

Chapter 4

LOCAL ROADS AND STREETS FUNDING

BUREAU OF LOCAL ROADS AND STREETS MANUAL

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Chapter 4
LOCAL ROADS AND STREETS FUNDING

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Chapter 4

LOCAL ROADS AND STREETS FUNDING

Local Public Agencies (LPAs) receive funding for their local roads and streets from a variety of sources including federal and State programs, the Motor Fuel Tax (MFT) fund, and local sources. This Chapter provides an overview of each source that provides funding for projects on local facilities for which Bureau of Local Roads and Streets (BLRS) is involved in some part of the administration. Guidance for obtaining these funds and the implementation of these programs can be found in [Chapter 9](#) for State and MFT funds and in [Chapter 17](#) for federal funds.

4-1 FEDERAL PROGRAMS

Federal programs provide funding for transportation projects through the Highway Trust Fund (HTF). Funds are collected through revenue from certain highway user taxes, primarily the federal gasoline tax and a variety of tire and truck sales taxes. These taxes are credited to the HTF to be used for transportation spending. All states receive federal funding. The amount is dependent, among other factors, on the revenue contribution of each individual state.

The functional classification of a road or street facility is one of the factors that affect federal funding eligibility. [Section 27-3](#) discusses the functional classification system. Facilities on the local system (e.g., those off the State highway system) may be functionally classified as local, collector (minor or major), or arterial (minor or principal). Other factors affecting federal funding eligibility is fund type, population (urban / rural), and scope of work. The LPA should contact the District office for clarification on eligibility requirements.

A federal highway bill is passed by Congress for a specific time period and determines the formula and discretionary programs to fund specific types of improvements, eligibility criteria, funding levels, level of funding participation, requirements to receive federal funds, etc. Each new federal highway bill may be similar or significantly different than the previous bill. If a new federal highway bill has not been passed prior to the ending of the current bill an extension is typically passed to provide additional funding of the current bill, typically called a continuing resolution. Figure 4-1A (new) shows a comparison of past federal highway bills in the formula and discretionary programs.

Section 4-1 provides a brief discussion on those categorical Federal-aid programs in the current federal highway bill or programs from previous bills with funds still available that provide funds available to local governments for transportation improvements. Unless otherwise noted, federal funds can generally be used to fund 80% of eligible costs.

The current federal highway bill is called *Fixing America's Surface Transportation Act (FAST Act)*. The Federal Highways Administration (FHWA) publishes [A Guide to Federal-Aid Programs and Projects](#) which provides additional information on current and inactive programs and projects.

4-1.01 National Highway Performance Program (NHPP)

NHPP funding can be used for state or local projects on the National Highway System (NHS) or NHS connector routes for roads, bridges, tunnels, ferry boat facilities, transit facilities, truck parking facilities, bicycle transportation facilities, pedestrian walkways, ITS, bus terminal facilities and commuter parking facilities.

The NHS is a network of selected principal arterial routes identified as essential for international, interstate, and regional commerce and travel, national defense, and the transfer of people and goods to and from major inter-modal facilities.

The previous federal transportation bill, *Moving Ahead for Progress in the 21st Century*, (MAP-21) expanded the size of the NHS by adding principal arterials and state border crossings not currently on the NHS and other connector highways that provide motor vehicle access between arterial routes on the NHS and a major inter-modal transportation facility. All state and local roads that are part of the NHS are designated in Illinois Roadway Information System (IRIS) and Illinois Roadway Analysis Database System (IROADS). Although NHS funding is important nationwide, very few miles of the local highway systems in Illinois are on the NHS. See [Section 3-1](#) for additional information on NHS. The new *FAST Act* directs DOTs, within 90 days of enactment, to issue guidance to states on the reclassification of roads recently added to the NHS per MAP-21 and to identify any needed functional classification changes to rural and urban principal arterials.

4-1.02 Surface Transportation Program

4-1.02(a) General

The *FAST Act* renames the Surface Transportation Program (STP) to the Surface Transportation Block Grant Program (STBGP) and increases the amount of funding that is sub-allocated to metropolitan areas based on population from 51% to 55% over five years. However, within the *Bureau of Local Roads and Streets Manual* the term STP will continue to be used instead of STBGP. STP provides federal funds for the following types of projects:

- highway projects on all functional classes, except facilities functionally classified as “local”;
- bridge projects on any public road, including “local” functional classes;
- transit capital projects; and
- public bus terminals and facilities.

The basic objective of STP is to provide Federal-aid for improvements to facilities not on the NHS. The Program is aimed at providing more flexibility in determining transportation solutions and enhanced planning and management systems to the states and local governments.

STP funds also may be used for activities such as environmental provisions, modifications to meet accessibility for persons with disabilities, infrastructure-based intelligent transportation system capital improvements, and privately owned inter-city bus terminals and facilities.

STP funds are distributed to each state based on its lane-miles of Federal-aid highways, total vehicle-miles traveled on those highways, and estimated contributions to the Highway Account of the HTF. Because of its emphasis on highway facilities that do not have national importance, STP provides the largest source of Federal-aid funds available for local facilities in Illinois.

The *FAST Act* continues *MAP-21's* new approach to core formula program funding, authorizing a lump sum total instead of individual authorizations for each program. Once each State's share of the total is calculated, it is divided up by program within the State. From the State's STP apportionment, the following sums are to be set aside:

- A proportionate share of funds for the State's Transportation Alternatives (TA) program.
- 2% for State Planning and Research (SPR).
- For off-system bridges, an amount not less than 15% of the State's FY 2009 Highway Bridge Program apportionment (may not be taken from amounts sub allocated based on population).
- The set-aside for Transportation Enhancements is eliminated.

A State's STP allocation is further subdivided according to Federal-aid provisions. These are discussed in the following Sections.

STP funds both urban and rural provides up to 80% funding for improvements.

4-1.02(b) Urban

Urban areas receive an STP sub-allocation based on the state's urban population. Illinois identifies these funds as "STU." Urban areas are those areas identified by the U.S. Census Bureau as having a contiguous population of 50,000 or more (urbanized areas) or 5,000 or more but less than 50,000 (small urban areas). The urban area boundaries are established by the State, in cooperation with the Metropolitan Planning Organizations (MPOs) and other appropriate local officials and approved by FHWA. For the STU sub-allocation, the distribution formula segregates urban population densities into the following two categories:

- Areas with population greater than 5,000 but no more than 200,000; and
- Urbanized areas with population greater than 200,000.

The STU sub-allocation provides specific funding amounts for each urban area nationwide with populations exceeding 200,000. There are six metropolitan areas in Illinois meeting the 200,000-population level — Chicago, Peoria, Rockford, Round Lake Beach, Quad Cities (Rock Island-Moline-Bettendorf-Davenport), and East St. Louis/St. Louis. There are eight areas in Illinois that have populations over 50,000 but less than 200,000. The Central BLRS (CBLRS) specifies the STU sub-allocation of funds based on percentages of population of the urban area.

By law, any urban area of over 50,000 must undertake a process to develop transportation plans and programs formulated based on transportation needs and with due consideration to comprehensive, long-range land use plans, development objectives, and social, economic, environmental, and energy conservation goals. The structure for this type of program must include a designated MPO agreed to by the local units of government and officially designated by the Governor as the recognized body. For those areas with population greater than 5,000 but no greater than 200,000, the CBLRS specifies the STU sub-allocation of funds based on percentages of population of the urban area. Further distribution of STU funds in these areas is coordinated by the designated MPO.

4-1.02(c) Rural

STP funds used in rural areas, all areas outside of urbanized, and small urban areas are identified by Illinois as "STR".

Prior to the recent federal highway authorization bills, four counties in District One (Will, Kane, Lake, McHenry) received funds that were provided for improvement to Federal-aid Secondary (FAS) designated routes. An agreement was reached by the Illinois Department of Transportation (IDOT) and the four District One counties to distribute a minimum of \$2 million of STR funds per year to the counties as replacement funds for FAS funds that are no longer available.

District One distribution of STR funds by IDOT is determined as follows:

- 50% of the annual allotment is allocated equally to the counties; and
- 50% of the annual allotment is allocated based on the proportion of total population per county.

The formula for distribution of the STR funds to Districts 2 through 9 is as follows:

- 10% divided equally among the downstate counties, Districts 2 through 9; and
- the balance being allocated to the downstate counties on the basis of the following three factors with equal weight being given to each factor:
 - + non-urban area,
 - + non-urban population, and
 - + non-urban mileage (total all systems).

Federal requirements stipulate that up to 15% of the STR sub-allocation can be spent on rural minor collectors.

4-1.02(d) Bridges

STP funds may be used to replace or rehabilitate bridges (e.g., structures longer than 20.0 ft (6.1 m) on any public road. Allowing STP funding for work on a bridge is intended to reduce the number of bridges on the STP-Bridge eligibility list. See [Section 6-1](#) for the definition of a bridge.

4-1.03 Safety

4-1.03(a) The Highway Safety Improvement Program (HSIP)

HSIP is a core Federal-aid funding program with the goal of achieving a significant reduction in traffic fatalities and serious injuries on all public roads. Highway safety improvement projects correct or improve a hazardous road location or feature or address a highway safety problem.

See IDOT's website for additional information on the [Illinois Highway Safety Improvement Program \(HSIP\)](#).

4-1.03(b) High Risk Rural Roads (HRRR) Special Rule

The *FAST Act* also continues the High Risk Rural Roads (HRRR) Special Rule, which requires states in which the fatality rate on rural roads increased over the most recent two-year period to obligate a specified amount of funds toward HRRR safety projects in the next fiscal year. This penalty is not additional money allocated to the state, but instead a portion of the HSIP amount the state already receives. During HRRR penalty years, Central Bureau of Local Roads and Streets must identify HSIP projects that qualify as HRRR projects that: 1) are located on a rural major/minor collector on a local road; and 2) fall outside of an urbanized area.

4-1.03(c) Local Rail/Highway Grade Crossing Safety Program

The federal rail safety program is a set-aside of the federal HSIP funds to reduce the number of fatalities and serious injuries at public highway-railway crossings through the elimination of hazards and/or the installation/upgrade of warning devices at crossings. These include flashing light signals and gates, circuitry upgrades, or approach work at railroad/highway grade crossings. IDOT selects eligible rail safety projects on the local highway system. See [Section 40-2](#) for more information on safety at railroad/highway crossings.

The program provides up to 90% federal funding for improvements.

4-1.04 Transportation Alternatives (TA)

The *FAST Act* eliminates the *MAP-21* Transportation Alternatives Program (TAP) and replaces it with a set-aside of STP funding for Transportation Alternatives (TA). These set-aside funds include all projects and activities that were previously eligible under TAP and covers the Illinois Transportation Enhancement Program (ITEP), the Illinois Safe Routes to School Program (SRTS), and the Recreational Trails Program (RTP). Fifty percent of the State's apportionment of TA is sub-allocated to areas based on their population, with the remaining 50% for anywhere in the State.

Metropolitan Planning Organizations (MPOs) of urbanized area with populations over 200,000 will administer the sub-allocation of TA funds through a competitive process and select the projects from eligible entities in consultation with IDOT.

The remaining TA funds will be administered through IDOT under ITEP, SRTS, RTP.

4-1.04(a) Illinois Transportation Enhancements Program (ITEP)

ITEP encompasses a broad range of activities that go beyond the traditional accommodations for cars, trucks, and transit. However, these projects must relate to surface transportation.

ITEP projects are eligible for up to 80% federal funding, except for the purchase of right-of-way, which is funded at up to 50% of federal funds. The Office of Planning and Programming (OPP) is responsible for determining which projects are eligible for ITEP funds.

See IDOT's website for additional information on the [Illinois Transportation Enhancement Program \(ITEP\)](#).

4-1.04(b) The Illinois Safe Routes to School Program (SRTS)

SRTS is a federally funded program which supports projects and programs that enable and encourage walking and bicycling to and from school. The program applies to schools serving grades Kindergarten through 8th grade. The program provides up to 80% federal funding for infrastructure and non-infrastructure projects.

See IDOT's website for additional information on the [Illinois Safe Routes to School Program \(SRTS\)](#).

4-1.04(c) Recreational Trails Program (RTP)

The *FAST Act* continues the Recreational Trails Program (RTP) as a set-aside of TA to provide funds to develop and maintain recreational trails and trail-related facilities for both non-motorized and motorized recreational trail uses. This program will continue to be administered by the Illinois Department of Natural Resources (IDNR). RTP projects are eligible for up to 80% federal funding.

4-1.05 Illinois STP - Bridge Program

MAP-21 eliminated the Highway Bridge Program (HBP) as a core funding program. IDOT, along with the Illinois Association of County Engineers (IACE), and the Public Works Committee of the Illinois Municipal League (IML), have found consensus that the HBP process for distribution of funds based on deficient square footage of bridge area is a sound and equitable premise for fund allocation. The Department has therefore decided to continue using this process for fund allocation through the Illinois STP-Bridge Program.

Illinois STP-Bridge funds provides up to 80% funding for improvements.

4-1.05(a) General

The Illinois STP-Bridge Program (STP-Bridge) provides funds for bridges that are structurally deficient and/or functionally obsolete and have a sufficiency rating of 80 or less and are located on a public road. A bridge is defined as any structure having a length greater than 20.0 ft (6.1 m). See [Section 6-1](#) for the definition of a bridge.

A bridge is structurally deficient if the deck, superstructure, substructure, or culvert has an evaluation rating of 4 or less, or if the structural evaluation or waterway adequacy has an appraisal rating of 2 or less. The bridge is functionally obsolete if the deck geometry, underclearances, or the approach roadway alignment has an appraisal rating of 3 or less, or if the appraisal rating for structural evaluation or waterway adequacy is 3. These evaluation and appraisal ratings and the sufficiency rating can be found in the Illinois Structure Information System (ISIS) as discussed in [Section 6-2](#). A STP-Bridge eligible bridge having a sufficiency rating of 80 or less is eligible for rehabilitation. A STP-Bridge eligible bridge that has a sufficiency rating of less than 50 is eligible for replacement.

In addition to the eligibility requirements above, there are also limitations to the type of work that may be completed based on the functional classification for the roadway which the bridge carries. The STP-Bridge Program funds may be used to rehabilitate or replace any eligible bridge located on a roadway with a functional classification of at least a major collector. The STP-Off System Bridge Program funds may be used to rehabilitate or replace any eligible bridge located on a minor collector or local road.

