

Transportation Improvement Program Revision Procedures

Purpose:

The purpose of these Statewide Transportation Improvement Program (STIP) Revision Procedures is to establish consistent standards for revising the Arkansas Department of Transportation's (ARDOT) STIP and the Transportation Improvement Programs (TIP) developed by the State's eight Metropolitan Planning Organizations (MPO). These Revision Procedures were prepared by ARDOT in coordination with the MPOs and with the support and assistance of the Federal Highway Administration and Federal Transit Administration.

Requirements:

The requirements for developing and revising the STIP and TIPs are generally set forth in 23 USC 134, 23 USC 135, and 23 CFR 450. Particular attention is called to the following:

- **General Requirements**

- 23 U.S.C. 134 (j) and 23 CFR 326 set forth general requirements for the development and content of TIPs.
- 23 U.S.C. 135 (g) and 23 CFR 218 set forth the general requirements for the development and content of the STIP.

- **Definitions**

23 CFR 450.104 establishes definitions for relevant terminology, including:

- *Administrative Modification* – means a minor revision to a long-range statewide or metropolitan transportation plan, Transportation Improvement Program (TIP), or Statewide Transportation Improvement Program (STIP) that includes minor changes to project/project phase costs, minor changes to funding sources of previously included projects, and minor changes to project/project phase initiation dates. An administrative modification is a revision that does not require public review and comment, a redemonstration of fiscal constraint, or a conformity determination (in nonattainment and maintenance areas).
- *Amendment* – means a revision to a long-range statewide or metropolitan transportation plan, TIP, or STIP that involves a major change to a project included in a metropolitan transportation plan, TIP, or STIP, including the addition or deletion of a project or a major change in project cost, project/project phase initiation dates, or a major change in design concept or design scope (e.g., changing project termini or the number of through traffic lanes or changing the number of stations in the case of fixed guideway transit projects). Changes to projects that are included only for illustrative purposes do not require an amendment. An amendment is a revision that requires public review and comment and a redemonstration of fiscal constraint. If an amendment

involves “non-exempt” projects in nonattainment and maintenance areas, a conformity determination is required.

- *Design Scope* – means the aspects that will affect the proposed facility’s impact on the region, usually as they relate to vehicle or person carrying capacity and control (e.g., number of lanes or tracks to be constructed or added, length of project, signalization, safety features, access control including approximate number and location of interchanges, or preferential treatment for high-occupancy vehicles).
- *Financially Constrained or Fiscal Constraint* – means that the metropolitan transportation plan, TIP, and STIP includes sufficient financial information for demonstrating that projects in the metropolitan transportation plan, TIP, and STIP can be implemented using committed, available, or reasonably available revenue sources, with reasonable assurance that the federally supported transportation system is being adequately operated and maintained. For the TIP and the STIP, financial constraint/fiscal constraint applies to each program year. Additionally, projects in air quality nonattainment and maintenance areas can be included in the first 2 years of the TIP and STIP only if funds are “available” or “committed.”

- **Financial Constraint**

23 CFR 450.218 (m) requires that “[f]inancial constraint of the STIP shall be demonstrated and maintained by year and shall include sufficient financial information to demonstrate which projects are to be implemented using current and/or reasonably available revenues, while federally supported facilities are being adequately operated and maintained.” 23 CFR 450.326 (k) provides a companion requirement for TIPs.

- **Revisions**

23 CFR 450.218 (n) provides that “subject to FHWA/FTA approval...the State may revise the STIP at any time under the procedures agreed to by the State, MPO(s), and public transportation operators consistent with the STIP development procedures established in this section, as well as the procedures for participation by interested parties[.] Changes that affect fiscal constraint must take place by amendment of the STIP” 23 CFR 450.328 (a) provides a companion requirement for TIPs.

- **Determinations**

- 23 CFR 450.220 (b) provides that “[t]he FHWA and the FTA shall review the STIP or the amended STIP, and make a joint finding on the extent to which the STIP is based on a statewide transportation planning process that meets or substantially meets the requirements of 23 U.S.C. 134 and 135, 49 U.S.C. 5303 and 5304, and 23 CFR 450 subparts A, B, and C of [23 CFR 450]. Approval of the STIP by the FHWA and the FTA, in its entirety or in part, will be based on the results of this joint finding.”
- Similarly, 23 CFR 450.330 (a) provides that “[t]he FHWA and the FTA shall joint find that each metropolitan TIP is consistent with the metropolitan transportation plan produced by the continuing and comprehensive transportation process carried on cooperatively by the MPO, the State(s), and the public transportation operator(s) in accordance with 23 U.S.C. 134 and 49 U.S.C. 5303. This finding shall be based on the self-certification statement submitted by the

State and MPO under § 450.336, a review of the metropolitan transportation plan by the FHWA and the FTA, and upon other reviews as deemed necessary by the FHWA and the FTA.”

