



Illinois Department of Transportation

2300 South Dirksen Parkway / Springfield, Illinois / 62764

November 10, 1998

Revised MFT Policies and Procedures

COUNTY ENGINEERS/SUPERINTENDENT OF HIGHWAYS
MUNICIPAL ENGINEERS/DIRECTORS OF PUBLIC WORKS
CONSULTING ENGINEERS

#98-14

A committee was formed to review MFT policies and procedures for the purpose of streamlining the requirements that must be met to expend MFT funds. The committee consisted of IDOT staff and members of the Illinois Municipal League Public Works Committee.

Based on recommendations of the committee, following is a brief summary of the changes that are being made to both general MFT Policies and Procedures as well as to MFT Policies and Procedures for Maintenance. Attachments 1 and 2 further detail the changes to current policies and procedures. All changes contained herein have also been coordinated with the IACE Policy Committee at the July 30, 1998 meeting. All changes shall be in effect immediately.

General

- A separate MFT appropriation resolution will not be required, provided that the budget ordinance contains the necessary information required by law and identifies that MFT funds are to be used.
- There will no longer be a requirement for a 5% retainage on utility and railroad work.
- MFT funds may be deposited in the same bank account with other funds as long as accounting procedures provide for keeping a separate balance for the MFT funds and any interest earned on these funds.
- Submittals by local agencies will be reduced by requiring only the approved contract, not the contract proposal, be submitted to the Central Bureau of Local Roads and Streets. The final plans will be submitted with the contract.
- The use of approved equipment usage rates from the previous year will be allowed.
- An Agreement of Understanding will become temporarily suspended when a vacancy occurs in the position which oversees the expenditure of MFT funds.

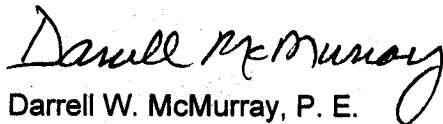
- Agencies operating under Agreements of Understanding will supply the Department, for record purposes, the minimal amount of information for IDOT to authorize the MFT funds, keep track of MFT balances, and maintain adequate records of MFT projects.
- A specification of crushed or uncrushed aggregates for a particular base or surface to the exclusion of other materials will be allowed.
- Material proposals may be used for bituminous surface treatments Class A-3, pavement striping, thermoplastic and preformed plastic pavement marking, landscape planting, and furnishing and erecting guardrail.

Maintenance

- Municipal Maintenance Expenditure Statements shall be submitted within three months after the expiration of the maintenance period.
- A maintenance period may be defined as a 12 month period other than a calendar year.
- Aggregate surface material may be placed as a maintenance operation up to a thickness of 200 mm (8 inches) loose.
- Class A-3 bituminous surface treatment is allowed as a maintenance operation.
- Overruns of less than 10 percent on day labor operations will not require the approval of IDOT.
- Contracts for lighting and traffic signal maintenance may be awarded for periods exceeding one year up to a maximum of three years.
- Advertisement costs for contracts and materials proposals may be considered as maintenance engineering expenses.
- Bridge inspections and traffic counts may be included as maintenance engineering expenses.

The above revisions are detailed on the attachments. These recommendations will be incorporated into the Administrative Policies Manual when it is revised. We are also in the process of evaluating several additional recommendations made by the review committee and will issue further policy changes as appropriate.

