



Chapter Seventeen

**PLANNING AND PROGRAMMING**

BUREAU OF LOCAL ROADS AND STREETS MANUAL



**Chapter Seventeen**  
**PLANNING AND PROGRAMMING – Federal Funds**

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## Chapter Seventeen

# PLANNING AND PROGRAMMING – Federal Funds

### 17-1 STATE PROPOSED HIGHWAY IMPROVEMENT PROGRAM

#### 17-1.01 Seven-Year Highway Improvement Program

The Office of Planning and Programming (OPP) is responsible for development of the multi-year highway program. OPP works with the nine highway districts to develop priorities for specific improvement projects that meet IDOT's overall accomplishment goals. This collective set of candidate projects from throughout the State is then analyzed further to develop multi-year programs within the fiscal limitations of projected revenues and which best meet IDOT's goals. Through these efforts a Seven-Year Highway Improvement Program is developed.

Federal funds are made available to local agencies through IDOT for use on various construction programs. Part of the Illinois apportionment is allocated to local agencies based on accepted distribution formulas. Included in the Seven-Year Highway Improvement Program are local agency Federally-funded projects scheduled for the first 3 years of the Seven-Year Program.

OPP works through the Central BLRS to identify these projects. Each district is given a program mark based on anticipated allocations of Federal funds. The district then works with the local agencies to identify projects to be included in the program. During the early stage, the local agency should determine whether the project would be accomplished using one or several contracts. This decision is based on the complexity of the project, project costs, and the availability of Federal funds. Each local agency analyzes its priorities and available Federal funds plus the necessary matching funds. This enables the local agency to prepare its multi-year program. The local agency should check with the appropriate district office for the individual requirements on program submission. The district categorizes and reviews all program requests to ensure that the total program costs fall within funding restraints. The district program is then submitted to the Central BLRS. The Central BLRS reviews all programs for Statewide funding restraints and then coordinates the districts' submittals with OPP.

#### 17-1.02 Annual Highway Improvement Program

##### 17-1.02(a) Development

Projects in the multi-year program that are scheduled within the current fiscal year become part of the Annual Highway Improvement Program. The Annual Program may include only a portion of the entire project (e.g., engineering, land acquisition, utility adjustments, construction). When Federal funds are used for any of these items, the item is identified as a separate line item in the Annual Program. Any non-participating cost to be included in a State contract must be included in the program cost. The preliminary program for the upcoming fiscal year is furnished

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to the State legislature in April. During the following month, the program is finalized and is scheduled for printing in June.

### **17-1.02(b) Annual Program Revisions**

A number of substantial increases in project cost estimates may have occurred on local projects between the time of their inclusion in the Annual Highway Improvement Program and the time of joint agreement development. These cost increases have an impact on the State appropriation available for accomplishment of the Annual Program.

In an effort to minimize the effect of cost increases on the Annual Program, the local agency should provide the district with revised cost estimates as soon as practical in order to avoid delaying projects from letting. It is very important that the district maintain the most current cost estimates. The district should submit program revisions as soon as practical to the Central BLRS for the following types of projects:

- projects less than \$1,000,000, if the estimated cost of the project increases by more than 20% over the programmed cost; or
- projects greater than \$1,000,000, if the estimated cost of the project increases by more than \$200,000 or 10%, whichever is greater.

The Program revision request should include program deletions to accommodate the cost increases. If the programming costs of other projects are being reduced to accommodate the increased program estimates, submit a brief explanation for the other project's changes so that the reduction in cost can be included. Requests should be submitted a minimum of 10 weeks before the scheduled letting.

When it is determined that a project in the Annual Program will not be accomplished during the fiscal year, a request by the district to substitute another project should be made as soon as practical.

## 17-2 FEDERAL PLANNING REQUIREMENTS

The planning process involves the development of projects, decisions on funding, and the determination of construction priorities. The Central BLRS and districts assist local agencies with project coordination.

### 17-2.01 Statewide Transportation Improvement Program

The *Federal Transportation Funding Act* requires that a State establish a minimum 3-year Statewide Transportation Improvement Program (STIP) for highway and transit projects that are Federally funded or require Federal action. This program is updated every year. Projects that are not considered of significant scale for individual identification may be grouped by function, work type, and/or geographic area.

