

Wisconsin Department of Transportation www.dotwisconsin.gov

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DATE:

February 27, 2009

TO:

Local Government Officials and Associations

FROM:

Secretary Frank J. Busalacchi

SUBJECT:

Second Stage Solicitation for Local Transportation Recovery Projects

Three weeks ago, before the American Recovery and Reinvestment Act (Recovery Act) was passed by Congress and signed into law by the President, I wrote to all of you. At that time, it appeared likely the final legislation would set very short timelines for the use of funding for state and local transportation projects. To be prepared, we contacted all local units of government in the state to begin a first stage of seeking projects for an initial 75-day deadline.

In this first stage of the application process, the department received many local project applications. These were reviewed to determine whether they met the federal eligibility standards -- but remember; we were working with eligibility standards established before the Recovery Act was final. Project eligibility was limited to the extent that the projects could be ready for bidding and construction in the very short timeframe initially set. Unfortunately, a very limited number of the project applications qualified. Local governments that submitted projects that did meet eligibility requirements will be notified shortly.

Fortunately, the final version of the Recovery Act set more reasonable timelines for local transportation projects and there is an additional opportunity for local governments to seek federal funding for local projects that meet all eligibility criteria. I am writing today to lay out the process and the schedule local governments can use to submit transportation projects in the next application stage. We are committed to working closely with local governments to identify federally eligible projects and maximize the use of Recovery Act funds in Wisconsin.

In total, the Recovery Act will provide about \$529 million to Wisconsin for state and local highway and bridge projects. We have determined that about 30% of this total, or about \$158 million, could be made available for local roads and bridges, if sufficient eligible projects are identified and can be ready for construction. Of this total, the legislation specifies that about \$38.7 million be used within the Milwaukee urbanized area and about \$9.7 million be used within the Madison urbanized area. Virtually all of the remainder, or about \$109 million, is available for use throughout the rest of the state.

To make use of the remaining funds available for local projects, we are now beginning the Stage 2 Local Project Solicitation. The Recovery Act requires that all funds for local projects must be "obligated" by March 10, 2010, or the funds will be redistributed to other states. Working back from this critical deadline, we have established the following timeline for Stage 2 applications.

February 27, 2009: Stage 2 application process announced.

March 2, 2009: Stage 2 application materials posted on the department's Web site and the project application process begins.

April 1, 2009: Deadline for submission of all local highway, bridge and transportation enhancement applications to WisDOT. Note: This is only the deadline for the application, not for the completed plan submittal. For this deadline, local sponsors must submit a completed project application, which will give WisDOT sufficient information to verify project eligibility under Federal Highway Administration guidelines and confirm the likelihood that the project can meet required deadlines for design submittal to WisDOT.

May 1, 2009: Deadline for completed plans, specifications and estimates (PS&E) submittal for projects that could possible be ready for bid letting in late June or July of 2009.

<u>December 1, 2009:</u> Deadline for PS&E submittal for all other projects to be bid in February or March 2010 and constructed in the 2010 construction season.

The Recovery Act requires that project eligibility for all programs be the same as for the usual federal-aid local programs administered by WisDOT. All the normal project review, permitting and approval processes that are required for federal aid projects will also be required for recovery projects. For local officials who would like additional information, please contact WisDOT region staff in your region listed on the Web page or contact your county highway commissioner.

Further detailed guidance, application forms and contact information will be available Monday, March 2, 2009 on the WisDOT Web site at http://www.dot.wisconsin.gov/localgov/. The Federal Highway Administration also has very good information regarding recovery projects posted on its Web site at http://www.fhwa.dot.gov/economicrecovery/index.htm. It is critical that you take an opportunity to review this information in its entirety for additional guidance. This information will be updated continually.

Once again, I want to emphasize our commitment to work cooperatively with local government officials to identify all federally eligible projects and provide the opportunity for your communities to benefit from Recovery Act funding. The transportation projects we move forward with recovery funds will create job opportunities throughout Wisconsin, provide much-needed improvements to our state and local transportation system and pave the way for continued economic growth and prosperity. I look forward to working together with all of you to support these common goals.