

# Actions That Can Be Taken To Expedite Economic Recovery Delivery

1. **If the project is not currently on the State Transportation Improvement Program (STIP) or Long Range Plan and the state wants to include it as part of the Economic Recovery, the following STIP activities should have already begun or be started immediately.**

## **Strategies to Expedite:**

**If the project is new to the Transportation Improvement Program (TIP)/STIP**, the Metropolitan Planning Organization (MPO) and State should work cooperatively to achieve the required formal TIP/STIP amendment.

Most MPOs have a streamlined process in place to accomplish such an amendment.

**If no new air quality conformity determination is required**, the MPOs would take their action and submit the amended TIP to the State for incorporation into the STIP. The State would submit the amended STIP to FHWA/FTA for review and approval. Some of these items can be parallel-processed. This process should be able to be accomplished **within 30 days**.

If the project is in an air quality nonattainment or maintenance area, the addition of non-exempt activities or projects would trigger a plan/TIP amendment, **a new conformity determination would be required**. In this case, certain conformity and planning requirements such as public involvement and interagency consultation must be met before completing the amendment and conformity determination. Although some of these items can be parallel-processed, **at a minimum an additional 30 to 45 days may be needed**.

The State and the MPOs can do the necessary planning work such as model runs for the various scenarios; analysis work needed for conformity, if necessary; public involvement; and any other planning support work to get prepared. The technical work can be completed and action taken to approve the necessary amendments or the conformity determination as soon as the recovery bill is passed and signed.

2. **A project has not yet completed the environmental process and the state wants to include it as part of the Economic Recovery**

## **Strategies to Expedite:**

Since we anticipate that the majority of the projects can be completed with programmatic *categorical* exclusion(s), the state should work to complete the processing, consulting with resource staff ASAP.

This process can also be accomplished in a **30 day or less time period**.

3. **Minimizing unreasonable and unresponsive bids; and the inability to properly assess the bids**

**Strategies to Expedite:**

States need to ensure widespread publication in industry publications to promote competitive bidding. FHWA will work with the State DOTs to develop reasonable schedules that anticipate industry capacity and type of work, to provide a better opportunity for contractors to determine which projects they can best respond to with fair and accurate bids; and that reflect the availability of State DOT staffing resources to assess the bids.

4. **Managing the increased project load**

**Strategies to Expedite:**

States can utilize consultant services for contract management; and if unencumbered by hiring ceilings will need to organize, and quickly hire and train people in the skills needed to properly oversee the work.

5. **Accelerating the contracting process**

**Strategies to Expedite:**

The State can use design/build and the flexibility to shorten bid times. Other concepts from Highways for LIFE and an Accelerating Construction Technology Transfer may be of interest for states to consider.

Some State DOTs have begun to solicit Management Consultants to assist their Local Government Section (responsible for administering the Federal-aid program for local municipalities) in anticipation of the projects that the State expects from the municipalities around the state.

States may want to look into setting up contracts that **provide the kind of management services essential to moving a collection of projects – including financial management, procurement following federal procedures, scheduling, cost control, design and construction management, and performance management reporting. This would not relieve a state from having someone in responsible charge of such activities. In keeping with the Federal cost principles (2 CFR 225), such costs determined to be “indirect” in nature must be charged to an approved indirect cost allocation plan for distribution to all benefiting cost objectives or paid for with State funds.**

Such a task order contract could (1) fill gaps in capacity to deliver a highly peaked, high visibility and high political risk recovery program, or (2) provide “insurance” in the event they or other agencies in the state need immediate access to such resources. Such a contract would be a clear risk management/mitigation step and at no cost to the client if tasks are not assigned.

## 6. Use of Operations tools in the ERD.

### **Strategies to Expedite:**

The use of operational strategies to mitigate the traffic impacts of the expanded program, and inclusion of ITS or other operational elements in larger infrastructure-oriented projects are important considerations which should be examined during the identification and development of recovery projects.

The investment in recovery projects will likely result in a significant increase in work zones over the next couple of years. We should make every effort to avoid degrading the safety and operations of the system and assure that the economic benefits of the recovery are not offset by work zone delays. The Divisions should be advocating the concepts and tools of the Work Zone Safety and Mobility Final Rule, use of Traffic Incident Management techniques, and improvements in traveler information systems. These can significantly reduce the potential network congestion which might occur when a large number of projects are on the system at the same time.

There is also an opportunity to include operational elements in larger projects or advance them as stand alone projects. Examples include traffic signal upgrades, traffic monitoring and weigh-in-motion equipment, ramp metering, dynamic message signs, road weather information systems, and similar projects. Many operational investments require limited or no environmental review time, making them very attractive for quick deployment.

The HQ Offices of Transportation Operations and Transportation Management are prepared to assist the Division offices in advancing these operational investments.

## 7. ERD Program Vision and Project Selection Process

### **Strategies to Expedite:**

Just as now, it can be assumed the States will have this responsibility. However, it has been suggested that the Divisions be involved in assisting the States to develop a strategy that maximizes the funds’ impact on the economy while minimizing the negative aspects of a quickly increased program.

As a suggestion, the Divisions could engage State DOTs on the program’s “vision” which should focus on the intended use of these funds, namely provide a rapid economic recovery to the country. That is, the Divisions should be discussing with the State how best to proceed beyond the myopic criteria of “ready to go” projects. Since it is highly

unlikely that environmental rules or 23 CFR requirements will be suspended or waived, the same challenges a State faces in advancing HTF will most likely remain.