The first 3 annual elements of IDOT's Seven-Year Highway Improvement Program are used as a basis for the development of the highway portion of the STIP. The portion of the STIP for projects located in urbanized areas is developed in cooperation with the Metropolitan Planning Organizations (MPO's). Section 17-2.02 gives additional details of the MPO requirements. The State and the affected local officials select other projects. The responsible party for highway planning work at the local level is dependent on the type of area in which the project is located. The following presents the appropriate local official for each area type:

1. Rural. The chairman of the appropriate county board or designated representative, typically the county engineer, is responsible for the planning. The appropriate local official and the district formulate and establish the need and priority of construction projects.
2. Urban. A committee composed of county, city, and district representatives typically conducts planning for an urban area.

IDOT must provide citizens, affected agencies, and other interested parties a reasonable opportunity to comment on the proposed STIP. The STIP is published with reasonable notification of its availability. Upon completion of the public involvement review process, the STIP is submitted to the FHWA and the Federal Transit Administration (FTA) for approval. Approval of the STIP allows IDOT to proceed with the authorization of Federal funds for highway and transit projects. Projects not included in the Federally approved STIP will not be eligible for Federal funding.

Projects included in the STIP can be advanced to or deferred from the first annual element without additional action or approvals. Projects being added to or deleted from the STIP that are of significant scale for individual identification are considered amendments and will require an opportunity for public review and comment and approval by the FHWA and FTA. The implementing local agency will be responsible for public involvement on the STIP amendment.

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**17-2.02 Metropolitan Planning Organizations**

23 USC 134 requires that an MPO be designated for each urbanized area and that the metropolitan area has a continuing, cooperative, and comprehensive (3-C) transportation planning process that results in plans and programs that consider all transportation modes and support metropolitan community development and social goals. The Governor has designated an MPO for each urbanized area. Figure 17-2A lists the MPO for each urbanized area. The MPO is responsible, along with IDOT, for administering the 3-C process. This type of planning results in transportation improvement plans and programs consistent with the planned development of the urbanized areas and assists in determining the transportation modal choice.

<b>URBANIZED AREA</b>	<b>METROPOLITAN PLANNING ORGANIZATION</b>
St. Louis	East-West Gateway Coordinating Council
Beloit	Stateline Area Transportation Study
Bloomington-Normal	McLean County Regional Planning Commission
Champaign-Urbana	Champaign County Regional Planning Commission
Rock Island-Moline	Bi-State Regional Planning Commission
Decatur	Macon County Regional Planning Commission
Dubuque	East Central Intergovernmental Association
Kankakee	Kankakee County Regional Planning Commission
Peoria	Tri-County Regional Planning Commission
Rockford	Rockford Area Transportation Study
Springfield	Springfield Area Transportation Study
Danville	Danville Area Transportation Study
DeKalb	DeKalb-Sycamore Area Transportation Study
Aurora, Chicago, Crystal Lake, Elgin, Joliet, Round Lake Beach	Chicago Area Transportation Study

**METROPOLITAN PLANNING ORGANIZATIONS****Figure 17-2A**

IDOT provides fund estimates (program marks) to the MPOs. These estimates can be used in developing the metropolitan Transportation Improvement Program (TIP) using the MPO's procedures for actions/approvals. The TIP must cover a period of not less than 3 years. The TIP may be modified at any time consistent with the procedures established for its development and approval. While the TIP does not need to be approved by the FHWA or FTA, copies of any new or amended TIP must be provided to both agencies. The TIP is included without modification into the STIP by reference.

The first year of the TIP constitutes an "agreed to" list of projects for project selection. No further project selection action is required to proceed with these projects. If an agency wants to proceed with a project in the second or third year of the TIP, the project must be added to the annual element in accordance with the MPO's selection procedures.

### **17-2.03 Value Engineering**

#### **17-2.03(a) Applicability**

VE is applicable to all federal-aid highway projects with an estimated cost of \$25 million or more and all federal-aid bridge projects with an estimated cost of \$20 million or more.

#### **17-2.03(b) Project Selection**

Each district identifies applicable projects during the preparation of the multi-year program. Due to the complexity and scope of large projects, more than one VE study may be desirable. Other projects not meeting the definition may be selected for this program. The District shall notify the central office and FHWA of the identified projects as part of the multi-year plan development.