Procedures:

Revisions to the STIP/TIP can be classified into two categories – Administrative Modifications and Formal Amendments.

- **Administrative Modifications** are revisions that do not require FHWA/FTA approval. If needed for clarification, these revisions to the STIP/TIP may be noted in the comment field on the Federal-aid Project Agreement form. The following identifies revisions to the STIP/TIP that are considered Administrative Modifications.
 1. Change in schedule consistent with 23 CFR 450.218 (n).
 2. Modifications to the project description/length/termini that do not significantly change the project design scope, conflict with the environmental document, or impact transportation conformity (in non-attainment areas).
 3. A project split or a combination of individually listed projects that do not result in a significant change to the overall scope.
 4. For FTA funded projects:
 - a. Funding increases or decreases that are more than 20 percent of the STIP/TIP project estimate, including transfers of eligible funding between projects (*e.g.*, between capital and operating assistance projects). Funding increases or decreases that are less than or equal to 20 percent of the STIP/TIP project estimate require no action; and
 - b. Programming or reprogramming of funding carried over from previous years, including previous STIPs/TIPs, to projects in the current STIP/TIP.
 5. Change in source of Federal funds including advanced construction.
 6. Change in the project’s lead agency.
 7. Obvious data entry errors.

- **Formal Amendments** are revisions that require FHWA/FTA approval and must go through a public involvement process in accordance with the respective public involvement procedures of ARDOT (for STIP amendments) or the MPO for (TIP amendments).
 1. Funding a new or illustrative project or phase of a project.
 2. Deleting a project or phase of a project.
 3. For FHWA funded projects, funding increases or decreases that are greater than \$50M and 25% of the STIP/TIP cost estimate.
 4. Adding Federal funding to a project currently funded with State or Local funding only.
 5. Modifications to the project description/length/termini that significantly change the project design scope, conflict with the environmental document, or impact transportation conformity (in non-attainment areas).

See Attachment 2 for an example of an Amendment form for a revision in an MPO area and Attachment 3 for an example of an Amendment form for a revision outside an MPO area. The following identifies revisions to the STIP/TIP that require Formal Amendments. ARDOT and the MPOs shall document all

Administrative Modifications and Formal Amendments to their respective STIP/TIPs on their public-facing websites.

Financial Constraint – Demonstrations and Determinations:

The STIP and TIPs must be financially constrained by year and include sufficient financial information to demonstrate that funding is or will be available to implement proposed projects (23 CFR 450.218 (m)).

- **Demonstrations:** ARDOT and the MPOs are responsible for demonstrating financial constraint in their respective STIP and TIPs (23 CFR 450.218 (m) and 23 CFR 450.326 (k)). For the purpose of demonstrating financial constraint in the STIP/TIP, Federal funding may be based on authorization levels for each year of the STIP/TIP, although obligation authority limitations could be used as a more conservative approach.

For FHWA funded projects, the demonstration of STIP/TIP financial constraint will summarize amendments and administrative actions on a quarterly and annual basis in a Funds Management Report. These reports will be provided by ARDOT to the MPOs and FHWA.

- **STIP/TIP Funds Management Reports for FHWA Funded Projects:** In order to better manage the STIP and TIPs, and to provide decision makers with timely and accurate information about programmed projects, ARDOT has established a financial reporting procedure. At the end of each quarter, ARDOT will provide a STIP/TIP Funds Management Report on actual Federal obligations and state encumbrances for that year to the MPOs and FHWA. At the end of the Federal fiscal year, ARDOT will provide a Summary Report of all obligations and encumbrances to the MPOs, FHWA and FTA. This documentation will continue to demonstrate STIP/TIP financial constraint.
- **Determinations:** FHWA and FTA are jointly responsible for determining whether the STIP/TIP and any amendments thereto are consistent with Federal planning requirements (23 CRR 450.220 (b) and 23 CFR 450.330 (a)). It is also the responsibility of FHWA and FTA to determine whether each project agreement or grant request maintains the financial constraint of the STIP/TIP. ARDOT will provide information necessary to make those determinations upon request.