rural areas with pop < 5000
To summarize, GDOT has the responsibility to allocate funds to projects for the following funds:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statewide Any Area</td>
<td>$624,162,406</td>
</tr>
<tr>
<td>Mandatory Enhancements</td>
<td>$27,947,570</td>
</tr>
<tr>
<td>Sub-allocation to MPOs &lt; 200k</td>
<td>$118,185,897</td>
</tr>
<tr>
<td>Sub-allocation to rural areas &lt; 5000</td>
<td>$17,296,297</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$787,592,170</strong></td>
</tr>
</tbody>
</table>
Transportation Stimulus for Georgia

Total Transit Spending in GA: $144 Million
For all categories, funds must be obligated in 180 days, 100% federal share. Capital expenses only.

$136 Million
to transit systems and GDOT

$98.7 Million
directly to Urbanized Areas >200k by federal formula

$12.3 Million
to Urbanized Areas <200k through GDOT by federal formula

$7 Million
for MARTA /Atlanta for fixed guideway modernization

$26 Million
to Non-urbanized Areas through GDOT

Georgia Department of Transportation
Transportation Stimulus for Georgia

Transportation Grants: $12.1 Billion

- Nat'l Surface Transportation System - $1.5 Billion
  USDOT discretionary grants, all modes, $20-$300 Million, complete in 3 years. Max 20% ($300 M) to any state. Applications due in 180 days.

- Rail - $9.3 Billion
  $1.3 Billion for Amtrak capital grants. $8 Billion for USDOT discretionary grants for intercity passenger rail infrastructure. Priority on high-speed rail in designated corridors. Up to 100% federal share.

- Airports - $1.3 Billion
  $1.1 Billion for USDOT discretionary grants to airports. 50% awarded within 120 days of enactment, rest within one year of enactment. Georgia has applied and expects about $15 Million.
FAA Discretionary Grants

- Projects selected/designated by FAA from a prior candidate list of ready to go projects
- 5 GDOT projects selected
- GDOT will receive funds directly from FAA for the general aviation airport projects; commercial service airports will receive their funds directly from FAA
- Projects must be under contract by June 2009
FAA Project Selection for ARRA Funding

• Adel-Cook County Airport - $656,000 – Construct Parallel Taxiway
• Alma-Bacon County Airport - $734,000 – Construct Parallel Taxiway
• Brunswick-McKinnon-St. Simons Airport - $4,004,000 – Rehab Terminal Apron
• McRae-Telfair-Wheeler Airport - $890,000 – 1000’ Runway Extension
• Peachtree City-Falcon Field - $2,000,000 – Construct Corporate Apron Area

Total Grant to GDOT = $8,284,000

Total ARRA Funding for airports nationally is $1.1 Billion
Federal Economic Stimulus Package Outreach Efforts
The GDOT Board solicited local elected officials and key stakeholders to submit any federally eligible projects in their areas which would meet the FHWA requirements.

In addition, reviewed State Aid backlog to determine eligibility...
Local Submissions Received prior to March 11th

A total of 893 requests were submitted for ARRA funds

369 Projects were determined to be Eligible

- Eligible Project Submissions included: Roadway Maintenance, Bridge Replacements, Intersection Improvements, Roadway Widening, Streetscapes, Bike/Ped Improvements, Multi-use Trails and ATMS

- 143 of 195 Eligible Roadway Maintenance projects met minimum needs score and totaled approximately $58 Million
Local Submissions Received between March 11th and March 20th

• A total of 1526 requests were submitted for ARRA funds during this period

• Districts should complete their review of all requests submitted from March 11th – March 20th by April 17th

• State Aid will have the District Reports reviewed and compiled by April 30th including a maintenance list with needs and cost
**MPO Outreach to Date**

- Bi-weekly conference calls hosted by FHWA, with FTA, GDOT and all MPOs since January 28th
- In February:
  - All MPOs provided potential ready-to-go projects and requested to provide feedback on prioritization
  - All MPOs notified of FTA funding levels for local transit systems
  - MPOs > 200k notified of sub-allocation funding levels
  - Once local requests were reviewed by GDOT for eligibility, MPOs were notified of additional eligible projects
  - GDOT hosted MPO summit to discuss ARRA second week of March
Federal Economic Stimulus Package
Current Status & Process Steps
Proposed Fund Distribution

• GDOT’s Stimulus Implementation Team includes representatives from FHWA, FTA, ARC, OPB and GRTA

• Team recommended allocation of highway funds among the following categories:
  • Safety
  • Bridges
  • New capacity
  • Maintenance
  • Enhancement

• Project selections based on proposed criteria, time of delivery, federal eligibility and available funding
Current Status & Process Steps

- Proposed Funding Distribution by Categories Approved by the State Transportation Board 2/26/09
- GDOT reviewed projects submitted by local governments prior to March 11
  - $600 Million worth of locally requested projects were represented in GDOT’s original “ready to go” list
  - Eligible/non-eligible posted on web 3/13/09
  - Letters sent to local governments 3/13/09
- Recommend Phase 1 projects to Board 3/19/09
# Georgia’s Prioritization for ARRA Highway Funding