#### **17-2.03(c) Project Cost**

Costs associated with environmental studies, preliminary engineering, final design, land acquisition and construction should be used in determining the selected project's cost. The project cost includes state, local agency, and federal-aid highway funds.

#### **17-2.03(d) Scope of Studies**

1. Initiation of VE Study. Schedule VE studies in such a manner so as not to cause delay of the project. For a Phase I report with multiple construction contracts, develop a plan for conducting the VE study(s) based on the Phase I considerations and the nature and complexity of the work type, (e.g., one VE study may cover alike construction projects). A single VE study should cover as many construction contracts under the single Phase I report as practicable and beneficial. The VE study should be initiated as close to the completion of the Phase I report as possible. Initiate the VE study no later than the time the construction plans are 30% complete and to allow for the implementation of the recommendations without delaying the project. The VE study should be, at the least, scheduled when the Phase I report is completed.

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2. Team Makeup. The VE team, selected by the district, consists of individuals not personally involved in the design of the project. The team leader should have attended the NHI course on Value Engineering or have equivalent experience in the preparation of VE studies. When making up the team, take into account the following:
  - Draw team members from either the district or central office;
  - Consider individuals from specialty areas depending on the project scope;
  - Assign personnel from construction, maintenance, and studies and plans (as applicable);
  - Include representatives from environment, operations, and land acquisition as necessary;
  - Include individuals from the public and other agencies when in the public interest;
  - Participation by FHWA members is encouraged where feasible;
  - Participation by the central office is encouraged; and
  - Invitation of IDOT personnel from nearby districts should be considered.

Qualified consultants may be retained to conduct VE studies provided the consultant has not worked on the subject project or the consultant maintains an independent VE study team.

3. Process. To best accomplish the goals of Value Engineering, the districts have considerable latitude in determining the type, size, and complexity of a VE study. Value engineering studies should follow widely recognized problem solving principles.
4. Final Report. Each Study concludes with a formal VE report, which outlines the decisions and recommendations and is presented to the Deputy Director/Regional Engineer or his/her representative. Each district establishes a procedure for prompt review and implementation of the approved recommendations. When any recommendation is a major change to an approved Design Report or is a design exception to policy, the recommended change is coordinated through the appropriate central bureau.
5. Monitoring. Each district appoints a VE coordinator who is knowledgeable in VE studies and trained in VE procedures. The VE coordinator's responsibilities include monitoring each VE study from initiation through the final report, reviewing the report, and assisting in the implementation of the findings. As there may be local projects meeting this threshold, the district VE coordinator will be responsible for coordinating both state and local roads administered projects. During the month of October, each year, the district VE coordinator sends the Bureau of Design and Environment's VE coordinator a list, which itemizes the total number of VE studies conducted over the past year and the estimated cost savings for each study. BDE will summarize the information and forward it to the FHWA. The central office BDE VE coordinator will compile an annual list of

approved recommendations from all VE studies completed within that year. This report shall be compiled and highlights presented at the fall project development meeting.

**17-2.03(e) Constructability Reviews**

Constructability reviews are a useful tool for complex or unusual projects and are encouraged as a cost or time saving measure. These reviews may include the use of IDOT personnel, unassociated with the project, or consultant/contractor teams that would not be bidding on the project. These reviews would not typically be making complex design change recommendations as would be expected in a full VE study. The constructability review would focus upon staging issues, work staging areas, field expedient procedures or methods, and similar activities focused upon accelerating or enhancing the proposed design.

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**17-3 CLEARINGHOUSE COORDINATION****17-3.01 Policy**

Clearinghouse coordination is a State-controlled process, which was established after Federal Executive Order 12372 revoked the Office of Management and Budget's (OMB) Circular A-95. It offers States and local agencies the opportunity to initiate and establish their own review procedures and priorities. Under the Executive Order, States can decide which activities to review and how they should be reviewed. The Executive Order encourages States to establish a single point of contact, through which all reviews can be focused. In Illinois, the single point of contact for Statewide review is the Illinois Department of Commerce and Economic Opportunity. Substate Clearinghouses have been created for regional reviews in many areas of the State. The FHWA is obligated to cooperate with the State-established process and must provide an explanation if State clearinghouse comments are not accommodated.

