

2024 STBG Application and Funding Guidelines

Bipartisan Infrastructure Law (BIL)

The federal Surface Transportation Block Grant (STBG) program was extended under the Bipartisan Infrastructure Law (BIL). Information on the BIL is available at: www.fhwa.dot.gov/bipartisan-infrastructure-law/

Lead Agency

Clallam County is the designated lead agency to hold a process to select projects for programming our county’s regional allocation of federal STBG funding. The decision on final project selection and STBG regional allocation is by the Board of County Commissioners (BOCC) following a public hearing. The County does not distribute or administer federal funding for selected projects. STBG funds are administered by Federal Highway Administration (FHWA) and the Washington State Department of Transportation (WSDOT)-Local Programs thru agreements with the entity selected for STBG regional funding allocation.

Available STBG Funding for Programming

STBG funding is allocated by WSDOT to lead agencies based on the Federal Fiscal Year (FFY). The FFY is October 1 through September 30. For FFY 2024, WSDOT’s current estimated STBG funding allocation is \$945,773. The official allocation is anticipated to be available in March. The County may program out STBG funding over the next four years (FFY 2024-2027). This means over the next four years (FFY 2024-2027) it is anticipated the County can program around **\$4.6 million** (includes FFY 2023 funding not obligated) for eligible local projects. *WSDOT generally allows for obligating STBG funding ahead of the programmed FFY to provide for flexibility and to respond to project delivery changes that may crop up over the next four years.*

Pursuant to County Resolution 31, 2023, the County has currently programmed the following local projects totalling \$2,238,605:

Current County STBG Programmed Allocations (Resolution 31, 2023)

Agency	Project	FFY 2023	FFY 2024	FFY 2025	Project Total	Project Phase
City of Port Angeles	Race Street Complete Street – Phase 2	\$430,485	\$319,515		\$750,000	Preliminary Engineering
Jamestown S’ Klallam Tribe	Olympic Discovery Trail—Dean Creek Bridge Improvements	\$221,623			\$221,623	Construction
Jamestown S’ Klallam Tribe	Olympic Discovery Trail – Dungeness River Historic Bridge Management Plan	\$55,222			\$55,222	Planning
City of Forks	Bogachiel Way Overlay	\$386,760			\$386,760	Construction
Clallam County	Olympic Discovery Trail—Forks Calawah River Park to Sitkum-Sol Duc Rd.		\$626,258	\$198,742	\$825,000	Construction
Total STBG Programmed		\$1,094,090	945,773	\$198,742	\$2,238,605	

Obligation Target

WSDOT gives Clallam County a STBG Local Obligation Authority (OA) Delivery Target each FFY. The County expects to receive our FFY 2024 OA target in March but anticipate it to be around \$1.8 million due to no local projects being obligated in FFY 2023. To date, \$314,500 of FFY 2024 STBG funding has been obligated related to the Forks Bogachiel Way Overlay Project (see table above). This means that programmed STBG projects in Clallam County will need to obligate in FFY 2024 an additional amount of approximately \$1.48 million (or more), *"with any shortfall amount being sanctioned and lost to local projects in Clallam County."*

The four other projects shown in the above data total approximately \$1.85 million of STBG funding but have not yet obligated. The \$825,000 allocation for the ODT-Forks to La Push Project will not obligate for construction in FFY 2024 and will need to be reprogrammed to FFY 2025/2026. There is also uncertainty over whether the \$750,000 of STGB funding to support preliminary design for the City of Port Angeles Race Street Project will obligate in FFY 2024. The Jamestown S' Klallam Tribe Dean Creek Bridge Improvements project is completed and their Railroad Bridge Management Plan is underway, but is uncertain on when transfer of these funds will occur. To avoid loss of unobligated STBG funding below the County's FFY 2024 OA target new projects or project phase(s) ready to proceed (i.e., obligate) in FFY 2024 are encouraged to be submitted.

2024 STBG Applications

The County will accept project applications for project or a related project phase(s) for FFY 2024 – 2027. Application submittals will be reviewed based on the responses provided to the questions and information requested in the 2024 STBG Funding Application Form. The application covers the following main areas:

- Agency Sponser
- Project Type (i.e., Eligibility for STBG Funding)
- Project Description—Need—Anticipated Benefits
- Financial and Budget Information
- How project addresses transportation system policy goals
- Project readiness and delivery

Selection of project applications for programming STBG funds will be based on review of the application and readiness of the project to proceed as follows:

1. Projects that are ready to proceed (i.e., obligated STBG funding) in FFY 2024 and 2025. Projects that can obligate in FFY 2024 will be a priority in this 2024 Call for Projects to help ensure Clallam County meets its STBG OA target and avoid sanctions of our regional funding as described above.
2. FFY 2026/2027 STBG funding requests that are subsequent project phase(s) to a STBG project phase previously obligated or to support subsequent phase(s) of a new project requesting initial funding for FFY 2024 or 2025.
3. Other projects not ready to proceed but targeted for FFY 2026 or 2027 to be considered for programming as a contingency project.

Please note we will have subsequent call for projects in for FFY 2025 to check in and update our County's regional four year STBG allocation to remain current.

Eligible Entities

Local entities with the responsibility for the oversight of transportation and recreational trails facilities, programs, and services provided within Clallam County including: the cities of Sequim, Port Angeles, and Forks; Clallam County government; Port of Port Angeles, Clallam Transit, and Tribal governments.