<table>
<thead>
<tr>
<th>Investment Area</th>
<th>Proposed Percentage +/- 10%</th>
<th>Criteria for Project Prioritization</th>
<th>Estimated Funding Excluding Suballocation to MPOs &gt;200k</th>
<th>Estimated Total Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bridges</td>
<td>10%</td>
<td>Bridge Ratings</td>
<td>$78,000,000.00</td>
<td></td>
</tr>
<tr>
<td>Safety</td>
<td>10%</td>
<td>Safety B/C Ratio, Reduce Accidents, Reduce Delay</td>
<td>$78,000,000.00</td>
<td></td>
</tr>
<tr>
<td>Congestion Relief/Capacity</td>
<td>26%</td>
<td>In STIP/TIP, IT3, PPrP scores</td>
<td>$209,644,600.00</td>
<td></td>
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<tr>
<td>Maintenance</td>
<td>50%</td>
<td>Pavement Ratings</td>
<td>$394,000,000.00</td>
<td>Additional distribution to be determined by MPOs&gt;200k Population $143,993,510</td>
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<tr>
<td></td>
<td></td>
<td>Interstate Rehabilitation</td>
<td></td>
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<td></td>
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<td>Resurfacing</td>
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<td></td>
<td></td>
<td>20%</td>
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<tr>
<td></td>
<td></td>
<td>30%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mandatory Enhancements</td>
<td>4%</td>
<td>TE commitment, Ready-to-go</td>
<td>$27,947,570.00</td>
<td></td>
</tr>
<tr>
<td><strong>Total Georgia Funding</strong></td>
<td><strong>100%</strong></td>
<td></td>
<td><strong>$787,592,170.00</strong></td>
<td><strong>$931,585,680.00</strong></td>
</tr>
</tbody>
</table>
Phase 1 selection: GDOT Allocation

- Identify roughly $450 Million (over $1B eligible for Phase 1)
- First pass -- Phase 1 ready to go, selected by approved category prioritization criteria:
  - Safety, Bridges, Capacity, Maintenance, Enhancement
- Second pass -- make adjustments to insure representation across state and in economically distressed areas
- Some congressional districts have more ready to go priorities in Phase 1, others in Phase 2
- All projects that did not make the final selection for Phase One are eligible for Phase Two.
# Georgia’s Proposed Phase 1 for ARRA Highway Funding

<table>
<thead>
<tr>
<th>Investment Area</th>
<th>Proposed Percentage +/- 10%</th>
<th>Estimated Funding for GDOT Allocation</th>
<th>Estimated Total Funding</th>
<th>Proposed Phase 1 Funded with GDOT Allocation</th>
<th>Proposed Phase 1 Funded with Sub-allocation to MPOs &gt; 200k</th>
<th>Total Proposed Phase 1 Projects</th>
<th>Remaining GDOT Allocation for Phase 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bridges</td>
<td>10%</td>
<td>$78,000,000</td>
<td>Additional distribution to be determined by MPOs&gt;200k</td>
<td>$33,527,170</td>
<td>$17,454,780</td>
<td>$50,981,950</td>
<td>$787M Allocation minus $444M GDOT Phase 1</td>
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<td>Safety</td>
<td>10%</td>
<td>$78,000,000</td>
<td>$75,592,828</td>
<td>$9,424,083</td>
<td>$85,016,911</td>
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<tr>
<td>Capacity</td>
<td>26%</td>
<td>$209,644,600</td>
<td>$136,801,753</td>
<td>$24,443,640</td>
<td>$161,245,393</td>
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<tr>
<td>Maintenance</td>
<td>50%</td>
<td>$394,000,000</td>
<td>$178,936,736</td>
<td>$178,936,736</td>
<td>$178,936,736</td>
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<tr>
<td>Interstate</td>
<td>20%</td>
<td>$157,000,000</td>
<td>$29,284,093</td>
<td>$29,284,093</td>
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<tr>
<td>Resurfacing</td>
<td>30%</td>
<td>$237,000,000</td>
<td>$149,652,643</td>
<td>$149,652,643</td>
<td>$149,652,643</td>
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<tr>
<td>Enhancements</td>
<td>4%</td>
<td>$27,947,570</td>
<td>$19,867,022</td>
<td>$16,128,964</td>
<td>$35,995,986</td>
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<tr>
<td>Total Georgia Funding</td>
<td>100%</td>
<td>$787,592,170</td>
<td>$444,725,509</td>
<td>$67,451,467</td>
<td>$512,176,976</td>
<td>$342,866,661</td>
<td></td>
</tr>
</tbody>
</table>

Note: Amounts will vary based on low bid amounts. Adjustment balances will be redistributed.
Current Status & Process Steps

• Board approval on proposed Phase 1 list - 3/19/09
  • 135 Projects, $512 Million
• Agencies may not enter into any agreements or use any funds until budget approval is received by the Governor
• Proceed with TIP/STIP amendments and submit project certifications to Governor
• Governor certifies first 67 projects, $207 Million - April 7
• First ARRA funding obligations submitted to FHWA for May letting
Next 2-3 Months:

- Last day for local submittals 3/20/09
- Complete reviews of additional local requests by 3/31/09
- Complete pavement evaluation and estimates (LARP criteria) for all eligible local resurfacing requests by 4/30/09
- Present Transit and Aviation projects in April
- Present Phase 2 Highway/Bridge recommendation in May
- Announce all via Web page – www.dot.ga.gov/gastimulus
- Monitor and report monthly on each project
  - Increased scrutiny and oversight
  - US GAO and USDOT OIG
Federal Economic Stimulus Package

Questions???

http://www.dot.ga.gov/gastimulus