**17-3.02 State Clearinghouse Review****17-3.02(a) Exempt Projects**

A State Clearinghouse review is not required on projects that meet all of the following criteria:

- consist of rehabilitation or modernization of existing facilities;
- do not change the use, scale, or intensity of use of existing facilities; and
- do not require additional right-of-way or easement.

All other projects using Federal funds will require a clearinghouse review.

**17-3.02(b) Procedures**

IDOT has developed these procedures in coordination with the State Clearinghouse and, as a result, they apply only to the State Clearinghouse review process.

Each local agency and district should review its entire annual and multi-year programs to determine if contact with the clearinghouse will be required for the implementation of its projects. The scheduling of submissions to the State Clearinghouse should allow for clearinghouse review time, which ranges from a minimum of 30 days to a maximum of 60 days exclusive of mailing time and Central BLRS review.

There are two types of notices required for clearinghouse review – the Early Warning Notice and the Design Stage Notice. The following briefly describes these two types of notices:

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1. Early Warning Notice. The Early Warning Notice is usually initiated in the early stages of a project (e.g., at Federal authorization on preliminary engineering funds). Limited information will normally be available, and many items will be completed using estimated or preliminary information. If detailed information is available, a Design Stage Notice should be used rather than an Early Warning Notice.

The local agency should prepare the Early Warning Notice and should forward 3 copies to the district. The Central BLRS will review the Notice for compliance with these procedures and forward it to the State Clearinghouse. The Notice should consist of a completed Project Notification and Review Form (Form BDE-2126). Once the Notice has been forwarded to the Central BLRS, preliminary engineering may be authorized by the FHWA.

The clearinghouse will distribute the information to its reviewers and, in approximately 30 days, it will provide a response containing any comments received. When the response is received, the local agency should address any comments contained therein during the study. The Early Warning Notice need not be repeated. Early Warning Notices will satisfy clearinghouse coordination requirements for requesting FHWA authorization on any work that is necessary to obtain design approval.

2. Design Stage Notice. Prior to beginning detailed plan engineering or acquiring right-of-way with Federal funds, or project inclusion in the letting schedule, it will be necessary to solicit a second clearinghouse review. This review will be called the Design Stage Notice. To avoid delaying project letting, the local agency should forward 5 copies of this submittal to the district immediately after completing the public involvement activities. The submission to the clearinghouse should consist of a completed Project Notification and Review Form (Form BDE-2126) and a map clearly indicating the location of the project. The review at this stage normally requires about 30 days. A Design Stage Notice is necessary on all projects subject to clearinghouse requirements to request FHWA authorization on any work subsequent to design approval.

### 17-3.02(c) Design Stage Renewal/Revision

If a project is scheduled for Federal authorization for construction within 2 years after receipt of the Design Stage Notice and proceeds to construction without a revision of the project scope, further contacts with the clearinghouse are not required. If changes are made to the project, it should be submitted as a Design Renewal/Revision. If the project does not proceed within 2 years, the local agency must initiate an additional contact with the clearinghouse. This does not apply to projects that are stage constructed (i.e., where a portion of the project is constructed and the other portion is not let within 2 years of the clearinghouse review). This situation requires that the remaining portion be submitted to the appropriate clearinghouse if 2 years have elapsed since the project was last signed-off by the clearinghouse. An example is a 3 mile (5 km) roadway project in which the first mile (2 km) of the project is awarded and constructed within 2 years of the Design Stage Notice and the last 2 miles (3 km) are not included on a

Transportation Bulletin until 3 years later. This 2 mile (3 km) portion must be resubmitted to the appropriate clearinghouse for the Design/Renewal submittal.

The annual review of the Highway Construction Program should include the need for additional contacts at this point in project development. The local agency should submit a Design Stage Renewal and/or Revision for the clearinghouse in time for the project to appear on the scheduled Transportation Bulletin without delay. Because the clearinghouse may require up to 60 days, it is recommended to make submittals to the district no less than 125 days prior to the letting.

The Design Stage Renewal and/or Revision contact should consist of a Project Notification and Review Form (Form BDE-2126) and a map clearly indicating the location of the project. The local agency should update the information contained in these documents from that which appeared in the previous Design Stage contact. The description should indicate any changes in scope, and the funding item should indicate the latest available estimate.