As with the discontinued Highway Bridge Program, the purpose of this program is to remove structurally deficient and functionally obsolete bridges from the inventory. As such, STP-Bridge funds may not be used to rehabilitate or replace small structures or replace a small structure with a bridge. The STP-Bridge funds also may not be used to construct a small structure or bridge where one does not already exist.

In addition to rehabilitating or replacing eligible bridges, the following work is eligible for the use of STP-Bridge funds:

- approach roadways pursuant to Section 4-1.05(b);
- bridge painting (spot painting is not eligible) – sufficiency rating (SR) of 80 or less can be funded as a sole item of work;
- seismic retrofit – no SR restriction; can be funded as a sole item of work;
- historic bridges – inventory for historic significance and preservation in accordance with 23 U.S.C. 144(o);
- bridge inspection – routine NBIS, fracture critical, special, damage and underwater bridge inspections are eligible, including underwater scour evaluation, training, and equipment purchase, and/or rental;
- initial cost for posting signs immediately adjacent to the bridge;
- anti-icing/de-icing applications – the bridge must be STP-Bridge eligible; and
- scour countermeasures – countermeasures must be designed but may be used at any structure with scour problems or potential scour problems.

Removal of an eligible bridge without replacement, or without replacement with an eligible bridge, may also qualify for funding as long as the through roadway is maintained. The eligible bridge may be replaced with a non-eligible bridge (AASHTO length less than or equal to 20.0 ft (6.1 m),

but in such a case only portions of the project germane to the removal of the bridge are eligible for STP-Bridge funding.

Bridges that have been closed for greater than five years will not be included in the calculations to determine an individual county's STP-Bridge allotment. These structures will have their Bridge Status, Illinois Structure Information System (ISIS) Item 41, coded as "E – Closed, Permanent Closure." The eligibility of the bridge will be restored when the bridge owner places the bridge replacement / repair project into their highway improvement program. The Bridge Status will then be changed to "B – Closed, replacement/repair anticipated within 5 years."

4-1.05(b) Approach Limits for STP-Bridges Projects

1. The following shall be considered in establishing reasonable touchdown points for approach work to be funded with STP-Bridge funds. These requirements include the following:
 - a. Replacement. Total replacement of a structurally deficient or functionally obsolete bridge with a new facility constructed in the same general traffic corridor. A nominal amount of approach work, sufficient to connect the new facility to the existing roadway or to return the gradeline to an attainable touchdown point in accordance with good design practice is also eligible. The replacement structure must meet the current geometric, construction and structural standards required for the types and volume of projected traffic on the facility over its design life.
 - b. Rehabilitation. The project requirements necessary to perform the major work required to restore the structural integrity of a bridge, as well as work necessary to correct major safety defects, are eligible except as noted under ineligible work. Bridges to be rehabilitated both on or off the Federal-Aid System shall, as minimum, conform with the provisions of 23 C.F.R. § 625, Design Standards for Federal-aid Highways, for the class of highway on which the bridge is a part.
 - c. Ineligible Work. Except as otherwise prescribed by the Department, the costs of long approach fills, causeways, connecting roadways, interchanges, ramps, and other extensive earth structures, when constructed beyond the attainable touchdown point, are not eligible under the STP-Bridge program.
2. The following guidelines shall be used in establishing reasonable touchdown points:
 - a. Existing Location (Bridge Project Only). When replacing or rehabilitating a bridge to current Department standards on existing grade and location, all approach work items required to transition back into the existing roadway and safety appurtenances pertaining to the bridge are eligible. The cost of any temporary detour required to maintain traffic while the structure is being built is eligible.

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- b. Existing Location (Roadway Project with Bridge Included). This applies to projects that upgrade a roadway that also results in rehabilitation or replacement of an eligible bridge. When replacing or rehabilitating a substandard bridge to minimum standards or greater, on existing grade and location, bridge work items will be limited to 50 ft of approach work at beginning and end of bridge. All approach work items in the 100 ft are eligible for consideration for STP-Bridge funding. (This allows the coverage of the cost of approach slabs, select material behind the abutments, guardrail attachments and other approach work items.) If a detour is required, associated roadway costs required to maintain traffic while the structure is being built are eligible. This section applies to a roadway segment project which has a bridge project included within it.
 - c. New Location. When replacing a bridge that must be raised or relocated due to substandard vertical and horizontal alignment, substandard clearances, hydraulic design issues, constructability issues, etc., the minimum amount of approach roadway work necessary to tie the relocated alignment back into the existing roadway is eligible. The alignment will conform to current Department standards based on the functional classification and projected traffic volumes for that particular roadway.
3. In accordance with previous paragraphs 1 and 2 of this Section, every deficient bridge scheduled for rehabilitation or replacement shall be evaluated individually by the LPA to establish reasonable touchdown points for approach work. IDOT may approve the reasonable touchdown points for eligible bridges if the total length of the approach work does not exceed 1,200 ft.

4-1.05(c) Waiver Process for STP-Bridge Program

1. Sufficiency Rating. Under the Illinois STP-Bridge Program, eligible bridges with a sufficiency rating between 50.0 and 80.0 are eligible for rehabilitation work only. However, if the LPA with jurisdiction over the bridge prefers to do a bridge replacement, the LPA is required to submit a waiver request to the Department for review and approval. Justification for replacement of the structure versus rehabilitation is required as part of the waiver request. Requests should be initiated through the appropriate District Local Roads and Streets office and directed to the Local Bridge Unit (LBU) within the IDOT Central Bureau of Bridges and Structures (BBS).
2. Touchdown Points. If the LPA determines that the reasonable touchdown points should exceed the criteria in Section 4-1.05(b) Item 3, the project shall be submitted to IDOT with supporting documentation for review and approval. The issue may also be addressed at a federal project coordination meeting. A statement from the county engineer that all elements are designed to the operating speed, which does not exceed the posted or statutory speed, shall be considered sufficient documentation by both IDOT that the touchdown points are reasonable.

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4-1.06 Illinois Major Bridge Program

IDOT dedicates federal funds from the NHPP and/or STP programs for its Major Bridge Improvement Program. Bridges under the jurisdiction of a LPA and eligible for STP-Bridge funding that have a total project cost for all engineering, utilities, land acquisition, and construction for replacement or rehabilitation of more than \$1,000,000 are candidates for this Program. Funds for this Program can only be used to fund up to 80% of the construction and construction engineering. The LPA is responsible for the cost of preliminary engineering, land acquisition, utilities, and other pre-construction activities. All other requirements of STP-Bridge are applicable.

4-1.07 STP-Bridge Soft Match Credit Program

Illinois allows up to 80% of the State and local source amount expended on off-system bridge construction to be credited to the non-federal share of STP-Bridge eligible bridge replacement or rehabilitation projects. The bridge work must follow the structural design policies for the STP-Bridge funding program as defined in the Section 4-1.05 and [Chapter 36](#).

4-1.07(a) Purpose

One of the primary objectives of this Program is to provide an alternative process for counties to remove deficient bridges from the bridge inventory. Although the design requirements applicable to the STP-Bridge apply, the Program allows a number of requirements that would apply to projects receiving STP-Bridge funds to be waived. The federal contract requirements and clearances by federal agencies are waived, but all State and local contract requirements and clearances must be met.

The criteria and guidelines for approval of the STP-Bridge Soft Match Credit Program are provided in the following Sections.

4-1.07(b) Project Eligibility

To be eligible for the STP-Bridge Soft Match Credit, the bridge must meet the following criteria:

1. The bridge must be on the Illinois STP-Bridge Selection List. See Section 4-1.05 for STP-Bridge eligibility requirements.
2. The bridge must be on a road with a functional classification of a local road or rural minor collector.
3. The bridge must not have been replaced nor had major rehabilitation within 10 years of the planned new construction date, regardless of type of funds used.
4. The bridge must not be controversial. The following items may raise concerns and can be used for general guidance in determining whether a bridge is controversial:
 - unresolved right-of-way agreements/acquisition,
 - historic bridge implications,
 - environmental problems,

- permit problems/delays, and/or
 - pending/potential lawsuits.
5. Only construction from back-to-back of abutment is eligible for credit, using the same basis as items that are designed based on [Section 36-2](#) structural guidelines.
 6. Only actual construction (e.g., hard construction) costs are eligible for earning credit. Right-of-way acquisition, preliminary engineering, and construction engineering are not eligible.

4-1.07(c) Submittal and Crediting Process

In addition to normal bridge project submittal requirements, the county desiring the STP-Bridge Soft Match Credit must submit the following items to the district:

1. Planning. During the preliminary engineering phase, submit the following:
 - a. A request for consideration of the project for the Program from the county engineer. See Figure 4-1A for a sample request and certification letter.
 - b. A certification by the owner and county engineer stating the project is not controversial. See Figure 4-1A for a sample request and certification letter.
 - c. A Bridge Condition Report must be submitted and approved in accordance with Section 10-2. Department waivers must be requested for exceptions to the STP-Bridge policy for credit structures, when required (e.g., replacement of a structure with a sufficiency rating of 50 or greater).
2. Project Completion. After the project is completed, the district is responsible for forwarding the following items to the CBLRS:
 - a. a certification by the county engineer that the project being considered has been constructed in accordance with the design standards applicable to the STP-Bridge, that the structure has been added to the inventory and is not deficient (i.e., deck, super and substructure appraisal ratings are 6 or higher), and geometrics are sufficient;
 - b. Form [BLR 13510](#), Final Report, Notice of Completion and Acceptance of Improvement Constructed Under the Illinois Highway Code; and
 - c. notification of final eligible construction cost of the bridge within the guidelines of this policy. See Figure 4-1B for an example Notification of STP-Bridge Soft Match Credit Eligible Cost.

4-1.07(d) BLRS Responsibilities

Once the project has been completed, IDOT is responsible for completing the following tasks:

1. District. The district will:
 - make a final inspection of the project and document its completion; and

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- notify the CBLRS of the final eligible construction cost of the project upon completion.
2. Central BLRS. The CBLRS will conduct the following:
- maintain and credit a “special discount” in the name of the county for 80% of eligible costs of construction. Inform the districts annually of the county balances in the special accounts.

Approve and execute agreements with Federal authorization for STP-Bridge projects that utilize the STP-Bridge Soft Match Credit.

4-1.07(e) Use of the Soft Match Credit

The eligible costs may apply as credit toward the 20% local match required on Federal-aid bridge projects. This credit provision does not increase an agency’s allocation of HBP funds but will permit usage of funds already allocated to an agency at a rate up to 100%. The project should be included in the LPA and district highway programs at a HBP funding level of 100%.

If a county desires to use their Soft Match Credit on a project, they must submit a letter to the district indicating their desire to do so along with the cost estimate and project information. The federal share agreed to at the time of project authorization may not be increased by subsequent additions of off-system bridge credits. The Soft Match Credit can only be applied to the construction phase of a bridge project at the time of construction authorization.

Agreement language under “Division of Cost” for using the Soft Match Credit should be as follows:

**Illinois STP-Bridge = 100%*

**Soft Match Credit not to exceed \$_____ (This amount should be whatever the county wants, equal to or less than the current balance of credit for the county at the time of authorization.) with balance to _____ (This should be the name of the LPA or State.).*

[Name], Regional Engineer
Attn: Bureau of Local Roads and Streets
[District address]

[date]

Subject: STP-Bridge Soft Match Credit Request

[County name] County requests that Section **[number]** and Structure Number **[SN]** located **[bridge location]** be approved as an eligible STP-Bridge Soft Match Credit project. A Bridge Condition Report is attached.

I certify that the above project meets the criteria outlined in the Illinois Department of Transportation STP-Bridge Soft Match Credit program and that, to the best of my knowledge and belief, the bridge is non-controversial. I understand that if said project is deemed to be controversial, the project would not be considered eligible for the STP-Bridge Soft Match Credit program.

Sincerely,

[Name], County Engineer

Bridge Office Use Only:

Project is on the Illinois STP-Bridge Selection List

SAMPLE REQUEST AND CERTIFICATION LETTER

Figure 4-1A

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[Name], Regional Engineer
Attn: Bureau of Local Roads and Streets
[District address]

[Date]

Subject: STP-Bridge Soft Match Credit Eligible Cost

[County name] County certifies that Section **[number]** and Structure Number **[SN]** located over **[location]** has been constructed in accordance with the design standards applicable to the STP-Bridge, that the structure has been added to the inventory and is not deficient.

I also certify that \$ **[cost]** is the final eligible construction cost of the completed project and understand that 80% of this amount will be credited to the county's STP-Bridge Soft Match Credit account upon approval by IDOT. A detailed breakdown of the eligible pay items and construction costs for back-to-back abutment is attached.

Sincerely,

[Name], County Engineer

NOTIFICATION OF STP-BRIDGE SOFT MATCH CREDIT ELIGIBLE COST

Figure 4-1B

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4-1.08 Congestion Mitigation and Air Quality Improvement (CMAQ)

The CMAQ Program provides a flexible funding source to State and local governments for transportation projects and programs designed to help meet the requirements of the Clean Air Act as amended in 1990. Funding is available to areas that do not meet the National Ambient Air Quality Standards (NAAQS). These are considered nonattainment areas. Funding is also available to areas that were previously in nonattainment but are now in compliance. These are referred to as maintenance areas. Funds are distributed to states based on a formula that considers an area's population by county and the severity of its air quality problems within the nonattainment and maintenance areas. Greater weight is given to carbon monoxide nonattainment and maintenance areas. Eligible activities for funding include:

- transit improvements,
- travel demand management strategies,
- traffic flow improvements, and
- public fleet conversions to cleaner fuels.

Illinois currently has two nonattainment areas, Chicago and Metro East, and one maintenance area, Jersey County eligible for funding under CMAQ.

4-1.09 Metropolitan Planning (PL)

The *FAST Act* continues *MAP-21's* approach to formula program funding, authorizing a lump sum total instead of individual authorizations for each program. Once each State's combined total apportionment is calculated, an amount is set aside for the State's Metropolitan Planning (PL) program via a calculation based on the relative size of the State's FY 2009 Metropolitan Planning apportionment.

