

Northwest Rural Planning Organization (RPO) Procedures for 2021-2024 Transportation Improvement Program (TIP) Revisions

Purpose

This Memorandum of Understanding (MOU) establishes procedures to be used for processing revisions to the 2021-2024 Northwest Transportation Improvement Program (TIP).

What is the State Transportation Improvement Program (STIP)?

The STIP is the official transportation improvement program document mandated by federal statute [23 CFR 450.218](#) and recognized by FHWA and FTA. The STIP includes a list of projects to be implemented over a four-year period as well as all supporting documentation by federal statute. The STIP includes regional TIPs developed by the MPOs, RPOs and PennDOT developed Statewide Programs. Statewide Programs are coordinated initiatives, projects or funds that are managed by PennDOT's Central Office on a statewide basis. Examples of Statewide Programs include, but are not limited to, the Secretary of Transportation's Discretionary (Spike), the Rapid Bridge Replacement (RBR) Project developed via a Public Private Partnership (P3), Highway Safety Improvement Program (HSIP) set-a-side, Highway-Rail Grade Crossing Safety (RRX), Surface Transportation Block Grant Program set-a-side (TAP) funds, Green-Light-Go (GLG), Automated Red Light Enforcement (ARLE), Multi-Modal (MTF), Recreational (Rec) Trails, Transportation Infrastructure Investment Fund (TIIF), Statewide Transit and Keystone Corridor projects. The Interstate Management Program will remain its own individual program and includes prioritized statewide Interstate projects. The Commonwealth's Twelve Year Program (TYP), required by state law, includes the STIP/TIPs in the first four-year period.

For more information on the development of the STIP/TIP, see *Pennsylvania's 2021 Transportation Program General and Procedural Guidance* and *Pennsylvania's 2021 Transportation Program Financial Guidance*. These documents were both released on July 31, 2019 and can be found on the [STIP page](#) on the STC Website under 2021 Guidance Documents.

What is a Transportation Improvement Program (TIP)?

The TIP constitutes a list of projects to be implemented over a four-year period. It is incorporated along with all the regional TIPs developed by the Planning Partners and the Statewide Programs developed by PennDOT into the State Transportation Improvement Program (STIP). The STIP is the official transportation improvement program document mandated by Federal statute and recognized by FHWA and FTA. The Commonwealth's Twelve Year Program which incorporates the TIPs and STIP is updated every two years as required by state law.

TIP Administration

FHWA and FTA will only authorize projects and approve grants for projects that are programmed in the current approved TIP. If the Northwest RPO, transit agency, or PennDOT wishes to proceed with a federally funded project not programmed on the TIP, a modification must be made.

The federal statewide and metropolitan planning regulations contained in 23 CFR 450 govern the provisions for revisions of the individual MPO/RPO TIPs. The intent of this federal regulation is to acknowledge the relative significance, importance, and/or complexity of individual programming actions. If necessary, 23 CFR 450.328

permits the use of alternative procedures by the cooperating parties to effectively manage actions encountered during a given TIP cycle. Cooperating parties include PennDOT, MPOs, RPOs, FHWA, FTA, and transit agencies. Any alternative procedures must be agreed upon, and documented in the TIP.

TIP revisions must be consistent with the Northwest Long Range Transportation Plan (LRTP) and correspond to the adopted provisions of the Northwest Public Participation Plans (PPP). A PPP is a documented broad-based public involvement process that describes how the MPO/RPO will involve and engage the public in the transportation planning process to ensure that comments, concerns, or issues of the public and interested parties are identified and addressed in the development of transportation plans and programs. A reasonable opportunity for public review and comment shall be provided for significant revisions to the TIP. In addition, TIP revisions must support Pennsylvania's Transportation Performance Measures, the Transportation Asset Management Plan (TAMP), the Transit Asset Management (TAM) Plan, the Strategic Highway Safety Plan (SHSP) and Congestion Management Plan (CMP), as well as PennDOT's Connects policy.