Sincerely



Darrell W. McMurray, P. E.
Engineer of Local Roads and Streets

Changes to MFT Policies and Procedures

Section	Subject	Description of Change
3.1.2 pg. 3-1-1	Appropriation of MFT funds	A separate MFT appropriation resolution will not be required, provided that the local agency budget ordinance contains the necessary information required by law and identifies that MFT funds are to be used. This change will reduce the paperwork required by agencies that appropriate the MFT funds via budget ordinance.
4.2.1e pg. 4-2-2 & 5.6.2d pg. 5-6-8 & 7.2.2, 3 pg. 7-2-1	Reimbursement for Utility Adjustments and Railroad Work	Eliminates the requirement that a local agency withhold 5 percent of the reimbursement for billings for utility adjustments and railroad work until an audit has been completed by IDOT. Reimbursement of 100 percent for railroad work is already allowed under certain conditions. Eliminating the 5 percent retainage does not eliminate the requirement for the audit. This places the responsibility for obtaining reimbursement of overpayments upon the local agencies.
10.1.3 pg. 10-1-2	Equipment Rental Rates	It will be acceptable to use the previous year's equipment rental rates, as published in the Schedule of Average Annual Equipment Ownership Expense, if the rates for the current year have not yet been approved by the Department.
5.4.3a pg. 5-4-4	Specifying Aggregates for Surfaced and Bases	Allows for the specification of either crushed or uncrushed aggregates for surfaces or bases to the exclusion of other materials. Present policy does not allow a special provision for a particular surface or base. However, pavement designs may not be modified by specifying any material other than what is allowed in the design guidelines.
5.7.4b pg. 5-7-13	Material Proposals	Material proposals may be used in lieu of contracts for additional items such as Class A-3 bituminous surface treatments, pavement striping, thermoplastic and preformed plastic pavement marking, base preparation associated with seal coat operations, landscape planting, and furnishing and erecting guardrail. A contract is still required for base stabilization and resurfacing.
	General – Agreements of Understanding	An Agreement of Understanding will be temporarily suspended when a vacancy occurs in the position which oversees the expenditure of MFT funds.
	General – Agreements of Understanding	Agencies operating under Agreements of Understanding will supply the Department, for record purposes, one copy each of the maintenance, appropriation resolutions, road improvement statements, engineer's estimates, specifications, plans, changes in plans, contracts (if any), tabulations of bids, and upon completion of work, a statement showing how the funds were expended.

<p>General Accounting and Bookkeeping</p>	<p>MFT funds will be allowed to be kept in the same bank account with other funds providing that accounting can keep a separate balance and interest earned for the MFT funds. This should not pose a problem as long as the funds can be accurately tracked by the auditor.</p>
<p>General Information – Contract Submittal</p>	<p>It will be allowable for the district offices to submit only the approved contract rather than the contract proposal to the central bureau. Currently the contract proposal is submitted with the approved plans to the central bureau prior to letting. The change would allow approved plans to be submitted to the central bureau with the approved contract rather than prior to letting. This procedure would eliminate the need to send revisions to the proposal and plans to the central bureau should changes need to be made after the plans and specifications have been approved, but prior to letting. This will also reduce the number of copies of the proposal to be submitted by the local agency.</p>

MFT Maintenance Policy Changes

Section	Subject	Description of Change
8.5.4 pg. 8-5-2	Municipal Maintenance	Expenditure statements (form BLR 8501) shall be submitted within three months after the expiration of the maintenance period. Counties and Road Districts are already subject to the three month timeframe.
4.1.2 pg. 4-1-5	Maintenance Period	A maintenance period may be defined as a 12-month period other than a calendar year.
8.3.2a pg. 8-3-1	Maintenance of Aggregate Surfaces	Allow aggregate surface material to be placed as a maintenance operation providing the material is limited to a thickness of up to 200 mm (8 inches) loose;
8.3.3 pg. 8-3-2	Maintenance Utilizing Bituminous Materials	Class A-3 bituminous surface treatment is allowed as a maintenance operation
8.5.1 pg. 8-5-1	Overruns (County, Municipal and Road Districts)	For day labor operations only, overruns of less than 10 percent, as compared to the original estimate, do not require the approval of IDOT. Contract maintenance overruns of less than 10 percent will still require either verbal or written approval by the District Engineer. For overruns in excess of 10 percent, Chapter 8, Section 5.1 still governs.
8.3.3.c pg. 8-2-4	Traffic Signal and Lighting Maintenance	Contracts for lighting and traffic signal maintenance may be awarded for periods exceeding one year with a maximum time period of 3 years. The cost of these operations shall be charged to the maintenance period in which the costs are incurred.
8.2.4 pg. 8-2-4	Advertisement	The costs of advertisement for contract and material proposals may be considered to be a maintenance engineering expense.
	Maintenance Engineering	Bridge inspections and traffic counts are eligible to be paid for as maintenance engineering expenses. These items assist in assessing conditions in order to keep a highway in serviceable condition for vehicular traffic.