PL funds are available for MPOs to carry out the metropolitan transportation planning process required by 23 U.S.C. 134, including development of metropolitan area transportation plans and transportation improvement programs. Eligible activities include conducting inventories of existing routes to determine their physical condition and capacity, determining the types and volumes of vehicles using these routes, predicting the level and location of future population, employment, and economic growth, and using such information to determine current and future transportation needs. Under 23 U.S.C. 134, MPOs are responsible for developing, in cooperation with the State and affected transit operators, a long-range transportation plan and a transportation improvement program (TIP) for the area. Both the plan and the TIP must be fiscally constrained. The TIP also must be prioritized, and consistent with the transportation plan, and must include all projects in the metropolitan area that are proposed for funding with either Title 23 or Federal Transit Act (Title 49, U.S.C., Chapter 53) money.

4-1.10 Federal Lands Access Program (FLAP)

In Illinois, FLAP provides funding for public land highways. The Shawnee National Forest in southern Illinois and the Midewin National Tallgrass Prairie in Will County contain the only Public Lands highways eligible for FLAP funds within the State. Illinois receives an allocation to be used on the Forest Highways. FHWA also makes discretionary funds available.

4-1.11 Construction of Ferry Boats and Ferry Terminal Program (FBP)

MAP-21 replaced the ferry boat discretionary program with a formula program. Discretionary program funds remain available to awarded projects and will be released as those projects are completed or a determination is made to cancel the award. Under *FAST Act*, the formula was changed and FBP funds are distributed to eligible entities based on the number of passengers carried (35 percent), vehicles carried (35 percent), and total route miles (30 percent). The federal share of FBP funds is 80%.

4-1.12 Emergency Relief (ER)

The ER Program provides funding to assist State and local governments with the expense of repairing serious damage to Federal-aid highways after FHWA has determined that natural disasters or catastrophic failures have occurred. Federal requirements specify that ER funds may only be used for emergency repairs to restore essential highway traffic, to minimize damage resulting from a natural disaster or catastrophic failure, or to protect the remaining facility and make permanent repairs. Emergency repairs are eligible for 100% federal reimbursement. The federal participation ratio for restoration work is 80%. Basic eligibility criteria are as follows:

1. The Governor must make a formal proclamation of the existence of a disaster.
2. There must be at least \$700,000 of eligible damage in the State.
3. Damage must be on a Federal-aid highway.
4. Damage must require work that is beyond "heavy maintenance" (e.g., work frequently performed by the applicant's maintenance crews).
5. Only sites with damage repair estimated to cost \$5,000 or more may be eligible.
6. Damage must have occurred as a direct result of the disaster.

For more information on the ER Program on Federal-aid highways, review the following documents or contact the district:

- *FHWA Emergency Relief Manual*, and
- *A Guide to the Federal-Aid Highway Emergency Relief Program*.

4-1.13 Federal Flexible Match (FFM)

Provisions introduced in TEA-21 and expanded/revised in subsequent federal highway bills allowed new flexibility to the Federal-Aid Highway Program's matching requirements by allowing certain public donations of cash, materials, and services to satisfy the local matching

requirements. Title 23 USC - “Highways,” Chapter 3 - “General Provisions,” Section 323 - “Donations and Credits,” outlines the legal basis for the FHWA Innovative Finance Management tool known as flexible match or soft match. Flexible match allows a wide variety of public and private contributions to be counted toward the non-Federal match (local match).

The following benefits may be realized through the Federal Flexible Match (FFM) Program:

- Acceleration of projects that receive donated resources,
- Allowing LPAs to reallocate funds that otherwise would have been used to meet Federal matching requirements, and
- Promoting public-private partnerships by providing incentives to seek private donations.

IDOT limits FFM credits to use during construction and construction engineering and recognizes up to 80% of the value of FFM as direct federal match. FFM does not increase the specific approved amount of federal funding awarded for projects selected through a solicitation process. In these cases, the additional federal funding will need to come from an approved LPA federal funding source, such as Surface Transportation Program funds. The FFM request should not be submitted unless federal funding is expected to be used for some portion of the project.

4-1.13(a) Eligible Items for Flexible Match

Flexible match may be used for federal highway programs except for the Emergency Relief Program. Flexible match can be applied toward all or any portion of the required matching share. This flexible match will only affect individual approved projects; carryover or credit of flexible match funds for other projects is not allowed. Figure 41-1C outlines the eligibility of flexible match donations or credits and their associated donors:

Type of Donation/Credit	Source of Donation/Credit	
	Private	Local Government
Funds ⁽¹⁾	Yes	Yes
Land or ROW ⁽²⁾	Yes	Yes
Materials ⁽³⁾	Yes	Yes
Services	Yes	Yes (In-House)

Notes:

- 1) Funds must be received prior to project authorization by FHWA.
- 2) Land may be donated by a non-governmental owner in accordance with 23 CFR 710.505 or contributed by a local government in accordance with 23 CFR 710.507. For any donated property that was originally acquired with federal funds, only the non-federal share of the property may be counted as the donation.
- 3) Federal “Buy America” requirements apply.

LPA FEDERAL FLEXIBLE MATCH (FFM)

FIGURE 41-1C

Donations or credits must be earned or given in a previous phase of the same project and clearly documented to be utilized as flexible match. Anticipation of flexible match will not be allowed. For example: preliminary engineering (PE) or land acquisition may be applied to construction, but construction items cannot be applied to PE or land acquisition. If material cannot be stockpiled near the jobsite, it may not be applied as credit during construction which utilizes that material. However, after the material is accepted, in-place, and its value clearly documented, application to use the material donation as a credit in a later stage of the project which has not yet received federal authorization might be permissible. Material contributed to a project needs approval for it to be required in a construction contract.

The donations or credits may consist of funds, land, materials, equipment rental, and/or services that are directly associated with the specific project. Only that portion germane to the project will be eligible for FFM credit. These flexible match donations must not have been used as match for any other federally-funded project. Also, the dollar amount of the in-kind donations must be included in the total project cost; these in-kind donations cannot both reduce the project cost and be used as flexible match.

4-1.13(b) Required Documentation

LPAs should notify IDOT, by letter through the District BLRS office, as early in the project as possible of their intent to utilize FFM. A proposed project description and funding schedule (see Figure 4-1D) should also accompany this letter. IDOT will in turn request FHWA concurrence with the LPA's intent. This letter of intent to utilize FFM on a project should be submitted prior to, and separate from, the request to approve the dollar amount of FFM earned for the project.

It is the responsibility of the LPA to maintain adequate records and documentation to verify the flexible match on any given project. The fair market value of the non-monetary donations to be used on a project must be determined and documented by the LPA to be considered for flexible match. Land must be appraised to determine fair market value by an IDOT-approved appraiser. If the value of a land parcel is less than \$10,000 it may be appraised by the County Engineer or Municipal Engineer for their projects. Contributions of land can be by fee title or any lesser property interest, i.e., dedicated right-of-way. Materials must be based on actual cost to obtain including delivery. The services must be based on the local prevailing wage rate or actual LPA expenditures with supporting invoices or time cards. All documentation supporting the claimed flexible match amount must be submitted and approved by FHWA prior to authorization for utilizing the flexible match.

Preliminary engineering performed by consultants can only be considered when the work performed is a donation from the private entity. Preliminary engineering provided by LPA employees may be used as FFM for all federal programs except Emergency Relief and will be approved based on actual expenditure documentation.

Upon completion, a local city official, county engineer, or consultant that has been contracted by the local authority to act as the same, will certify the flexible match items have been completed in accordance with all applicable guidelines. This certification should be submitted with all documentation required to justify the requested FFM amount.

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<i>FFM Earned (80% of Local Contribution)</i>	<i>FFM Applied (Additional to 80% Fed)</i>
\$16,000	\$16,000

<i>Project Phase</i>	<i>Total</i>	<i>Federal Funds Used (80% Fed + FFM)</i>	<i>% Federal Funds</i>	<i>Local Funds or Contribution</i>	<i>% Local</i>
Step 1: FFM Earned	\$20,000	\$0	0%	\$20,000	100%
Step 2: FFM Applied	\$100,000	\$80,000 + \$16,000 or \$96,000	96%	\$4,000	4%
Summary	\$120,000	\$96,000	80%	\$24,000	20%

LPA FEDERAL FLEXIBLE MATCH (FFM)

FIGURE 4-1D

To allow sufficient time for review and approval, LPAs must submit all final FFM documentation preferably in a single submittal to the District prior to the date of federal authorization. This should be done far enough in advance to allow sufficient time for review by IDOT and approval by FHWA. No changes to the FFM amount will be allowed after final award of the contract.

4-1.13(c) Implementation Procedures

Prior to proceeding with a project that utilizes FFM, FHWA approval is required. The initial funding schedule submitted through the district with the LPA's intent to use FFM letter (as well as the cost estimate submitted at the same time as the joint agreement) should show the type, source, and amount of FFM, and the phases in which it is anticipated to be donated and applied. MPO guidelines should be followed for use of FFM on Surface Transportation Program and Congestion Mitigation and Air Quality Program funds within their respective areas. This FFM cost estimate is to be submitted by the LPA to the IDOT District BLRS.

4-1.14 Miscellaneous

4-1.14(a) High Priority Projects (prior to *MAP-21*)

High Priority Projects are those that are specified by the Congress. The total of High Priority funds available nationwide in a given year are a specified percentage of the total allocated under federal funding.

4-1.14(b) National Scenic Byways Programs (prior to *MAP-21*)

Federal funds are allocated for research and marketing projects to assist the byways of Illinois. SPR funding is allocated annually and must be completely utilized before a byway can reapply for the next year's funding allotment. Scenic Byways are designated on the criteria that they have scenic cultural, national, recreational, or archeological qualities. Illinois currently has designated seven National Scenic Byways — Meeting of the Great Rivers, the Great River Road, the Lincoln Highway, the Historic National Road, the Illinois River Road, Route 66, and the Ohio River Scenic Route.

4-1.14(c) Bridge and Tunnel Inspection

To provide for continued improvement to bridge and tunnel conditions essential to protect the safety of the traveling public and allow for the efficient movement of people and goods on which the U.S. economy relies, *MAP-21* required inspection and inventory of highway bridges and tunnels on public roads. No dedicated funds are provided for inspections, but it is an eligible use of NHPP, STP, HSIP, and Research funds.

4-1.14(d) Storm Sewers

Work on a highway project involving the construction, repair, rehabilitation, or replacement of storm sewers and combined sewers (when permitted by law) is eligible for Federal-aid funding for sewers that are structurally deficient. Generally, participation will be based on the sewer size needed solely for highway purposes.

4-1.14(e) Bicycle Facilities

The implementation of pedestrian and bicycle accommodations may be authorized for Federal-aid participation as either incidental features of highways, or as independent projects, where all the following conditions are satisfied:

1. The safety of the motorist, bicyclist, and/or pedestrian will be enhanced by the project.
2. The project is initiated or supported by the appropriate State and local highway agencies and/or the Federal Land Management Agency. Projects must be located and designed pursuant to a plan, which provides due consideration for safety and contiguous routes.
3. Independent bicycle projects, incidental bicycle projects, and non-construction bicycle projects must be principally for transportation rather than recreational use, and must meet the project conditions for authorization, where applicable.
4. A public agency has formally agreed to:
 - accept the responsibility for the operation and maintenance of the facility;
 - ban all motorized vehicles, other than maintenance vehicles or snowmobiles, where permitted by State or local regulations, from pedestrian walkways and bicycle paths; and
 - ban parking, except in the case of emergency, from bicycle lanes that are contiguous to traffic lanes.
5. The estimated cost of the project is consistent with the anticipated benefits to the community.
6. The project will be designed in substantial conformity with the latest official design criteria.

4-1.14(f) Value Engineering

Value Engineering (VE) is the systematic application of recognized techniques by a multi-disciplinary team to identify the function of a product or service, establish a worth for that function, generate alternatives through the use of creative thinking, and provide the needed functions to accomplish the original purpose of the project, reliably and at the lowest life-cycle cost without sacrificing safety, necessary quality, and environmental attributes of the project. The purpose of VE is to improve project quality, reduce project costs, foster innovations, eliminate unnecessary and costly design elements, and to ensure efficient investments. VE is applicable to all Federal-aid highway projects with an estimated cost of \$50 million or more and all federal-aid bridge projects with an estimated cost of \$40 million or more. Local projects utilizing VE should be coordinated with the District VE Coordinator at the initiation of the project. See [Section 17-2](#) for VE Procedures.

4-1.14(g) Asset Management

Asset management is a business process and a decision-making framework that covers an extended time horizon, draws from economics as well as engineering, and considers a broad range of assets. The asset management approach incorporates the economic assessment of trade-offs among alternative investment options and uses this information to help make cost-effective investment decisions.

In accordance with Section 303, Title 23, United States Code (U.S.C.) Federal funds may participate in the costs incurred by local highway agencies for management systems related to the development, establishment, and implementation of a system for managing each of the following:

- Highway pavement of Federal-aid highways
- Bridges on and off Federal-aid highways
- Highway safety
- Traffic congestion
- Public transportation facilities and equipment
- Intermodal transportation facilities and systems

The management systems listed above and the data collection and data management that support these systems are funded as a direct project cost. Costs associated with updating data components may be considered necessary expenses associated with running a functioning management system, but in implementing the management system, it may be necessary to augment the system data with updated annual or biennial data collection.

4-2 STATE PROGRAMS

4-2.01 General

The State of Illinois provides funding to local governments for transportation-related improvements under a variety of programs. Section 4-2 provides a brief discussion on these various sources of funding. In all cases, any interested parties should contact the district for more information on these Programs.

4-2.02 Township Bridge Program (TBP)

4-2.02(a) Source and Distribution

[605 ILCS 5/6-901](#) provides a State-funded program of \$15 million per year to construct bridges on the township or district road system. Funds appropriated to IDOT for this Program are apportioned to the counties in the same manner as MFT revenues for the use by road districts. Each county will subsequently allocate these funds to all eligible road districts in that county. The allocation to the road districts will be made in the same manner and be subject to the same conditions as are MFT revenues allocated for use of the district road system. However, no allocation will be made to any road district that has not levied taxes for road and bridge purposes at the maximum rates permitted without referendum as established by each individual section: [605 ILCS 5/6-501](#), [605 ILCS 5/6-508](#), and [605 ILCS 5/6-512](#). The rate will be determined by dividing the current year's tax levy amount by the previous year's assessed valuation, as adjusted. The district road system may permanently transfer, into the regular road fund ([605 ILCS 5/6-501](#)), joint bridge tax fund ([605 ILCS 5/6-508](#)), or county unit road tax ([605 ILCS 5/6-512](#)), a sufficient amount of money so that the levy and/or the transfer are at least equal to the maximum rates permitted without referendum. Road districts not currently levying the required rate because of the Property Tax Extension Limitation Law (PTELL) are eligible if they were levying at the required rate prior to PTELL and continue to levy the maximum amount after the imposition of PTELL.