It is anticipated the Congress will provide some minimal requirements and these must be incorporated in the program; however, it is incumbent upon the Agency to maximize the use of these funds for short and long term economic gain while assuring these monies are used on worthwhile projects.

## 8. Tools that can be Used

### Strategies to Expedite:

There are several other elements that should be included to support the State's vision including discussion of performance measures, project selection criteria, and the development of cash flow strategies. Below are some examples; however, these need to be customized to the states needs, abilities, and economic situation:

- Program Performance Measures
  - Speed of Delivery / Implementation / Expenditure (not fund obligation)
  - Leveraging funds through non-Federal monies
  - Funding Spent by Need
    - Rehabilitation / Preservation
    - Safety
    - Capacity Increase
  - Efficient Use of Funds
    - Construction price inflation
    - Amount directed to long range plan needs
    - Sector of the economy "stimulated"
- Project Selection Criteria (based on Program Performance Measures)
  - Industry Capacity
  - Impact of Construction (safety, congestion, network performance)
  - Benefit Cost Analysis of selected projects
  - Time to first expenditure

## 9. Suggested Cash Flow Strategies

### Strategies to Expedite:

Through the use of Recovery funds for larger projects, design-build, or those that would just come on-line later in the plan, this could free up State and local funds to progress projects which are normally not eligible for Federal-aid or much closer to implementation. There is some indication that the recovery funds might be available with no match (i.e. 100% Federal project). Should this come to pass it provides an additional opportunity to accelerate project implementation earlier by using State match already assigned to a project for the above stated purpose. Additionally taking full advantage of the various innovative cash flow practices such as tapered match could get projects out the door earlier.

However, this will put an extra burden on the Division to determine if these obligations are really a part of an overall plan to accelerate the use of all funding or just a device to tie up the funds and prevent redistribution to other States. This should be discussed seriously with the State DOT including potential Division actions should it be concluded that the projects are not actually ready for delivery.

#### **10. Including Safety Strategies in the Economic Recovery Delivery.**

##### **Strategies to Expedite:**

The safety of the traveling public and of the workers on the roadway is of utmost concern to the administration. Many safety improvements can be easily and cost effectively incorporated into existing "ready to go" projects without changing the scope or delaying the project. Making small changes to these projects can produce big safety benefits. As an example, incorporating rumble strips into a resurfacing project can cost as little as \$600 per mile, and the benefits in terms of reductions in fatalities and serious injuries are dramatic.

Another way to achieve these safety benefits is through "programmatic" or "system-wide" projects that may focus on addressing safety issues in a particular area or corridor. Examples include projects that systemically install proven safety countermeasures such as guardrails, warning signs, striping, rumble strips, rumble stripes, safety edge and median barriers. Information on these and other proven safety countermeasures can be found at <http://safety.fhwa.dot.gov/policy/memo071008.htm>. This system-wide approach may be particularly useful to local governments.

Strategic Highway Safety Plans (SHSPs) are a good starting point for identifying stand-alone safety projects or enhancements to "ready to go" projects that can be implemented, constructed, and advanced quickly. The Economic Recovery Delivery is an opportunity to accelerate the implementation of these safety action plans, and the sooner these safety features can be put in place, the sooner they will save lives.

Furthermore, many state SHSPs include a data system improvement element. Improved data systems are eligible activities and such projects do not require the intensive planning, design, approvals, and permitting that construction projects do. The Office of Safety and our Field office Safety Specialists are prepared to help advance these important, life-saving, investments.

#### **11. Including Innovative Market Ready Technologies and Processes in the Economic Recovery Delivery**

**Sources are available for States and locals to help them consider the use of innovative market ready technologies and processes as they identify and develop economic recovery projects.**

States should consider innovative technologies and processes in their planning, environmental, safety, operation, and infrastructure construction projects, or to advance these innovations as stand alone projects. The use of innovations and technologies can improve quality, extend asset life, reduce costs, and/or decrease construction time; these are important considerations in the identification and development of recovery projects. The Opportunities and Additional Resources section of this website also identifies opportunities to deploy innovative technologies.

Below are a few Web sites highlighting potential innovations and technologies that a State may consider in advancing recovery projects.

- [Agency Priority Technologies and Innovations - 2008 List](http://www.fhwa.dot.gov/crt/lifecycle/ptisafety.cfm)  
<http://www.fhwa.dot.gov/crt/lifecycle/ptisafety.cfm>
- [FHWA Resource Center Additional Technologies and Innovation](http://www.fhwa.dot.gov/resourcecenter/misc/technology.cfm)  
<http://www.fhwa.dot.gov/resourcecenter/misc/technology.cfm>
- [ITS/Operations 2008 Resource Guide](http://www.resourceguide.its.dot.gov/)  
<http://www.resourceguide.its.dot.gov/>
- [Highway for Life Highlighted Technologies](http://www.fhwa.dot.gov/hfl/highlight.cfm)  
<http://www.fhwa.dot.gov/hfl/highlight.cfm>
- [Accelerated Construction](http://www.fhwa.dot.gov/construction/accelerated/)  
<http://www.fhwa.dot.gov/construction/accelerated/>