

From: [Bell, Tammi \[DOT\]](#)
To: [Nordholm, Gail \[DOT\]](#)
Subject: HBP Fiscal Constraint
Date: Thursday, February 24, 2011 12:23:19 PM

TO: County Engineers

CC: District Local Systems Engineers, Service Bureau
and Office of Local Systems

FROM: Office of Local Systems

SUBJECT: HBP Fiscal Constraint

DATE: February 24, 2011

The purpose of this note is to communicate some **very important information** regarding the estimated county Highway Bridge Program (HBP) funding targets and the new fiscal constraint procedures for programming county HBP funds in the FY 2012-2015 Statewide Transportation Improvement Program (STIP).

HBP Funding Targets

The linked spreadsheet, "[HBP FY 2012 Targets](#)" shows the draft estimated HBP funding targets for FY 2012-2015. Please use these targets as a guide as you plan your program of bridges that will use HBP funds.

There are several important things to note about the targets:

1. These targets are based on a total estimated annual allocation to counties of \$27 million. This is less than the actual amount allocated to counties in FY 2010, but given the current uncertainties about Federal funding, we feel that a conservative estimate should be used for programming purposes.
2. Each county's targets are estimated using its beginning balance, projects let to-date, projects in development, and its estimated annual allocations. The amounts shown for the projects in development for FY 2011 are based on what is currently shown in TPMS Development for the March through October 2011 lettings. Therefore, if you have

projects scheduled for these lettings that will not actually be let during this timeframe, it is to your advantage to reschedule these to a later letting. If this is the case, you will need to reschedule such projects in TPMS Development no later than March 18, 2011; otherwise they will be counted as an FY 2011 obligation and therefore affect your programming targets for FY 2012-2015. Before we perform the fiscal constraint calculations outlined below, we will recalculate the HBP targets based on what is shown in TPMS Development as of March 25, 2011.

3. If your target is higher than what you plan to let in a given fiscal year, then only program what you think you will realistically let in that year. If you are under programmed, that is okay. Being under programmed helps allow other counties to program more than their target, either because they have a small target amount, or they have a large bridge that may take all four years of their target amounts.
4. When looking at which bridges to program, make sure you are being realistic and only program bridges with a reasonable chance of making it to letting within the fiscal year the funds are programmed. You can program more than your target, just keep in mind that you may have to reduce your program if the counties as a whole come in over programmed.
5. There are a few counties that are currently borrowed ahead enough that their targets for all four years, as well as their total target, is \$0.00. This does not mean that such counties can't program any bridges, it just means that if the counties as a whole come in over programmed, these counties will be required to make a proportionally larger reduction in the amount of HBP funds programmed.
6. Counties can now decide which bridge projects to promote from the County Five Year Program (CFYP) to the RPA's draft Transportation Improvement Program (TIP) for inclusion in the STIP. The Service Bureau has added a feature in TPMS for counties to promote the bridges to the TIP. Counties should be selective about which projects they submit for inclusion in the TIP.

HBP Fiscal Constraint Requirements

The linked "[HBP Fiscal Constraint Requirements](#)" document provides some background explaining the fiscal constraint requirements. This document also outlines the process we will use to review county HBP programming in the 2012-2015 STIP to ensure fiscal constraint is met for the counties as whole. Please review this document carefully.

The linked "[Fiscal Constraint Calculations 12-29-2010.xlsx](#)" spreadsheet is an example of how the fiscal constraint requirements would have been enforced if the fiscal constraint procedures would have been applied to the FY 2011-2014 STIP. This year, after all the draft Transportation Improvement Programs (TIPs) are submitted, we will use a similar spreadsheet to determine if the counties are over programmed as a whole. After performing these calculations, we will then take the appropriate actions as outlined in the "HBP Fiscal Constraint Requirements.doc" document.

If you have any questions, **please do not reply to this note**. Instead, you may contact me as shown below.

Thank you,

Nicole Fox, P.E.
Secondary Roads Engineer
Office of Local Systems
Phone: 515-239-1506
nicole.fox@dot.iowa.gov

Some of the documents referenced above are in Adobe Acrobat's Portable Document Format (PDF). If you do not have the Adobe Acrobat Reader software, you can download it free of charge at:
<http://www.adobe.com/products/acrobat/readstep.html>.

Mailings are available at the Office of Local Systems Weekly Mailings web page at: http://www.iowadot.gov/local_systems/mailing/main_mailing.htm