For every \$4 of State TBP funds used, \$1 of local funds must be committed to the project. Local funds are defined as any other source of funds available to the district road system other than federal and State funds that have been appropriated through IDOT.

Funds apportioned but not obligated by the LPA within 48 months of the date when the apportionment is made, will lapse. Funds that have lapsed will not be available to the county treasurer for use by the road districts but, instead, will be deposited in the Township Bridge Lapse Pool; see Section 4-2.03.

4-2.02(b) Use of TBP Funds

The following will apply to the use of TBP Funds:

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1. Project Scope. TBP provides State funding for the construction or rehabilitation of bridges 20 ft (6 m) or more in length, measured back-to-back of the abutment along the roadway centerline on the district road system, including a reasonable vertical and horizontal approach. It also includes the necessary engineering and right-of-way costs to complete the project.
2. Project Selection. The highway commissioners, in cooperation with the county engineer, are responsible for selecting the bridges to be constructed based on the following (in order of priority) ([605 ILCS 5/6-902](#)):
 - safe and expeditious transportation of school pupils,
 - movement of agricultural equipment and products,
 - rural free delivery mail routes, and
 - meeting anticipated traffic needs of the general public.
3. Use in Combination with Other Funds. Funds allocated through the Program may be used in conjunction with any other source of funds to complete a project. This includes matching of federal funds for bridge projects. The only condition is that at least for every \$4 of the TBP fund, \$1 must come from local funds ([605 ILCS 5/6-905](#)). Local funds are defined as any other source of funds, including MFT, available to the road district other than federal and State funds that have been appropriated through IDOT.
4. Funding Limitations. Project costs are eligible for payment from those available funds apportioned prior to the award of the contract for the project. Exceptions that may be funded considering subsequent apportionment are indebtedness ([605 ILCS 5/6-903](#)) and contract additions.

4-2.03 TBP Lapse Pool

Pursuant to [605 ILCS 5/6-906](#), funds apportioned to the counties for the Township Bridge Program are considered lapsed if they are not obligated within 48 months to the date of the apportionment. IDOT has established an administrative program whereby allocated TBP funds that have lapsed are placed in a TBP Lapse Pool. This fund provides additional monetary assistance to townships that have insufficient financing for larger bridges that are beyond the normal scope of the Township Bridge Program. The State will provide a maximum of 80% of the construction and construction engineering cost. The LPA must provide the remaining 20%.

The following items are considered when evaluating candidates for this funding:

1. Posting. Structures with low load postings or closures receive a higher priority than non-posted structures.
2. Average Daily Traffic Volume (ADT). Structures with traffic volumes less than 25 ADT are generally eliminated from consideration.
3. Adverse Travel. Longer adverse travel required by a bridge closure receives a higher priority.

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4. Cost. Structure replacement costs greater than 2 years of TBP allotment to the county receives higher priority.
5. Safety. Information pertaining to crashes or hazardous conditions and how they will be rectified will be considered.
6. School and Mail Routes. Routes used for schools or mail delivery receive a higher priority.
7. Growth. New growth, either residential or industrial, relating to increased traffic is considered.
8. Letting Dates. Preference is given to those structures that can be replaced within 1 year.

4-2.04 Illinois Grade Crossing Protection Fund (GCPF)

Safety at railroad/highway grade crossings has long been a matter of public concern. The extreme severity of grade crossing crashes creates a safety issue of major significance.

Each month, \$3,500,000 from the MFT fund, see Section 4-3, is deposited into an account in the State Treasury, known as the Grade Crossing Protection Fund (GCPF), for the improvement of railroad/highway crossings on local highway systems. Each fiscal year not less than \$12,000,000 must be used for the construction or reconstruction of rail/highway grade-separation structures. Up to \$2,000,000 per year can be spent on pedestrian overpasses and underpasses. The normal maximum GCPF for a project is \$12,000,000.

Additionally, GCPF are available for incentive payments to local highway agencies in exchange for the closure of existing highway/rail grade crossings. Depending on the level of vehicular traffic, the incentive payments can range from \$50,000 to \$70,000.

The Illinois Commerce Commission (ICC) may also order up to \$2,000,000 per year in GCPF for the improvement of grade crossing surfaces and up to \$300,000 per year for the maintenance and renewal of 4 quadrant gate vehicle detection systems located at non high-speed rail grade crossings.

Funds can only be used upon approval from ICC and for projects that improve the safety of at-grade crossings and grade-separation structures. GCPF can be used for improvements at railroad crossings on the county, township, road district, and municipal road and street systems. However, the fund cannot be used for improvements at railroad crossings on the State highway system.

Through a cooperative effort of ICC, IDOT, railway companies, and LPAs, hazardous crossing locations are identified and, where practical, corrective measures are funded by the program. GCPF is primarily used for the following types of improvements:

- the construction or upgrade of crossing protection (e.g., new or additional signals, gates, circuitry upgrades);
- the construction or improvement of any highway necessary for access to property due to a crossing closure; and/or

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- the construction, reconstruction, relocation, or removal of grade-separated structures.

Figure 4-2A summarizes the typical cost divisions for grade crossing improvements. Additional information on the GCPF can be found at the [ICC website](#).

Improvement Type	GCPF (%) ⁽¹⁾	LPA (%) ⁽²⁾	Railroad Company (%)
Signal Installation	85	10	5
Bridge Replacement (no Federal funds)	60	30-40	0-10 ⁽⁴⁾
Bridge (with Federal funds)	Up to 60	Remainder ⁽³⁾	0 -10 (Lump Sum) ⁽⁵⁾
New At-Grade Crossings with Signals	50	50	0
New At-Grade Crossing with Surface	0	100	0

Notes:

- (1) Typically, all GCPF portions are not to exceed a lump-sum amount, with another party being apportioned any remaining costs over and above the estimated cost.
- (2) The LPA contribution may be waived in exchange for a crossing closure at a second location.
- (3) This portion may be funded under the Illinois STP-Bridge Program, the Surface Transportation Program (STP), Township Bridge Program (TBP), and/or other federal, State, or local funds.
- (4) The railroad company's contribution is dependent upon its existing bridge maintenance responsibilities.
- (5) The railroad company's contribution is voluntary unless the new bridge replaces a grade crossing protected by active warning devices. A minimum 5% contribution from the railroad is required for these projects.

These cost distributions are typical; ICC will determine the actual cost distributions.

GRADE CROSSING PROTECTION FUND ALLOCATIONS

Figure 4-2A

4-2.05 Economic Development Program (EDP)

EDP funds provide State assistance for highway improvements that provide access to new or expanding industrial, distribution, or tourism developments. The primary intent is to make available State matching funds that will be a positive contribution in the location and selection process and to target those projects that will aid in expanding the State's existing job base and create new employment opportunities. EDP is designed to assist where the development of these facilities is imminent. Ineligible projects include those that only provide access to retail establishments, that only improve opportunities for future development, or that are speculative in nature. This Program is administered jointly by OPP and the CBLRS.

EDP provides up to 50% in State funds for costs to improve access to eligible sites. The remaining funds must be provided by local or private sources. The basic funding arrangement may be altered on a case-by-case basis for projects that include improvements on roads under State jurisdiction. When work is on a State highway, the State funds will pay up to 100% of eligible costs. However, if there are no local routes included in the overall project, the funding split is 75% state and 25% local. For a project to be eligible for EDP funds there must be some local funding included in the project.

Local matching funds may consist of local road and bridge tax funds, the LPA's MFT allocation, or other local revenues. Funds obtained from the Truck Access Route Program (TARP), Section 4-2.06, can also be applied to the local matching funds. Local matching funds cannot include grant funds received from other State agencies.

See IDOT's website for additional information on the [Economic Development Program \(EDP\)](#).

4-2.06 Truck Access Route Program (TARP)

TARP funds assist LPAs in constructing or upgrading highway systems to accommodate 80,000-pound (36,000-kg) trucks. Projects must connect to a designated truck route, municipality, or truck generator with another designated truck route or municipality (unless phase construction is approved). The LPA must pass a resolution designating the road as a Class II or Class III truck route and post signs with that designation at the completion of the project; see [Section 3-2](#).

TARP is designed to help pay the cost difference of constructing or upgrading local highways to meet additional weight and geometric requirements. The State provides up to \$45,000 per lane-mile and \$22,000 per qualifying intersection or up to 50% of the entire project cost, whichever is less. The State's share of the cost is not to exceed \$900,000 per project. TARP funds may be used on a route that is already a Designated Truck Route, so long as the route has not been upgraded to 80,000-pound requirements previously, and the proposed improvements are TARP eligible.

The CBLRS administers TARP. TARP funds may also be used in conjunction with the Economic Development Program (EDP) on eligible projects.

See IDOT's website for additional information on the [Truck Access Route Program \(TARP\)](#).

4-2.07 State Matching Assistance (SMA) Program

The SMA Program is designed to assist counties in matching federal funds when the county cannot derive sufficient matching funds from local taxation. Counties receive a Surface Transportation Program Rural (STR) allotment that may be used to fund up to 80% of eligible project costs. Counties can levy a Federal-aid matching tax to use for the local share. Although an 80/20 federal/local matching ratio is allowable for STR projects, a lower matching ratio is more equitable when determining the need for matching funds because the counties receive other Federal-aid funds (e.g., STP-Bridge) that require a local match. Some counties do not have a sufficient tax base to generate the local funds needed for the match. The SMA Program provides \$4 million per year addressing this problem.

The county is required to levy a Federal-aid matching tax of at least 0.045% to be eligible for assistance. To receive the maximum amount, the county is required to have a tax rate of 0.05%. If the rate is 0.045%, the allocation is 90% of the maximum. If the rate is between 0.045% and 0.05%, the assistance is prorated. If the rate falls below 0.045%, the county may retain its eligibility for assistance if a permanent transfer of funds from a non-highway fund to the Federal-aid matching tax fund is made to meet the equivalent of the minimum eligibility threshold.

The maximum assistance amount for each county is established as the difference between the amount required to match the county's STR allotment using a computer-generated Federal/local matching ratio and the funds generated by the county's Federal-aid matching tax. This matching ratio is variable each year and is generated to result in the use of the entire SMA amount. All counties with a short fall under this formula receive full funding of the shortfall.

The amount of funds received by each county varies from year-to-year. The variable amount of STR funds available each year and the local Equalized Assessed Valuation (EAV), as provided by the Department of Revenue, have a direct correlation on the amount of funds to be disbursed based on shortfall. As an example, when the STR allotment increases, the poorer counties will have a greater need for an additional match. Conversely, when the allotment decreases, the poorer counties will not have a need to match as much Federal funding and will require less SMA funds.

SMA funds may be used for any Federal-aid project. Two factors impact the implementation of the SMA Program:

1. Lump-Sum Use. Counties may use its accumulated SMA funds to defray any part or the entire non-federal portion of any local Federal-aid project, regardless of the federal matching percentage. However, the SMA must be committed as a lump-sum rather than a percentage of the project cost.
2. Anticipation. There can be no anticipation of SMA funds (e.g., no county can commit more SMA funds to a project than it has available at the time of letting). However, existing agreements for active projects may be amended with CBLRS advance approval to increase the amount of SMA when it becomes available.

4-2.08 County Consolidated Program

The County Consolidated Program provides \$21.8 million per year of State assistance for distribution to all counties except Cook County. The counties share equally \$8 million of the funds with the remaining portion distributed using the MFT formula, which is based on the amount of motor vehicle license fees. The funds must be deposited in the agency's MFT account and can be expended for any permissible MFT use. See Section 4-3 for more details on the Motor Fuel Tax.

4-2.09 Needy Townships

The Needy Townships Program provides \$10 million per year of State assistance for needy townships and road districts that levy at the maximum tax rate allowed without referendum, but do not generate enough revenue to meet a minimum level of funding per mile of roadway. The funds must be deposited in the MFT account and can be expended for any permissible MFT use. This program is available to areas with the lowest ability to generate revenue on a per-mile basis. The eligible townships and assistance levels are set based on the EAV, annual average MFT distribution per mile, and average maintenance cost per mile.

4-2.10 High-Growth Cities

The High-Growth Cities Program provides \$4 million of State assistance per year to municipalities with populations over 5,000 that are experiencing above-normal population growth. Any municipality having an increase in population of at least 5% either through the comparison of two consecutive decennial censuses or the comparison of a decennial census and a special census within a given decade is eligible for this program. Funding is allocated among eligible cities based on their current population and per capita increase compared to all eligible cities. The funds must be deposited in the LPA's MFT account and can be expended for any permissible MFT use.

4-2.11 County Engineer Salary Program

This program is designed to aid counties in paying a reasonable professional salary for their county engineers. In exchange for an equal amount of a county's federal Surface Transportation Program (STP) allotment, the state will provide state funds to pay up to one-half of a county engineer's salary.

Recommended salaries have been established for the 99 counties in Illinois that receive rural STP federal-aid highway funds. The recommended salaries are established by a ranking system considering five factors:

- county MFT allotment
- county lane mileage
- county population
- county assessed valuation
- county system vehicle miles of travel

The sum of the five individual ranks is used to determine an overall rank. The magnitude of the responsibilities for each ranked county has been related to comparable department civil engineer responsibilities and an equivalent recommended salary established for each county. The county rankings are computed each year using the latest available data, and the respective recommended salaries are adjusted annually in a like manner as the department's salary bracket for civil engineers.

A county must agree to pay the county engineer a salary, exclusive of normal expenses, of at least 95% of the recommended salary to be eligible for the program. The amount of the exchange shall be no more than one-half of the salary paid to the county engineer with no upper salary limit, recognizing that a county may pay more than the recommended salary.

The county and the department shall enter into an agreement covering the terms of the exchange. An agreement can be entered into at any time during the year.