The federal planning regulations, [23 CFR 450.324\(c\)](#), define update cycles for MPO/RPO LRTPs. If the Northwest RPO's LRTP expires because the LRTP has not been updated in accordance with the planning cycle defined in the federal planning regulations, then the provisions of this MOU will not be utilized for the RPO. During a LRTP expiration, all TIP revisions that involve projects with federal funds within the RPO, where the LRTP expiration occurred, will be treated as an amendment and require federal approval. There will be no administrative modifications to projects with any federal funds until the RPO's LRTP is in compliance with the federal planning regulations.

TIP Revisions

In accordance with the federal transportation planning regulations [23 CFR 450](#) revisions to the TIP will be handled as an Amendment or an Administrative Modification based on agreed upon procedures detailed below.

An **Amendment** is a revision to a federal project that adds a new project, deletes an existing project, or involves a major change to an existing project included in a TIP that:

- Adds a new federal project, deletes a project that utilizes federal funds, or federalizes a project that previously was 100% state and/or locally funded. A new project is a project that is not programmed in the current TIP, and does not have previous Federal obligations. Federally-funded Statewide Program projects are excluded from this provision;
- Adds a new phase(s), deletes a phase(s), or increases or decreases a phase(s) of an existing federal projects that utilizes federal funds that exceeds the following thresholds:
 - \$2 million for the Northwest Planning Partner (Northwest RPO)
- Involves a change in the scope of work to a project(s) that would:
 - Result in a revised total project estimate that exceeds the thresholds established between Penn DOT and the Northwest Planning Partner (not to exceed any federally-funded threshold contained in this MOU)
 - Results in a change in the scope of work on any federally-funded project that is significant enough to essentially constitute a new project

Approval by the RPO is required for **Amendments**. The RPO must then initiate PennDOT Central Office approval using the e-STIP process. An eSTIP submission must include a Fiscal Constraint Chart (FCC) that clearly summarizes the before, requested adjustments, after changes, and detailed comments explaining the reason for the adjustment(s), and provides any supporting information that may have been prepared. The FCC documentation should include any administrative modification actions that occurred along with or were presented with this action at the RPO meeting. The supporting documentation should include PennDOT Program Management Committee

(PMC) materials, if available. Also included should be a copy of the most recent version of the TIP as well as a copy of the vote if obtained through e-ballot.

It is understood by the RPO and PennDOT that FHWA does not review the second and third four years of the Twelve Year Program (TYP); therefore, projects that are being advanced from the TYP onto the Transportation Improvement program without previously federal obligations will be considered Amendments. It is understood by the RPO and PennDOT that statewide items will be handled as statewide amendments to the STIP, whereas placement of statewide items on the RPO TIP and cost increases to those items will be handled as administrative actions and shared with the RPO as informational items.

An Administrative **Modification** is a minor revision to the TIP that:

- Adds a new phase(s), deletes a phase(s) or increase/decreases a phase(s) of an existing project that utilizes federal funds and does not exceed the thresholds established above. Adds a project from a funding initiative or line item that utilizes 100 percent state or non-federal funding;
- Adds a project for emergency repairs to a highway, bridge or transit project, except those involving substantial functional, location, or capacity changes;
- Draws down or returns funding from an existing TIP reserve line item and does not exceed the threshold established in the MOU between PennDOT and the Northwest RPO. A reserve line item holds funds that are not dedicated to a specific project(s) and may be used to cover cost increases or add an additional project phase(s) to an existing project;
- Adds federal or state capital funds from low-bid savings, de-obligations, release of encumbrances, or savings on programmed phases to another programmed project phase or line item and does not exceed the above thresholds;
- Splits a project into two or more separate projects to facilitate project delivery;
- Adds, advances, or adjusts federal funding for a project based on FHWA August Redistribution

Administrative **Modifications** does not add a new federally-funded project or delete a federally-funded project; does not exceed the threshold established in the MOU between PennDOT and the Northwest RPO, or the threshold established by this MOU (as detailed in the Amendment Section aforementioned); and does not result in a change in scope, on any federally-funded project that is significant enough to essentially constitute a new project. A change in scope is a substantial alteration to the original intent or function of a programmed project.

