

Project Selection for Projects Funded with Economic Stimulus Funding

CDTC has a detailed merit-driven project evaluation process, in which costs and benefits are quantified. CDTC then uses the evaluation information as a tool for choosing projects to add to the Transportation Improvement Program (TIP). That evaluation procedure was not used in determining which projects should be funded with Economic Stimulus Funding for the following reasons:

1. A full TIP update-type solicitation was not possible, given the tight deadlines imposed by the process. A solicitation would require a minimum of four months to educate sponsors, solicit projects, and screen, evaluate, discuss, prioritize, and select projects. But, when the Main Office asked CDTC staff to provide a list of potential projects to the governor's office, the deadline for submission was before the next Planning Committee meeting. (The quick turnaround was in order to move quickly, so as to be ready if a stimulus bill was enacted.) Working with NYSDOT Region One, CDTC eventually provided a more refined list of candidates about four weeks later.
2. Even at the time of releasing the draft list of candidate projects for public review, the rules and terms of the program were not known because the bill was still being negotiated and written in Congress. Based on information available at the time, the NYSDOT Main Office made reasonable assumptions as to what the rules would likely be. These rules were followed by CDTC and helped give some perspective in order choose candidates. However, at the time, it was not actually known if these rules would be in the final legislation.
3. Among the rules expected in the legislation are that the first 50% of the funds must be obligated for construction funding within 120 days. Also among the rules are that all projects must be: 1) federal-aid eligible, 2) designed according to federal rules and regulations, 3) have no right-of-way acquisition, utility relocation, or special environmental permitting remaining, and 4) funded initially by the sponsors, who are later reimbursed. Additionally, economically distressed areas must be given some form of priority.
4. According to preliminary information about the legislation: the CDTC area is expected to be eligible for about \$80 million, and the awarding of the second half of the funds depends on how fast a state spends its first half, relative to other states in the nation. Because of the need for expediency, it is imperative that CDTC choose projects for the first wave of the funds that can be delivered quickly.
5. Based on the rules presumed by the Main Office, the CDTC Planning Committee agreed that the appropriate strategy was to focus on existing priorities, and that TIP projects that were ready to go would have the best chance of being implemented in a time frame that

would actually be able to use the stimulus funds. An exception would be element specific work that doesn't take long to design such as resurfacing, mill & fill and guiderails. While the largest share of element specific work would likely be on the state system, local governments may also sponsor such projects.

6. Since existing TIP projects already have funding, spending stimulus money on those projects instead of their existing funds, would release their existing funds for programming new CDTC projects. Solicitation for new projects could then occur at a later date and follow the traditional CDTC TIP solicitation process. *Important Note: CDTC staff is currently researching how long CDTC has to spend funds available to it in a given FFY, and some indications are that it has until the end of the FFY with no carryover of leftover funds. This indicates that funds freed up by stimulus money being spent on existing projects will need to be spent by the end of the FFY on either 1) new projects, or 2) projects from the next FFY that are ready to be obligated. This will require additional clarification.*
7. All of the above clearly indicate that the stimulus program does not primarily depend on the benefits the project will produce relative to its cost. Instead, funding depends primarily on the ability to spend the funds quickly, at least within the timeframe specified by congress. Nevertheless, new projects on the draft candidate list would likely do well in the qualitative portion of CDTC's merit evaluation, since they are consistent with the New Visions plan and Statewide Transportation Plan.
8. CDTC's funding of projects with stimulus funds should not be considered to be "bonus" or "extra" funds for the sponsors whose projects are funded with it. Instead, if a given stimulus project was already on the TIP before the stimulus funding, then the former funding becomes available for CDTC to spend on other projects anywhere in the CDTC area. If a given stimulus project was not already on the TIP at the time of its stimulus funding, then it should be considered part of the geographic balance at the next major programming of new projects at CDTC.