A county who shares an engineer with another county will qualify for this program by paying at least 95% of either the following:

1. The salary of at least 60% of the current recommended salary, or
2. A salary that, when combined with the salary paid by the county sharing the engineer, totals 60% of the sum of the current recommended salaries of the two counties.

4-2.12 Funding for Jurisdictional Transfers

Funds may be provided by the State, based on the present worth of the highway or structure, to the LPA that agrees to assume jurisdiction for the facility. The present worth is determined using the life-cycle cost of keeping the highway in a serviceable condition.

4-2.13 Park Access Program

The Park Access Program provides funding for road projects that are located within or provide access to State parks and historic sites. The projects are selected jointly by IDOT, IDNR, and the State Historic Preservation Officer (SHPO). Applications should be sent to IDNR. Funding is allocated at 100% of the total project cost.

4-2.14 Noise Abatement Program

The Noise Abatement Program provides State funding for noise abatement projects along existing fully access-controlled State routes in urban areas. LPAs are required to provide 50% local matching funds. Federal funds can be used to supplement the project cost if the project is designed to meet federal criteria. Costs associated with preliminary engineering, construction, and construction engineering are eligible. Costs associated with right-of-way and utilities are not eligible. The sponsoring agency must document the traffic-generated noise levels prior to applying for funds, and it must also pass a zoning ordinance regarding land use. Contact OPP for more information.

4-3 MOTOR FUEL TAX (MFT)

4-3.01 Source

In 1929, the Illinois General Assembly adopted a law placing a tax (e.g., 19 cents/gallon and an additional 2.5 cents/gallon on diesel fuel) on the operation of a motor vehicle on public highways and of operation of recreational watercraft on the water based on the consumption of motor fuel. Proceeds from this tax are administered by IDOT, with a portion of these revenues being allotted to counties, townships, and municipalities. The collection and distribution of these funds are outlined in the Motor Fuel Tax Law, [35 ILCS 505/1 et seq.](#) and are referred to as MFT funds.

4-3.02 Distribution

4-3.02(a) General

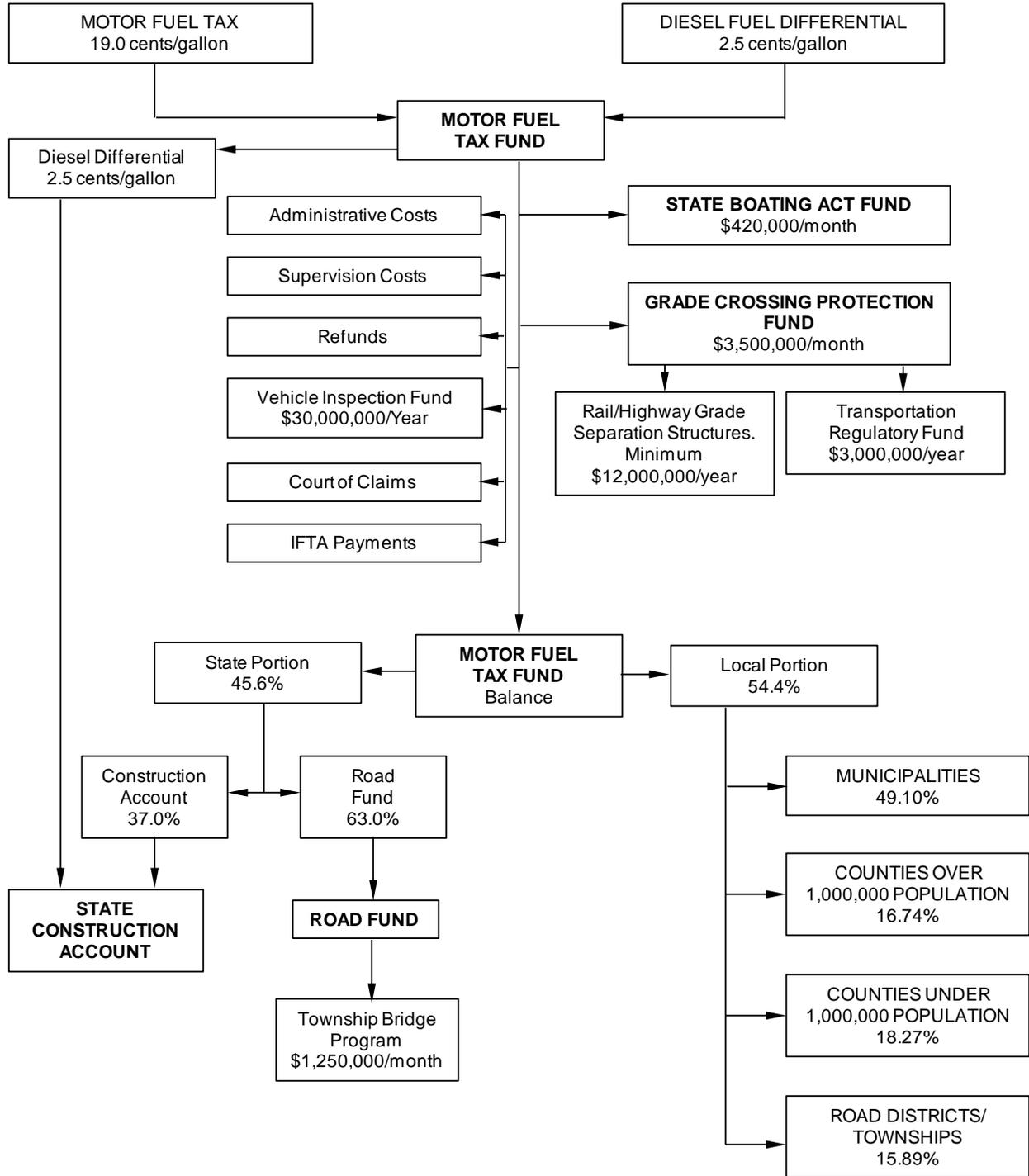
MFT funds are paid out to the units of local government in accordance with the MFT Fund, [35 ILCS 505/8](#) provisions. All money collected by the Department of Revenue is distributed after the first day of each month. No funds are held in escrow for retroactive changes in allocations. The amount of MFT collected is based on the previous month's sale of motor fuel statewide; therefore, allocations will vary from month to month.

Figure 4-3A illustrates the distribution of MFT funds. After deductions set by law, 54.4% of the remainder is distributed to LPAs. The following sections describe the allocation of the MFT funds to the counties, municipalities, and townships. See the IDOT publication, *MFT Funds: Source, Distribution and Uses by* ([Municipalities](#)) ([Counties](#)) ([Townships](#)) for more information.

4-3.02(b) Municipalities

A municipality's share of the total MFT municipal allocation is based on the ratio of that municipality's population to the total population of all incorporated areas in the State. The population figure is determined by the latest decennial census taken by the U.S. Bureau of Census. When the Illinois Secretary of State certifies the population count ([65 ILCS 5/1-7-2](#)), IDOT adjusts the municipal population figure on which the MFT allotment is based to agree with the certification ([35 ILCS 505/8](#)).

This municipal population figure for the purposes of determination of MFT allotments will remain in effect until the next decennial census, or if a change in population has been determined in accordance with the law. The following also applies to MFT allotments:



MOTOR FUEL TAX DISTRIBUTION

Figure 4-3A

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1. MFT Allotments to New Municipalities. Before MFT allotments can be made to a newly incorporated municipality, articles of incorporation must be first filed with the Secretary of State. After the Secretary of State officially notifies IDOT that a Certificate of Incorporation has been issued, and after a census has been conducted, monthly MFT allotments will be made to the new municipality.

With respect to the census that must be made by the municipality, IDOT requires the submittal of:

- an ordinance adopted by the municipal board or council providing for the taking of the census;
- an affidavit executed by the municipal clerk and attached to the ordinance certifying to the passage of the ordinance; and
- an affidavit signed by the municipal clerk and president or mayor, and attested to by a notary public, giving the date of the census and the population of the municipality.

Forms [BLR 04310](#), [BLR 04311](#), and [BLR 04312](#) may be used.

If all required information is provided, the municipality will be notified of the date on which the first allotment will be made.

2. Change in Municipal MFT Allotments Due to Annexing of New Territory. If new territory has been annexed after the last federal census was taken, and the municipality desires to have its allotment increased because of this fact, it must take a census of the annexed territory. The municipality must provide IDOT with executed copies of the information listed above. If all required information is provided, IDOT will notify the municipality of the date when the first allotment, reflecting the new population, will be made.
3. Change in Municipal MFT Allotments Due to Special Census. To change the population figure upon which MFT allocations are based, a municipality must contact the Director of the Census, Department of Commerce, Washington, D.C. to determine the procedures to conduct a special census. No other census will be accepted. This census must be an actual count of all inhabitants residing within the corporate boundaries; estimates or a census taken of only selected areas within a municipality are not acceptable.

After the Census Bureau determines the census, the Director of the Census will furnish to the Office of the Secretary of State and the municipality a report of the results. The Office of the Secretary of State will then certify that it has received the results with a copy to the municipality and IDOT giving the new population of the municipality.

Upon receipt and review of the certification, IDOT will change the population figure upon which the municipality's MFT allocations are based and will notify the municipality of the date when the first allotment will be made due to the population change. MFT funds may not be used to pay for the cost of conducting any census.

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4-3.02(c) County

Counties that have 1,000,000 or more inhabitants receive a special designated allocation. Allocations to counties having less than 1,000,000 inhabitants receive allocations in proportion to the amount of motor vehicle license fees received from vehicles registered in each county during the preceding calendar year. On or before April 15 of each year, the Secretary of State submits a full report to IDOT detailing the amount of motor vehicle license fees received from vehicles registered in each county during the preceding calendar year, pursuant to [35 ILCS 505/8\(e\)](#).

4-3.02(d) Townships (Road Districts)

[35 ILCS 505/8](#) defines “road district” as any road district provided for by the Illinois Highway Code. Road districts also include park districts, forest preserve districts, and conservation districts organized under Illinois law. The term “township or district road” also includes roads maintained by park districts, forest preserve districts, and conservation districts.

The following applies to MFT funds for road districts:

1. **Road Districts.** MFT funds apportioned for use by road districts are allotted to the several counties in the State. These allotments are apportioned among the counties in the proportion which the total mileage of township or district roads in that county bears to the total mileage of all township or district roads within the State. Funds allotted to the counties for the use of its road districts must be apportioned among the eligible road districts in proportion to the eligible mileage of township or district road systems in each eligible road district.

Any park district, forest preserve district, or conservation district must comply with all statutes related to road districts with respect to receiving MFT allotments (Attorney General’s Opinion No. 85-024, dated December 2, 1985).

2. **Minimum Taxes.** To be eligible for MFT allocations, the road district must levy a tax or taxes for road and bridge purposes. To receive the maximum MFT allocation, the road district must levy a tax or taxes for road and bridge purposes at an extension rate of at least 0.08% of its assessed valuation. To meet this requirement, the road district may use both its regular road fund ([605 ILCS 5/6-501](#)) and permanent road fund ([605 ILCS 5/6-601](#)) either separately or in combination to equal the required percentage. If the road district does not levy a tax or taxes for road and bridge purposes at an extension rate of at least 0.08% of its assessed valuation, the road district’s MFT allocation shall be the percentage of the maximum allocation equal to the percentage obtained by dividing the rate extended by the road district for road and bridge purposes by 0.08%.

On or before July 1 of each year, the county clerk of each county will file a certificate with IDOT certifying the rate of road district tax levies in that county in accordance with the above formula. Certifications are date stamped when returned to the Department to ensure the certifications are filed before the deadline. If the county clerk fails to file this certificate, the allotment to the county for the road districts will not be made. However, if the county clerk later in the year does make a proper certification, the allocation will be made beginning with the first month’s allotment following the date of certification.

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If the tax and/or taxes are not levied in accordance with the Motor Fuel Tax Law, the MFT allotments of the ineligible road district will be reallocated to the eligible road districts within the county. The ineligible road district, upon subsequent compliance with the MFT law, will once again be eligible; however, allotments will not be retroactive.

3. Property Tax Extension Limitation Law (PTELL). PTELL limits the increases in a taxing district's extensions. PTELL allows a taxing district to receive a limited inflationary increase in tax extensions on existing property. Increases in property tax extensions are limited to a lesser of 5% or the increase in the Consumer Price Index. This affects non-home-rule taxing districts in Cook County and in the collar counties (i.e., DuPage, Kane, Lake, McHenry, Will). PTELL allows the county board of other counties, by ordinance or resolution, to submit to the voters of the county, the question of whether to make all non-home rule-taxing districts that have all or a portion of their equalized assessed value situated in the county subject to PTELL ([35 ILCS 200/18-185 to 200/18-245](#)).

As a result of PTELL, some road districts are unable to levy the minimum 0.08% road and bridge tax, which would result in some road districts becoming ineligible to receive the maximum MFT funds. [35 ILCS 505/8](#) enables road districts under PTELL to receive the maximum MFT funds. To become eligible, the road district must have been levying the minimum 0.08% road and bridge tax prior to PTELL and continue to tax at the maximum allowable amounts allowed by PTELL or, in DuPage County, an amount equal to or greater than \$12,000 per mile of road under the jurisdiction of the road district, whichever is less.

4. Eligible Roads. According to [35 ILCS 505/8](#), IDOT is required to determine the mileage of all township and road district highways within the State for the purpose of allotting and allocating Motor Fuel Tax funds for use in road districts. Generally, a portion of a highway improved, designed, or ordinarily used for vehicular travel, exclusive of the berm or shoulder, is referred to as the roadway and is included in the mileage total provided that the highway is a public way for vehicular travel. Previously unreported public highways must be 0.04 miles (0.06 km) or longer to be included in the inventory for mileage totals.

To be considered a public way for vehicular travel, a road must be both "open" and "passable." The roadway must be free of obstructions (e.g., no gates, chains, fences, fallen trees) that prevent the public from gaining access to the full length of the road. There cannot be any no-trespassing, road-closed, or other signs or markers that prohibit public travel. Roads leading up to a closed bridge or culvert are considered a public way for vehicular travel if the approaches are passable. Vehicular travel may be prohibited or restricted for no more than 90 days in any one calendar year, pursuant to [625 ILCS 5/15-316](#).