#### **17-3.02(d) State Clearinghouse Reviewers**

The following agencies are provided copies of project notifications by the State Clearinghouse. Area-wide clearinghouses receive notices even though coordination has been accomplished by the local agencies:

- Corporation for National Community Services,
- Illinois Housing Development Authority,
- US Department of Health & Human Services,
- Illinois Department of Military Affairs,
- Illinois Air National Guard,
- Illinois Department of Corrections,
- Illinois Department of Rehabilitation Services,
- Illinois Environmental Protection Agency,
- Illinois State Fire Marshal,
- Illinois Historic Preservation Agency,
- Intergovernmental Cooperation Commission,
- Illinois State Police,
- Illinois Department of Transportation (Division of Highways),
- Illinois Department of Transportation (Division of Aeronautics),
- Illinois Department of Human Services,
- Illinois State Board of Education,

- Illinois Capital Development Board,
- Illinois Secretary of State,
- Illinois Department of Agriculture, and
- Illinois Department of Natural Resources (Division of Planning, Office of Reality and Environmental Planning).

**17-3.03 Substate Clearinghouses in Illinois**

Because coordination with Substate Clearinghouses varies, this *Manual* does not discuss their coordination requirements. It is the local agency's responsibility to submit the request for Substate Clearinghouse review to the clearinghouse. The Substate Clearinghouse should be contacted to determine which projects require submittal. Form BDE-2126 is used but the information should be modified to show the local agency as the applicant.

Figure 17-3A lists the Substate Clearinghouses currently recognized in Illinois. Figure 17-3B contains an alphabetical list of counties covered by Substate Clearinghouses. The number beside each county represents the clearinghouse of which it is a part.

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Clearinghouse No.	Name
1	Northeastern Illinois Planning Commission
2	Bi-State Regional Commission
3	Tri-County Regional Planning Commission
4	McLean County Regional Planning Commission
5	Champaign County Regional Planning Commission
6	Macon County Regional Planning Commission
7	Springfield-Sangamon County Regional Planning Commission
8	East-West Gateway Coordinating Council
9	Greater Egypt Regional Planning & Development Commission
10	Southeastern Illinois Regional Planning & Development Commission
11	Greater Wabash Regional Planning Commission
12	South Central Illinois Regional Planning and Development Commission
13	Southwestern Illinois Metropolitan & Regional Planning Commission
14	Kankakee County Regional Planning Commission
15	Western Illinois Regional Council
16	Two Rivers Regional Council of Public Officials
17	West Central Illinois Valley Regional Planning Commission
18	Southern Five Regional Planning District & Development Commission
19	North Central Illinois Council of Governments
20	Logan County Regional Planning Commission
21	Morgan County Regional Planning Commission

**ILLINOIS SUBSTATE CLEARINGHOUSES****Figure 17-3A**

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County	No.	County	No.
Adams	16	Massac	18
Alexander	18	McDonough	15
Bond	13	McHenry	1
Brown	16	McLean	4
Bureau	19	Monroe	8
Calhoun	17	Montgomery	17
Champaign	5	Morgan	21
Christian	17	Peoria	3
Clay	12	Perry	9
Clinton	13	Pike	16
Cook	1	Pope	10
Crawford	11	Pulaski	18
DuPage	1	Putnam	19
Edwards	11	Randolph	13
Effingham	12	Richland	11
Fayette	12	Rock Island	2
Franklin	9	St. Clair	8
Gallatin	10	Saline	10
Greene	17	Sangamon	7
Hamilton	10	Schuyler	16
Hancock	15	Shelby	17
Hardin	10	Stark	19
Henderson	15	Tazewell	3
Henry	2	Union	18
Jackson	9	Wabash	11
Jasper	12	Warren	15
Jefferson	9	Washington	13
Jersey	17	Wayne	11
Johnson	18	White	11
Kane	1	Will	1
Kankakee	14	Williamson	9
Lake	1	Woodford	3
Logan	20		
Macon	6		
Macoupin	17		
Madison	8		
Marion	12		
Marshall	19		

**COUNTIES COVERED BY SUBSTATE CLEARINGHOUSES**

**Figure 17-3B**