Administrative **Modifications** do not require federal approval. PennDOT and the Northwest RPO will work cooperatively to address and respond to any FHWA, PennDOT and/or FTA comment(s). FHWA and FTA reserve the right to question any administrative action that is not consistent with federal regulations or with this MOU where federal funds are being utilized.

All revisions, amendments, and administrative modifications shall be identified and grouped as one action on a FCC demonstrating both project and program fiscal constraint. The identified grouping of projects (the entire revision action) will require review and/or approval by the cooperating parties. In the case that a project phase is pushed out of the TIP period, the Northwest RPO and PennDOT will demonstrate, through a FCC, fiscal balance of the subject project phase in the second or third years of the TYP and/or the respective Northwest LRTP.

Transit

Statewide managed transit projects funded by FTA programs and delivered via Governor's apportionment are selected by PennDOT pursuant to the Pennsylvania State Management Plan approved by the FTA. These projects should be programmed within the TIP of the urbanized area where the project is located.

Fiscal Constraint

Demonstration that TIP fiscal constraint is maintained takes place through a FCC. Real time versions of the TIP are available to FHWA and FTA through PennDOT's Multimodal Project Management System (MPMS). All revisions must maintain year-to-year fiscal constraint [23 CFR 450.218\(l\)](#) and [23 CFR 450.326\(g\)\(j\)&\(k\)](#) for each of the four years of the TIP. All revisions shall account for year of expenditure (YOE) and maintain the estimated total cost of the project or project phase within the time-period [i.e., fiscal year(s)] contemplated for completion of the project, which may extend beyond the four years of the TIP. The arbitrary reduction of the overall cost of a project, or project phase(s), shall not be utilized for the advancement of another project.

TIP Financial Reporting

PennDOT will provide reports to all MPOs, RPOs and FHWA no later than 30 days after the end of each quarter and each Federal Fiscal Year (FFY). At a minimum, this report will include the actual federal obligations and state encumbrances for highway/bridge projects by MPO/RPO and Statewide. In addition, PennDOT will provide the Transit Federal Capital Projects report at the end of each FFY to all of the parties listed above and FTA. The reports can be used by the RPO as the basis for compiling information to meet the federal annual listing of obligated projects requirement [23 CFR 450.334](#). Additional content and any proposed changes to the report will be agreed upon by PennDOT, FHWA and FTA.

TIP Transportation Performance Management

In accordance with [23 CFR 450.326\(c\)](#), PennDOT and the Northwest RPO will ensure TIP revisions promote progress toward achievement of performance targets.

RPO TIP Revision Procedures

As the RPO's TIP is adopted, this MOU with PennDOT will be included with the TIP documentation. The MOU will clarify how the RPO will address all TIP revisions. RPO revision procedures will be developed under the guidance umbrella of the Pennsylvania Department of Transportation's Statewide Procedures for the 2021-2024 STIP and TIP Revisions document. If a MPO/RPO elects to set more stringent procedures, then FHWA and FTA will adhere to those more restrictive procedures.

This Memorandum of Understanding will begin October 1, 2020, and remain in effect until September 30, 2022, unless revised or terminated. Furthermore, it is agreed that this MOU will be reaffirmed every two years.

We, the undersigned hereby agree to the above procedures and principles:

Mr. Dan Glotz, TAC Chair
Northwest Rural Planning Organization

Date

Mr. Travis Siegel, Regional Planning Manager
Northwest Commission

Date

Mr. Brian Hare, PE, Director
Center for Program Development and Management
Pennsylvania Department of Transportation

Date