A road is "passable" if the road can be traversed in a four-wheel drive vehicle in dry conditions without having to leave the roadway. The following criteria are used by IDOT to determine passability:

- a. Ruts. The roadway must be free of excessive ruts or potholes. Ruts more than 9 in (225 mm) should not exist on the majority of the roadway unless a four-wheel drive vehicle can straddle the ruts and traverse the road with relative ease at a low rate of speed.

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- b. Delineation. For dirt roadways, delineation of the roadway must be readily identifiable, by either wheel paths or cross section recognition.
- c. Clearance. Vegetation and other obstructions lateral to the roadway should be adequately cleared to allow a standard size 4-wheel drive vehicle to pass without rubbing and scratching the vehicle.
- d. Drainage. Adequate drainage is provided to prevent ponding on the roadway or erosion of the roadway, except in instances of seasonal or prolonged flooding.

If the open and/or passable criteria have not been met, IDOT will notify the township road commissioner and the county engineer of the problem and allow 30 days to correct it. If the problem is not corrected within 30 days, the road will be removed from MFT eligibility.

Township roads will be re-inventoried within a cycle to be determined by the district to determine MFT eligibility and verify length. A 5-year cycle is desirable.

4-3.02(e) Engineering Studies

MFT funds may be used by counties and municipalities for engineering studies, as permitted by the Illinois Highway Code. These studies must be restricted to costs incurred in performing only countywide or municipal-wide highway surveys or investigations, where the costs or conditions are such that the work cannot be accomplished as part of one or more construction sections. These surveys and investigations must also be limited to those necessary for the planning of future construction, reconstruction, or rehabilitation of streets and highways including the necessary appurtenances. They should be based on present and future traffic volumes and types, drainage facilities, traffic needs due to future expansion, and factors that will affect the design and location of future improvements. Any reports prepared in connection with these surveys or investigations must be filed with IDOT - one copy with the district and one copy with CBLRS ([605 ILCS 5/5-701.6](#) and [605 ILCS 5/7-202.11](#)).

MFT funds may not be used for the hiring of planning engineers to make a comprehensive survey of the county or municipality that would lead only to the enactment of a new zoning ordinance.

Engineering studies that are designed to provide the highway authority with a report on the present condition and projected service life of specific highways or the entire highway network may be funded with MFT revenues. Pavement evaluation studies should be comprehensive reports that reflect the effects on present conditions produced by environmental factors, traffic volumes, and drainage characteristics. The approval of MFT funding for a pavement evaluation study will be subject to the following conditions:

1. Evaluations. The study should only include those evaluations that are necessary for the planning of future construction, reconstruction, rehabilitation, or maintenance of street and highway systems. Base the evaluations on present and future traffic volumes and types, drainage facilities, and traffic needs due to future expansion that would affect the maintenance or design of future improvements. Do not include any evaluation of streets or highways that obviously have no structural value (e.g., oiled earth).

2. Approval. Prior district approval is required for the individual roads and streets to be evaluated.
3. Treatment Recommendations. Based on the evaluations, provide various rehabilitation treatments for at least a 10-year projected service life. The district must approve the various treatments selected. When the evaluation indicates that none of the selected rehabilitation treatments are adequate, include in the study the needed information to indicate the adequate thickness of overlay to provide satisfactory performance. When an evaluation indicates that reconstruction is necessary, any information furnished in the evaluation is considered as information only. The new design must be based on IDOT's design procedures. See [Chapter 44](#) for information on pavement design.
4. Disclaimer. IDOT is not bound by the results of the evaluation. IDOT reserves the right to approve or disapprove any proposed rehabilitation treatment regardless of the evaluation.

4-3.02(f) Highway and Street Bond Issues

The Illinois Highway Code allows MFT funds to be used for the payment of principal and interest on approved bond issue improvements. Miscellaneous administrative expenses (e.g., legal fees, treasurer's fees, recording fees, and engineering fees) may also be included in the cost of the bond issue to retire the bonds. Election costs incurred in submitting the bond issue to referendum are not considered eligible MFT expenses ([605 ILCS 5/5-701.5](#), [605 ILCS 5/5-701.11](#), [605 ILCS 5/6-701.6](#), and [605 ILCS 5/7-202.18](#)). No more than 50% of the annual MFT allotment should be used to pay off bonds and their interests. This will allow funds to be available for maintenance and other needed improvements.

4-3.03 Uses of MFT Funds

4-3.03(a) General

This Section clarifies issues pertaining to [605 ILCS 5/5-701](#), [605 ILCS 5/6-701](#), and [605 ILCS 5/7-202](#), defines parameters for the use of MFT funds, and determines under what conditions MFT funds may or may not be used. Figures 4-3B through 4-3D summarize the permissible uses of MFT funds for each type of LPA, and reference either the applicable section of the statute or the applicable Section of the BLRS Manual that discusses the use. Also, consider the following:

1. Counties. If the county highway system is being maintained in an acceptable condition, a maximum of 30% of a county's MFT funds may, with IDOT approval, be used for county unit road district roads.
2. Municipalities. For municipalities with a population greater than 500,000, 25% of the MFT funds must be spent on non-arterial streets ([605 ILCS 5/7-202.1c and 202.22](#)). Any municipality can use MFT funds to match a Federal-aid project up to 50% of the cost of the project ([605 ILCS 5/7-202.10](#)).

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3. Municipality Street Extensions. Municipalities may construct and maintain extensions of municipal streets outside the corporate limits of the municipality, including parts of such streets that extend into another municipality, if it is performed pursuant to an agreement between the municipalities, see [605 ILCS 5/7-202.3](#). Municipalities may construct and maintain extensions of municipal streets within the corporate limits of any park district whose territorial limits are coterminous with the territorial limits of the municipality, pursuant to [605 ILCS 5/7-202.4](#).
4. Employees. For employees of an agency who may be paid from the MFT fund under the foregoing instructions, the method of payment may be one of the following:
 - Where the compensation is on an hourly, daily, or monthly basis, the agency may pay the employee directly from the MFT fund for the particular MFT-eligible job on which the work is performed.
 - Where the compensation is on an hourly, daily, or monthly basis, the agency may pay the employee from the fund for which he is regularly paid. This fund may then be reimbursed from the MFT fund for the job on which the work was performed for the amount paid to the employee for the time spent on the MFT job.

Under both methods of payment, the agency must maintain complete records of the dates and times for the employees who are engaged in MFT funded work and the particular projects or sections.

Reimbursements from MFT will be made promptly and periodically, preferably each month.

Payments from MFT funds to other funds for reimbursement are made in the same manner as any other payment (e.g., a claim showing the date, project or section, the class of labor, and the rate of pay must be filed and a warrant drawn against the MFT fund in favor of the fund which is being reimbursed). It is not necessary that individual claims for each employee be filed, but a separate claim must be filed for each project or section and, if it is desired, all employees working on that project during the period covered by the claim may be shown on one claim and reimbursement made by one warrant.

4-3.03(b) Construction Items

Any item included as an integral part of an MFT roadway/construction project is eligible for MFT funding. This includes engineering and land acquisition. When selecting township roads for improvement, preference should be given to school bus and mail routes. See [Section 14-2](#) for guidance on using MFT funds for maintenance issues. The following discusses MFT eligibility for construction items:

1. Sidewalks and Curb Ramps. MFT funds may be used for the construction of sidewalks and related curb ramps providing the following requirements and those of [Sections 41-5 and 41-6](#) are met:
 - a. Municipalities are permitted to construct sidewalks and pedestrian paths within the right-of-way of any street. Also, municipalities are permitted to construct pedestrian subway and overhead crossings.

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- b. Counties and road districts may construct sidewalks provided:
- The amount of pedestrian use of the street or highway justifies the construction of the sidewalks.
 - The LPA agrees to assume the responsibility for sidewalk maintenance and repair.
 - The sidewalk is constructed as an integral part of, or subsequent to the completion of, a major paving project built by the State or by the county or road district under State supervision.
2. Proposed Street Lighting System. Municipalities may use MFT funds for the construction or reconstruction of a street lighting system on improved (e.g., a construction section) municipal streets, county highways, and State highways ([605 ILCS 5/7-202.6](#)). Counties and townships/road districts may also use MFT funds for roadway lighting ([605 ILCS 5/5-701.1](#) and [605 ILCS 5/6-701.1](#)).
- The system must meet the requirements of [Section 41-7](#) and provide the necessary illumination required by the current edition of American National Standard Practice for Roadway Lighting (ANSI/IESNA RP-8) published by the Illuminating Engineering Society of North America (IESNA).
3. Storm Sewers. MFT funds may be used for the construction of storm sewers and appurtenances, or combination storm and sanitary sewers and appurtenances, where legally authorized under the following conditions:
- a. Location. Storm sewers, except for outfalls, must be built entirely within the limits of the highway improvement under consideration.
 - b. Necessity. The storm sewers must be considered to be an integral and necessary part of a highway improvement. Resolutions proposing an improvement for the express purpose of justifying the construction of a storm sewer are not acceptable.
 - c. Staging. Storm sewers may be built at the first stage of a highway improvement, provided steps are taken for the complete improvement at the time of original approval, or storm sewers may be built coincident with or after a highway improvement has been completed by the State, or by the local highway authority under State supervision.
 - d. Capacity. MFT funds may be used to provide storm sewers and appurtenances of sufficient size to accommodate only the water that would naturally flow to the roadway. If the LPA chooses to provide excess capacity to accommodate sanitary flow or water from other locations, the excess capacity must be paid for with other funds.
 - e. Outfalls. MFT funds may be used to construct municipal storm sewer outfalls outside the corporate limits up to the nearest acceptable natural waterway or connection to an acceptable existing storm sewer.

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- f. Basins. If required by local storm water management agencies, retention/detention basins may be constructed with MFT funds. The MFT participation in construction of these basins will be determined in accordance with the capacity restrictions noted in Item 3d.
 - g. Approval. Combination storm and sanitary sewers must be approved by the [Illinois Environmental Protection Agency \(IEPA\)](#), Bureau of Water.
 4. Parking Facilities. MFT funds may be used by LPAs to acquire right-of-way and construct parking lanes adjacent to the roadway. Municipalities may also use MFT funds for off-street parking facilities ([605 ILCS 5/7-202.17](#)). MFT funds used for parking facilities are subject to the following conditions:
 - a. Public Availability. All parking facilities must be generally available to the public and may not contain individually reserved parking spaces. However, parking facilities in commercial areas or adjacent to public buildings must contain spaces reserved for persons with disabilities.
 - b. Restricted Parking. Parking spaces or lanes restricted for use by “residents only” or other special restrictions will be considered on an individual basis. Requests, presenting the need for and the conditions of the restriction, require approval by CBLRS. Requests should be submitted through the Regional Engineer. Requests that provide for individually assigned parking spaces will not be approved.
 - c. Revenue-Producing Parking. MFT funds may be used for a revenue-producing, off-street parking area. The disposition of parking revenues must be in accordance with the provisions of [Chapter 9](#).
 - d. Resetting Parking Meters. MFT funds may be used for moving and/or resetting parking meters where the work is made necessary by the construction of an MFT improvement.
 5. Traffic Control Devices. MFT funds may be used for the installation and maintenance of all or any warranted traffic control devices. These traffic control devices may include, but are not limited to, traffic signals, beacons, signs, and pavement markings.
 6. Right-of-Way Expenses. MFT funds may be used to purchase any right-of-way that may be required to construct a highway improvement. Legal fees, appraisal fees, and survey fees associated with these purchases may also be paid with MFT funds provided that MFT funds are not used to reimburse any public official or to reimburse any other fund for the salary and expenses of the state attorney, municipal attorney, municipal engineer, or others who are officials of the LPA.

IDOT approval of MFT expenditures for right-of-way is contingent upon adequate documentation that legal requirements have been met, that property owners are being treated equitably, and that the purchase price is fair.

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7. County Garages. Counties may use MFT funds for constructing or maintaining, or both, a county garage used for the servicing, maintenance, or storage of construction or maintenance vehicles or equipment used in the construction or maintenance of county or state highways ([605 ILCS 5/5-701.9](#)). MFT funds may not be used for office space except by counties with a population greater than 1,000,000. MFT funds may not, however, be used to purchase property for the construction of the garage (Attorney General's Opinion F-1968, May 22, 1968).
8. Construction and Maintenance of Salt Storage Facilities. MFT funds may be used for the construction, reconstruction, maintenance, and rental of structures for the storage of salt used for highway maintenance provided that:
 - MFT funds are not used to purchase the property for construction; and
 - MFT funds are not urgently needed for other improvements.
9. Bicycle Facilities. LPAs may use MFT funds to construct bicycle facilities under the following conditions:
 - a. Counties. Counties may use MFT funds for:
 - placing, erecting, and maintaining signs or surface markings to designate official bike routes along a county highway;
 - the construction and maintenance of bicycle routes along county highways or along State highways by agreement with IDOT in counties with a population over 500,000. Also, the Bikeway Act contains provisions that allow the expenditure of MFT funds in counties of over 500,000 population for construction and maintenance of bikeways along public utility or railroad right-of-way ([605 ILCS 30/2](#)); and
 - paying the county's share for bicycle facilities constructed as part of a federally eligible transportation project on, adjacent to, or intended to serve any county highway ([605 ILCS 5/5-701.7](#)).
 - b. Municipalities. Municipalities may use MFT funds for the construction and maintenance of bicycle paths, lanes, or bicycle parking facilities, as well as signing and marking bicycle routes along streets within the municipality ([605 ILCS 5/7-202.20](#)).
 - c. Townships/Road Districts. Township and road districts can use MFT funds for signing and marking bicycle routes along township roads ([605 ILCS 5/6-701.7](#)).
10. Railroad Crossings. Public railroad crossing upgrades are eligible for MFT funds.