Eligible Projects

Many types of projects are eligible including, but not limited to: projects that preserve and improve the conditions and performance on federal aid highways; bridge and tunnel projects on any public road; pedestrian, bicycle and recreational trails; transit capital projects; ferry boats and terminal facilities; and other eligible activities under 23 U.S.C 133. For more information, refer to Section E of the USDOT-FHWA Memorandum that is part of the application packet.

Federal Share/Matching Funds/Use of Toll Credits

The federal participation rate for STBG funding is 86.5%.

WSDOT has a current policy that allows local agencies to use “toll credits” for most federally funded projects (including STBG projects) to serve as the match for the federal funds on a project. Toll credits are not money and do not bring any funds to a project. They are a matching tool available to any state that generates revenues from tolling facilities to allow for 100% federal funding if the project/project phase is “*fully funded*” with Federal Highway Administration (FHWA) funds. If a project includes state grants or other local funds, it does not qualify for toll credits because the non-federal match is presumably not a barrier to using federal funds. For more information on use of toll credits and related requirements, refer to the WSDOT Policy for Allocation and use of Toll Credits (dated December 30, 2021) included with the application materials and contact WSDOT-Local Programs with any questions.

The downside of use of toll credits is that that it will impact the County’s total regional STBG funding allocation available for local projects. This means available STBG funding resources for local projects will not go as far at 100% funding levels as when a local match is provided. The County lead agency will accept applications for STBG funding that propose using toll credits to receive 100% federal funding.

Project Authorization/Obligation

If your project is selected, you ***must*** obligate STBG federal funds for your project/project phase. Obligation is the federal government’s commitment to reimburse the federal share of eligible project costs. To “obligate” a project for STBG funding requires entering into a local agency agreement (LAA) with WSDOT-Local Programs. Consult the WSDOT Local Agency Guidelines (LAG) Manual for more information on required information and forms that must be submitted to enter into a LAA with WSDOT-Local Programs.

IMPORTANT: *The FFY is October 1 through September 30. If selected for STGB funding, it is highly recommended that you submit your LAA package to WSDOT for project authorization/obligation by **August 1** to allow time for their review and approval before the applicable FFY September closing date.*

Once your project is obligated WSDOT-Local Programs and FHWA expect regular progress to avoid risk of loss of funding. Progress is tracked by required project reporting and billings.

Inclusion in Local, Regional and State Transportation Improvement Programs

Prior to project authorization/obligation, the project will need to be included in the State Transportation Improvement Program (STIP). The project will also need to be in the Regional Transportation Improvement Program (RTIP) and your locally adopted transportation improvement program.

State Transportation Improvement Program (STIP)

Projects must be in (or added to) the STIP prior to obligation and receiving of federal STBG funds. Information on the STIP and STIP amendment process can be found at:

<https://wsdot.wa.gov/business-wsdot/support-local-programs/delivering-your-project>

If you have questions on how to enter information into web-based, STIP or on the STIP amendment process contact Nancy Huntley, WSDOT Statewide Programming Engineer, at 360-705-7378 or at: HuntleN@wsdot.wa.gov

Regional Transportation Improvement Program (RTIP)

For a project to be part of the STIP, it must also be in (or added to) the RTIP approved by the Peninsula Regional Transportation Planning Organization (PRTPO).

IMPORTANT: *If your project is not in the 2024-2029 RTIP, and you plan to obligate STBG funding in FFY 2024 you will need approval of an RTIP amendment from the PRTPO Executive Board. To start this process: (1) enter your project into the STIP and submit for processing as soon as possible; (2) inform the PRTPO Coordinator your project is pending STIP and PRTPO approval; and (3) coordinate with the PRTPO Coordinator on getting your project scheduled before the PRTPO Executive Board.*

For more information and to coordinate RTIP amendments contact one of the PRTPO Coordinator's below:

Thera Black
PRTPO Coordinator
(360) 878-0353

TheraB@PeninsulaRTPPO.org

Edward Coviello
PRTPO Coordinator — Lead Planning Agency
(360) 824-4919

EdwardC@kitsaptransit.com

Certification Acceptance

Projects using STBG federal funding must be administered by a state approved Certification Acceptance (CA) agency. If an agency does not have CA status, the following two options are available for administration of STBG federal funded projects: (1) Non-CA agency enters into agreement with a CA agency to administer all aspects of the project (requires approval of the WSDOT Region Local Programs Engineer); or (2) the WSDOT Region Local Programs Engineer acts as the CA Agency (requires approved plan between Region Local Program Engineer and the agency). For more information, refer to Chapter 13 of the WSDOT LAG Manual and also the information on the WSDOT web page at: <https://wsdot.wa.gov/business-wsdot/support-local-programs/delivering-your-project/certification-acceptance>

Requirements for Use of Federal Funding

Agencies that use federal funds must comply with all state and federal administrative and project compliance requirements over which Clallam County has no control over. Consult the WSDOT LAG Manual for more information. The LAG Manual provides policies and standards for local agencies to follow when using Federal Highway Administration (FHWA) funds for transportation projects and can be downloaded at: <https://wsdot.wa.gov/business-wsdot/support-local-programs/delivering-your-project>