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11. Utilities. The cost of moving or removing existing publicly owned utilities, made necessary by road and street improvements, may be paid with MFT funds, with the exception of municipally owned utilities lying outside the corporate limits. The cost of moving or removing existing privately-owned utilities, made necessary by road or street improvements, may be paid with MFT funds if the existing facilities are located on private right-of-way. If the existing utilities are located on public right-of-way, the cost of moving or removing them must be borne by the utility company. Utility agreements are necessary when an improvement requires relocation or adjustment of utility appurtenances except when existing permits provide for moving or removing a utility. [Section 5-7](#) provides guidance on the preparation of a utility agreement.
12. Equipment Operations. Equipment operation costs are eligible for MFT funds. However, the purchase and repair of this equipment are not eligible. [Section 12-1](#) provides additional guidance.
13. Cattle Passes. The costs of constructing cattle passes on improvements involving the use of MFT funds must meet the following:
 - a. Property Owners. Where the improvement is on an existing road or street, the property owner is responsible for the entire cost of the cattle pass, except where the crossing is made on any waterway or natural channel for water and where a culvert or bridge is maintained as required for road purposes. In these cases, the owners or occupants are not required to pay for or construct any more of the crossing than the additional cost in excess of the necessary cost of a suitable culvert or bridge for road purposes.
 - b. Local Governments. In special cases, the local governmental agency may participate in the cost of constructing cattle passes to the extent that the highway or traveling public is benefited by having the livestock pass under the highway, rather than at grade and, where new or additional right-of-way is being obtained, the value of the right-of-way can be considered as an offset on all or part of the cost of the livestock pass.
 - c. Submission. Before the authorization of the expenditure of MFT funds can be made for the construction of livestock passes, the LPA must submit the following information for consideration:
 - the estimated cost of the livestock pass;
 - the estimated value of land taken from the property owner plus damages to land not taken, if any;
 - the amount paid the landowner for the land, either in cash or other consideration; and
 - the estimated value to the traveling public because the livestock crossing will be underneath the roadway rather than at grade.

4-3.03(c) Salary and Expenses

The following applies to MFT eligibility for salaries and expenses:

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1. Counties. The county engineer's salary and expenses may be paid out of general or highway funds of the county ([605 ILCS 5/5-202](#)). MFT funds allocated to the county for highway purposes may be used to pay the salary and expenses related to the county engineer's duties required by the Illinois Highway Code ([605 ILCS 5](#)) or the Department. However, MFT funds allocated to counties to be used by road districts may not be used to pay any portion of a county engineer's salary or expense (Attorney General's Opinion No. 457, August 21, 1933).
2. Road Districts. A highway commissioner is an elected public official and an officer of the township or road district. The commissioner's salary may not be paid with MFT funds allotted to the counties for use by the road district (Attorney General's Opinion No. 928, March 14, 1927). Road district treasurer fees may not be reimbursed with MFT funds.
3. Municipalities. If the corporate authorities of a municipality appoint an individual to a position within the Public Works Department or Engineering Department, the municipality must first provide for the individual's compensation for all of the duties of the officer by ordinance. The municipality shall not pay any portion of the salary of the appointed position from the MFT funds allotted to the municipality (Attorney General's Opinion No. 315, April 29, 1952).
4. Employee Salaries and Fringe Benefits. The following applies:
 - a. Wages or Salaries. Other public employees who are not classified as elected public officials or officers of the LPA (e.g., other engineers, technical staff, foreman, laborers) may be paid from the MFT fund for the time actually engaged in MFT funded construction or maintenance projects. They must receive the same rate of pay as they would normally receive from the agency while engaged in other work of a similar classification.
 - b. Holidays, Vacation, and Sick Leave. Payment of a prorated portion of holidays, vacation, and sick leave may be made with MFT funds for costs incurred by the agency while working on MFT funded maintenance and construction projects.
 - c. Health, Hospitalization, and Life Insurance. Payment of a prorated portion of health, hospitalization, and life insurance premiums may be made with MFT funds for costs incurred on MFT funded maintenance and construction projects.
 - d. Workers' Compensation Insurance Premiums. Worker's compensation premiums covering county, road district, and municipal employees are eligible for payment with MFT funds. These premiums may be paid with MFT funds in the prorated share of the employees' salary that is paid from MFT revenues.

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- e. Retirement and Social Security. Counties, municipalities, and road districts whose employees are covered under the provisions of the Illinois Municipal Retirement Fund, [40 ILCS 5/7-101 et seq.](#), may use MFT funds to pay their contributions to the Municipal Retirement Fund. The term “municipality” in the Illinois Municipal Retirement Fund includes not only municipalities, but also other political subdivisions, including counties and townships. The provision provides that the political subdivisions’ contribution will be paid from the same funds from which the employee’s compensation is paid, and provides that the political subdivision may levy a tax to reimburse the fund from which the contribution was made. If a tax is levied for that purpose, the MFT account must be reimbursed as the taxes are collected, and the amount of the reimbursement shown on the statement accompanying the request for expenditure of MFT funds for the next period.

Counties, municipalities, and road districts whose employees are covered under the provisions of the Social Security Enabling Act, [40 ILCS 5/21-101 et seq.](#), of the State may also use MFT funds to pay their contributions to the Social Security fund for work that is part of construction or maintenance of an MFT project.

5. Legal Fees. The following applies:

- a. County. Because the Office of State’s Attorney is statutory and the duties, salary, and expenses of the Office are provided for by the State law, MFT funds cannot be used to pay the Office of State’s Attorney expenses ([55 ILCS 5/3-9001 et seq.](#)).
- b. Municipal. The city attorney is an appointed municipal official, and the salary and duties are prescribed by the governing body of the municipality. MFT funds cannot be used to pay for legal work performed by a city attorney on MFT funded projects. However, because the city attorney’s duties are not prescribed by law, the compensation of other persons, whom the governing body of the municipality might elect to hire to perform legal work in connection with the acquisition of right-of-way for MFT construction improvements, may be paid with MFT funds.
- c. Road Districts. Payment of attorney’s fees and legal costs in connection with the procurement of right-of-way may be paid with MFT funds, providing:
- the right-of-way is in the name of the road district;
 - the right-of-way pertains to an MFT road district construction project; and
 - no fees for legal work are paid to any county, township, or road district official (State’s Attorneys’ fees are not eligible).

4-3.03(d) Non-Dedicated Subdivision Roads Established Prior to July 23, 1959

Counties ([605 ILCS 5/5-701.15](#)), Road Districts ([605 ILCS 5/6-701.8](#)), and Municipalities ([605 ILCS 5/7-202.21a](#)) may use MFT funds for eligible maintenance or construction projects on non-dedicated subdivision roads established prior to July 23, 1959 if property owners in the subdivision where such road is situated provide proportional matching contributions, whether in cash, kind, services or otherwise.

Non-dedicated subdivision road refers only to those roads which were denoted as such on a subdivision plat filed prior to July 23, 1959, which have not been dedicated to the public (Illinois Attorney General's Opinion 96-008). If cash contributions are provided by property owners the cash shall be deposited in the appropriate MFT account. Any in kind, services, or otherwise contribution shall be used on or for the road and shall be documented with auditable paperwork supporting contribution's value. If labor is provided as a matching contribution, the prevailing hourly wage rate published by the Illinois Department of Labor for the type of labor and location of work shall be used. If materials are provided as a matching contribution, materials shall comply with all IDOT policies, specifications, and certifications.

Non-dedicated subdivision roads improved with County or Road District MFT funds to meet standards established by the County, become part of the road district system. Non-dedicated subdivision roads improved with Municipal MFT funds to meet standards as established by the Municipality, become part of the municipal street system.

4-3.03(e) Investments and Deposits

The use of MFT funds involves cash flow planning to determine when MFT funds are available to expend. Generally speaking, MFT funds must be highly liquid to meet the anticipated costs for highway construction projects and/or maintenance projects. If the MFT cash flow analysis shows that funds are available to earn an investment return, MFT funds may then be invested or deposited in financial instruments that have no tolerance for risk of principal. The LPA must comply with the Public Funds Investment Act ([30 ILCS 235](#)). In addition, the Investment of Municipal Funds Act ([50 ILCS 340](#)) provides additional investment options.

The LPA may use MFT funds to purchase:

- tax anticipation warrants that shall bear interest not to exceed four percent;
- municipal bonds;
- bonds and other interest-bearing obligations of:
 - the United States;
 - the State of Illinois;
 - any other state; or
 - any political subdivision or agency of the State of Illinois or of any other state;
- savings certificate of deposits of any State or National Bank if such certificates are fully insured by the Federal Deposit Insurance Corporation; or
- treasury notes and other securities issued by agencies of the United States.

In addition, the LPA may use MFT funds to make deposits in:

- savings accounts of any State or National Bank if such accounts are fully insured by the Federal Deposit Insurance Corporation; or

- withdrawable capital accounts or deposits of State or federal chartered savings and loan associations which are fully insured by the Federal Savings and Loan Insurance Corporation.

No bank or savings and loan association shall receive public funds unless it has complied with [30 ILCS 235/6](#).

A copy of the debt instrument shall be provided to the Department. Any financial instrument that results in a loss of principal shall be considered an ineligible use of MFT funds. Any loss of principal of MFT funds shall be reimbursed with other local funds. Any interest earned less any fees from investments and deposits shall be credited back to the MFT funds according to [Section 9-1](#).

4-3.04 Using MFT in Conjunction with Other Funds

The following applies:

1. County Bridge Funds. MFT funds may be used in conjunction with the County Bridge Fund to construct or repair any bridge, culvert, drainage structure, or grade separation, including approaches thereto, on, across or along any public road provided that the improvement is designed and constructed as an MFT project. The county's commitments to aid road districts and municipalities must comply with [605 ILCS 5/5-501](#). Road districts and municipalities may also use MFT funds to pay their share of the cost of joint bridge improvements with the county.
2. Township Bridge Funds. MFT funds may be used for the local share in conjunction with a bridge constructed under the Township Bridge Program, see Section 4-2.02.
3. Federal Funds. For counties and municipalities, MFT funds may be used to match federal funds. For municipalities, the participation in the cost of the improvement is limited to 50%. In addition, any LPA may use its MFT funds for any eligible MFT item included in a federally funded project.
4. Other Funds. MFT funds may be used for any phase of a project in conjunction with other funds provided that the entire improvement is designed according to MFT policies and constructed under the supervision of IDOT.

4-3.05 Joint Improvements - Written Contracts and Construction or Maintenance Agreements

Any highway authority may enter into a written contract with any other highway authority for the jurisdiction, maintenance, administration, engineering, or improvement of any highway or portion thereof subject to the approval of IDOT ([605 ILCS 5/4-409](#)). MFT funds may be used for any eligible portion of the joint project provided that the entire project is accomplished under the supervision of IDOT.

Any municipality may negotiate an agreement with the Department whereby the municipality may use such funds as are available to it for that purpose for the construction or maintenance of a State highway within its boundaries, or with the corporate authority of a county or road district for the construction or maintenance of a highway on the county highway system or township or district road system outside of its municipal boundaries ([605 ILCS 5/9-101](#)).

The county board may negotiate an agreement with the Department whereby the county may use such funds as are available to it for that purpose for the construction or maintenance of a highway on the State highway system, or with a municipality for the construction or maintenance of streets on the municipal street system of such municipality ([605 ILCS 5/9-101](#)).

4-3.06 Asset Management

4-3.06(a) General

LPAs may use MFT funds for asset management, if the assets are eligible to be constructed or maintained with MFT funds. This includes the following categories:

- Pavements
- Structures
- Culverts/Storm Sewers
- Pavement Markings
- Highway Signs

Asset management may be completed by consulting engineers or LPA staff. See [Section 5-5](#) for preliminary engineering agreements. Employee salaries may be compensated according to Section 4-3.03(c). See [Chapter 6](#) for requirements on structures.

4-3.06(b) Pavement Management Studies

Pavement management involves procedures (e.g., pavement condition rating provided by the pavement evaluation study) that are more comprehensive than the procedures used in the pavement evaluation. Using the values assigned for the existing pavement condition and the present and projected traffic, the Pavement Management Report should provide the following information:

- a projected average pavement condition index using a specified level of funding for a specified period;
- a projected level of funding necessary to provide a specified average pavement index after a specified period; and
- a recommended schedule of pavement improvement strategies and timetable for improvements that will meet the selected parameters.

Projects of this nature will be evaluated and approved by CBLRS on a case-by-case basis. When the LPA requests to use MFT funding, CBLRS, in cooperation with the district, will establish monitoring procedures to evaluate the effectiveness of the Pavement Management Program.

4-3.06(c) Inventories

Inventories are vital to asset management. Each asset class will have a variety of unique inventory categories; however, at a minimum, all inventories should have the following fields:

- ID Number – It is a unique identifier code that allows the asset to be tracked, and may be a sequential or alpha-numeric code, or any other system.
- Description – It is an explanation of the asset that may require numerous fields, including height, width, thickness, material type, etc.
- Condition Rating – It is an evaluation of a current condition of the asset, which should be used to determine future maintenance or rehabilitation.
- Location – It is an identifier that establishes the geographic position of the asset.
- Date(s) – It is the day when an event occurred; it should include installation/construction date, inspection/rating date, maintenance date, and replacement date.

4-3.06(d) Inspections

The asset owner must have a systematic strategy for conducting field inspections and reporting its findings. It must be clear to the inspection team which elements and attributes to investigate. The inspection report should accurately and clearly record all findings and may include photographs representing the condition of the asset and/or any significant defects.

4-3.06(e) Software/Hardware

The asset owner may purchase or develop asset management software to assist with the inventory and inspection management. Annual software license fees and maintenance costs are eligible MFT expense. Hardware may be purchased only if it is a mobile, is an integral part of the asset management system, and is used exclusively for eligible highway assets.

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WORK ITEM	REFERENCE
Construction and Maintenance of:	
• Joint Improvements/ Construction or Maintenance Agreements	605 ILCS 5/4-409, 605 ILCS 5/9-101
• Municipal Streets and Extensions, Municipal Alleys, County Highways and Extensions, State Highways, and Federal-aid Routes within the municipality	605 ILCS 5/7-202.1, 202.1a, 202.1b, 202.2, 202.3 & 202.4
• Traffic Control and School Crossing Signals	605 ILCS 5/7-202.5
• Street Lighting Systems	605 ILCS 5/7-202.6
• Storm Sewers	605 ILCS 5/7-202.7
• Pedestrian Subway or Overhead Crossings	605 ILCS 5/7-202.8
• Sidewalks and Pedestrian Paths	605 ILCS 5/7-202.15
• Off-Street Parking Facilities	605 ILCS 5/7-202.17
• Bicycle Signs, Paths, Lanes, or Bicycle Parking Facilities	605 ILCS 5/7-202.20
• Grade Separations and Approaches	605 ILCS 5/7-202.21
• Non-dedicated Subdivision Roads established before July 23, 1959	605 ILCS 5/7-202.21a
Allotment of Funds for:	
• Investments and Deposits	50 ILCS 340/1
• Matching Federal-aid Funds	605 ILCS 5/7-202.10
• Engineering Services	605 ILCS 5/7-202.12
• Retirement of Indebtedness (MFT Eligible Items)	605 ILCS 5/7-202.13
• Local Mass Transit Districts	605 ILCS 5/7-202.14
• Motor Vehicle Safety Inspection Lanes Operation and Maintenance	605 ILCS 5/7-202.19
• Payment of Principal and Interest on Road Bonds	605 ILCS 5/7-202.18
• Engineering Investigation	605 ILCS 5/7-202.11
• Toll Bridge Studies	605 ILCS 5/7-202.16
Although the Statutes do not explicitly state that MFT funds can be used for the work items below, IDOT has determined that the costs for these items are eligible if they are related to MFT maintenance or construction.	
• Curb Ramps	BLRS Man. Sect. 4-3.03(b)
• Right-of-Way	BLRS Man. Sect. 4-3.03(b)
• Salt Storage Facilities	BLRS Man. Sect. 4-3.03(b)
• Equipment Operations Costs	BLRS Man. Sect. 4-3.03(b)
• Utility Adjustments	BLRS Man. Sect. 4-3.03(b)
• Wages or Salaries	BLRS Man. Sect. 4-3.03(c)
• Holidays, Vacation, and Sick Leave	BLRS Man. Sect. 4-3.03(c)
• Workers' Compensation Insurance Premiums	BLRS Man. Sect. 4-3.03(c)
• Retirement Fund and Social Security Fund	BLRS Man. Sect. 4-3.03(c)
• Health, Hospitalization, and Life Insurance	BLRS Man. Sect. 4-3.03(c)
• Asset Management	BLRS Man. Sect. 4-3.06
• Miscellaneous Expenses in Connection with Bond Issue Improvements	BLRS Man. Sect. 4-4.02 & 4-3.02(f)
• Tree Trimming and Tree Removal	BLRS Man. Sect. 14-1.06(c)
• Railroad Signal Protection and Crossing Work	BLRS Man. Chapter 40

Note: All uses of Motor Fuel Tax are subject to the provisions and limitations reflected in the *BLRS Manual* and the States statutes.

PERMISSIBLE USES OF MFT FUNDS (BY MUNICIPALITIES)

Figure 4-3B

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WORK ITEM	REFERENCE
Construction and Maintenance of:	
• County Highways, State Highways, and County Unit Roads	605 ILCS 5/5-701.1, 701.2, 701.3, 701.7 & 701.17
• County Garages	605 ILCS 5/5-701.9
• Office Space (Counties over 1,000,000 population)	605 ILCS 5/5-701.12
• Bicycle Signs/Markings, Paths (counties over 500,000 population)	605 ILCS 5/5-701.13
• Grade Separations and Approaches	605 ILCS 5/5-701.14
• Non-dedicated Subdivision Roads established before July 23, 1959	605 ILCS 5/5-701.15
• Joint Improvements/ Construction or Maintenance Agreements	605 ILCS 5/4-409, 605 ILCS 5/9-101
Allotment of Funds for:	
• Investments and Deposits	50 ILCS 340/1
• Retirement of Indebtedness (MFT Eligible Items)	605 ILCS 5/5-701.4
• Paying Bonds for Superhighways	605 ILCS 5/5-701.5
• Engineering Investigations	605 ILCS 5/5-701.6
• Matching Federal-aid Projects or Projects Eligible for Federal-aid	605 ILCS 5/5-701.7
• Local Mass Transit Districts	605 ILCS 5/5-701.8
• Circuit Court or Other Governmental Expenses Related to County Highway Department (Counties over 1,000,000 population)	605 ILCS 5/5-701.10
• Payment of Principal and Interest on Road Bonds	605 ILCS 5/5-701.11 & 701.16
Although the Statutes do not explicitly state that MFT funds can be used for the work items below, IDOT has determined that the costs for these items are eligible if they are related to MFT maintenance or construction.	
• Engineering Services	BLRS Man. Sect. 4-3.02(e)
• Right-of-Way	BLRS Man. Sect. 4-3.03(b)
• Salt Storage Facilities	BLRS Man. Sect. 4-3.03(b)
• Storm Sewers	BLRS Man. Sect. 4-3.03(b)
• Traffic Control Devices	BLRS Man. Sect. 4-3.03(b)
• Sidewalks and Curb Ramps	BLRS Man. Sect. 4-3.03(b)
• Equipment Operating Costs	BLRS Man. Sect. 4-3.03(b)
• Utility Adjustments	BLRS Man. Sect. 4-3.03(b)
• Salary and Expenses of County Engineer	BLRS Man. Sect. 4-3.03(c)
• Wages or Salaries	BLRS Man. Sect. 4-3.03(c)
• Holidays, Vacation, and Sick Leave	BLRS Man. Sect. 4-3.03(c)
• Workers' Compensation Insurance Premiums	BLRS Man. Sect. 4-3.03(c)
• Retirement Fund and Social Security Fund	BLRS Man. Sect. 4-3.03(c)
• Health, Hospitalization, and Life Insurance	BLRS Man. Sect. 4-3.03(c)
• Asset Management	BLRS Man. Sect. 4-3.06
• Miscellaneous Expenses in Connection with Bond Issue Improvements	BLRS Man. Sect. 4-4.02
• Tree Trimming and Tree Removal	BLRS Man. Sect. 14-1.06(c)
• Railroad Signal Protection and Crossing Work	BLRS Man. Chapter 40

Note: All uses of Motor Fuel Tax are subject to the provisions and limitations reflected in the *BLRS Manual* and the States statutes.

PERMISSIBLE USES OF MFT FUNDS (BY COUNTIES)

Figure 4-3C

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WORK ITEM	REFERENCE
Construction and Maintenance of:	
• Township and District Roads	605 ILCS 5/6-701.1 & 701.2
• Grade Separations and Approaches	605 ILCS 5/6-701.1 & 701.2
• Bicycle Signs and Markings	605 ILCS 5/6-701.7
• Non-dedicated Subdivision Roads established before July 23, 1959	605 ILCS 5/6-701.8
• Joint Improvements/ Construction or Maintenance Agreements	605 ILCS 5/4-409, 605 ILCS 5/9-101
Allotment of Funds for:	
• Investments and Deposits	50 ILCS 340/1
• Engineering Services	605 ILCS 5/6-701.3
• Retirement of Indebtedness (MFT Eligible Items)	605 ILCS 5/6-701.4
• Local Mass Transit Districts	605 ILCS 5/6-701.5
• Payment of Principal and Interest on Road Bonds	605 ILCS 5/6-701.6
• Township's Share of the Great River Road Projects	605 ILCS 5/6-701.9
<p>Although the Statutes do not explicitly state that MFT funds can be used for the work items below, IDOT has determined that the costs for these items are eligible if they are related to MFT maintenance or construction.</p>	
• Right-of-Way	BLRS Man. Sect. 4-3.03(b)
• Salt Storage Facilities	BLRS Man. Sect. 4-3.03(b)
• Storm Sewers	BLRS Man. Sect. 4-3.03(b)
• Traffic Control Devices	BLRS Man. Sect. 4-3.03(b)
• Sidewalks and Curb Ramps	BLRS Man. Sect. 4-3.03(b)
• Equipment Operating Costs	BLRS Man. Sect. 4-3.03(b)
• Utility Adjustments	BLRS Man. Sect. 4-3.03(b)
• Wages or Salaries	BLRS Man. Sect. 4-3.03(c)
• Holidays, Vacation, and Sick Leave	BLRS Man. Sect. 4-3.03(c)
• Workers' Compensation Insurance Premiums	BLRS Man. Sect. 4-3.03(c)
• Retirement Fund and Social Security Fund	BLRS Man. Sect. 4-3.03(c)
• Health, Hospitalization, and Life Insurance	BLRS Man. Sect. 4-3.03(c)
• Asset Management	BLRS Man. Sect. 4-3.06
• Miscellaneous Expenses in Connection with Bond Issue Improvements	BLRS Man. Sect. 4-4.02
• Tree Trimming and Tree Removal	BLRS Man. Sect. 14-1.06(c)
• Railroad Signal Protection and Crossing Work	BLRS Man. Chapter 40

Note: All uses of Motor Fuel Tax are subject to the provisions and limitations reflected in the *BLRS Manual* and the States statutes.

PERMISSIBLE USES OF MFT FUNDS
(By Townships and Road Districts)

Figure 4-3D

4-4 LOCAL FUNDING

4-4.01 Local Road and Bridge Taxes

County and road districts can impose taxes to provide local funding for roadway and bridge projects. These funds are typically used solely for costs associated with these roadway and bridge projects.

4-4.02 Bonds

Any LPA may finance a highway improvement project with the proceeds of a bond issue and request that the use of MFT funds for the payment of principal and interest when retiring the bonds. If MFT funds will be used to pay any portion of the project cost or LPA indebtedness, the entire improvement must be accomplished under the general supervision of IDOT. Any portion of the improvement that is ineligible for MFT funding may not be included in the cost of the indebtedness to be repaid with MFT funds.

There are generally two types of bond issues for which a LPA may commit future MFT allotment; these are discussed in the following subsections.

4-4.02(a) **General Obligation Bonds**

Any LPA may issue General Obligation Bonds for constructing a highway improvement. The LPA issuing the bonds establishes a general tax levy that is pledged toward retiring the bonds. When MFT funds are used to retire the bonds, the tax levy must be cancelled. Except as otherwise permitted by law, the question of issuing the bonds must be submitted by referendum to the voters of the taxing district ([605 ILCS 5/5-605](#), [605 ILCS 5/6-510](#), [605 ILCS 5/6-513](#), and [65 ILCS 5/8-4-1](#)).

4-4.02(b) **MFT Fund Bonds**

Counties, road districts, and municipalities are authorized to issue bonds to construct highway improvements and to repay the principal and interest with MFT funds, pursuant to [30 ILCS 385/1 - 385/4](#). These are identified as “Motor Fuel Tax Fund Bonds” and must be administered in a manner similar to General Obligation Bonds. Because the bond issue is not secured by a property tax levy, it will not be necessary to provide a “certification of cancellation of tax levy.”

4-4.03 Special Assessments

Article 9 of the Illinois Municipal Code, [65 ILCS 5/9-1-1 et seq.](#) provides legislative authority for municipalities to construct local improvements that will be paid for by assessments against the properties affected. When a municipality undertakes a highway or street improvement using special assessment financing, the public benefit portion assessed against the agency may be paid with MFT funds, providing that the project itself is eligible for MFT funding. The project must be constructed under the general supervision and approval of IDOT. The procedures for initiating a special assessment project are similar to those used for a bond issue project, see [65 ILCS 5/9-1-1, et seq.](#), [605 ILCS 5/7-202.13](#).

A municipality may use a special assessment to finance the local share of a project constructed with Federal-aid funds, pursuant to [65 ILCS 5/9-2-113](#).

4-4.04 Road Impact Fees

LPAs have the authority to adopt and implement road improvement impact fee ordinances and resolutions. Road improvement impact fee means any charge or fee levied or imposed by a unit of local government as a condition to the issuance of a building permit or a certificate of occupancy in connection with a new development, when any portion of the revenues collected is intended to be used to fund any portion of the costs of road improvements ([605 ILCS 5/5-901, et seq.](#)).

4-4.05 Local General Funds

Local general funds refer to all funds that are received by the LPA through property taxes, income taxes, sales taxes, and other taxes assessed by the LPA. A portion of these funds may be allocated to roadway and bridge projects at the discretion of the LPA.

4-5 ACRONYMS

This is a summary of the acronyms used within this chapter.

ADT	Average Daily Traffic
BBS	Bureau of Bridges and Structures
BLRS	Bureau of Local Roads and Streets
CBLRS	Central Bureau of Local Roads and Streets
CMAQ	Congestion Mitigation and Air Quality Improvement
EAV	Equalized Assessed Valuation
EDP	Economic Development Program
ER	Emergency Relief
<i>FAST</i>	<i>Fixing America's Surface Transportation Act</i>
FBP	Ferry Boats and Ferry Terminal Program
FHWA	Federal Highway Administration
FLAP	Federal Land Access Program
GCPF	Grade Crossing Protection Fund
HPP	High Priority Project
HPR	Highway Planning and Research
HRRR	High Risk Rural Roads
HSIP	Highway Safety Improvement Program
HTF	Highway Trust Fund
IDNR	Illinois Department of Natural Resources
IDOT	Illinois Department of Transportation
IEPA	Illinois Environmental Protection Agency
IESNA	Illuminating Engineering Society of North America
<i>ILCS</i>	<i>Illinois Compiled Statutes</i>
IRIS	Illinois Roadway Information System
IROADS	Illinois Roadway Analysis Database System
ISIS	Illinois Structure Information System
ITEP	Illinois Transportation Enhancement Program
LBU	Local Bridge Unit
LPA	Local Public Agency
<i>MAP-21</i>	<i>Moving Ahead for Progress in the 21st Century Act</i>
MFT	Motor Fuel Tax
MPO	Metropolitan Planning Organization
NHPP	National Highway Performance Program
NHS	National Highway System
OPP	Office of Planning and Programming
PL	Metropolitan Planning
PTELL	Property Tax Extension Limitation Law
RTP	Recreational Trails Program
SHPO	State Historic Preservation Officer
SMA	State Match Assistance
SRTS	Safe Routes to School
STBGP	Surface Transportation Block Grant Program
STP	Surface Transportation Program
STR	Surface Transportation Program – Rural

BUREAU OF LOCAL ROADS & STREETS
LOCAL ROADS AND STREETS FUNDING

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STU	Surface Transportation Program – Urban
TA	Transportation Alternative
TARP	Truck Access Route Program
TBP	Township Bridge Program
TIP	Transportation Improvement Program

4-6 REFERENCES

1. [Illinois Compiled Statutes](#)
2. *A Guide to the Federal-Aid Highway Emergency Relief Program*, FHWA
3. *FHWA Emergency Relief Manual*, FHWA, May 2013
4. [A Guide to Federal-Aid Programs and Projects](#), FHWA