

## **Chapter 10: Financial Capacity**

Funding is necessary to achieve the goals of this plan and to implement the projects identified in this plan. There are funding sources available at the local, state and federal levels for implementing a project. Some of these sources have been discussed in previous chapters, others will be identified in this chapter. The purpose of this chapter is to compare the costs of projects identified during the regional planning process to the anticipated funding.

### **Available Revenue Sources**

Cities and counties have several revenue streams available for projects, these include local, state and federal funds. At the local level this includes tax revenue and general obligation bonds. State revenue available to cities and counties include a share of Road Use Tax funds and TIME 21 funds and the ability to apply for several grant programs that use state funds. The grant programs that use state funds are: Traffic Safety Improvement Program (TSIP), State Recreational Trails, Revitalize Iowa's Sound Economy (RISE), Traffic Engineering Assistance Program (TEAP), County-State Traffic Engineering Program (C-STEP), Urban-State Traffic Engineering Program (U-STEP) and the Railroad Revolving Loan and Grant Program (RRLGP). Federal funds include STBG/SWAP and TAP funds allocated through the RPA, Highway Bridge Program funds allocated directly to the counties and several grant programs administered by the Iowa DOT. The programs administered by the Iowa DOT include the Highway Safety Improvement Program Secondary (HSIP-Secondary), City and County Bridge, Iowa Clean Air Attainment Program (ICAAP), Linking Iowa's Freight Transportation System (LIFTS) and Federal Recreational Trails.

Figure 9.1 provides an overview of the funding sources available to cities and counties by type, if it is federal, state or local funding and identifies the funding program. It summarizes the project types that the funds may be used for, either roads and bridges or bicycle and pedestrian. And it lists the source that the city or county would apply to for the funds, the Iowa DOT, the Regional Planning Affiliation or if is a procedure the city/county implements.

**Figure 9.1: Funding Sources for Transportation Projects**

Funding Type	Funding Program	Project Type		Source
		Roads and Bridges	Bike and Ped	
Federal	STBG/SWAP*	X	X	RPA
	Highway Bridge Program	X		Iowa DOT
	TAP		X	RPA
	Statewide TAP		X	Iowa DOT
	HSIP-Secondary	X		Iowa DOT
	City and County Bridge	X		Iowa DOT
	ICAAP	X	X	Iowa DOT
	LIFTS	X		Iowa DOT
	Federal Rec Trails		X	Iowa DOT
State	TSIP	X		Iowa DOT
	State Rec Trails		X	Iowa DOT
	RISE	X		Iowa DOT
	TEAP	X	X	Iowa DOT
	C-STEP/U-STEP	X		Iowa DOT
	RRLGP^			Iowa DOT
	City Streets	X		Formula
	Secondary Roads	X		Formula
	Farm to Market	X		Formula
Local	Property Tax	X	X	City/County
	Local Option Sales Tax	X	X	City/County
	Tax Increment Financing	X	X	City/County
	General Obligation Bonds	X	X	City/County
* STBG funds may also be used for transit capital projects and planning				
^RRLGP funds are used for rail projects involving targeted job creation, network improvements, or rail port planning and development.				

A discussion of funding sources relevant to specific modes may be found in that chapter. An up to date list of federal and state transportation grants may be found at: [https://iowadot.gov/pol\\_leg\\_services/funding-guide](https://iowadot.gov/pol_leg_services/funding-guide).

**History of STBG and TAP Funds and Future Funding Projections**

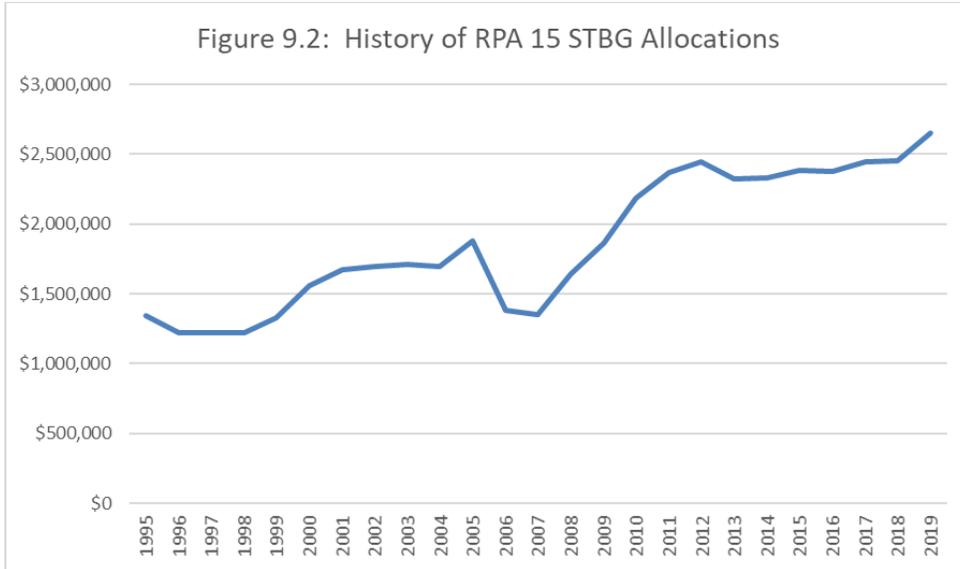
The Regional Planning Affiliation received its first allocation of Surface Transportation Block Grant Funds in 1995. At that time the funds were referred to as Surface Transportation Program funds however their use was very similar to today. The amount allocated to the RPA that first year was \$1,342,293, since that first year the amount

allocated each year has increased to the \$2,649,492 the region is receiving in 2019. In 2006 and 7 the region saw a significant decrease due to a decline in obligation authority in 2005.

The RPA sub-allocates STBG funds to all the counties and to the cities with populations over 5,000. The region also sub-allocations for planning, regional transit and small cities/lowa DOT (special projects). An amount that the counties used to receive under the old Federal Aid System prior to the creation of the RPAs is set aside first for the counties. The three amounts for planning, transit and special projects are set by the board. Cities with populations over 5,000 allocations are based on their population and a per capita rate. County allocations are based their percentage of the region's farm to market factor.

In 2018 the Iowa DOT implemented a new policy called SWAP for the 2019-2022 Statewide Transportation Improvement Program. This policy swapped federal funding from STBG, CMAQ, ICAAP, and HSIP for road and bridge projects for state primary road funds. The change had several impacts on the RPA funding. One impact is that under SWAP projects are now eligible for up to 100% funding, previously they were eligible for up to 80%. The RPA Technical Committee and Policy Board discussed this point as there were several large projects already programmed and SWAP eligible, the RPA did not have the available balance to increase the funds on all of these projects. The decision was made to keep these previously programmed projects at their current funding levels and accept new projects up to the 100% funding level. Another change is that projects on rural minor collectors were once again eligible. Both the TAC and Policy Board supported projects on minor collectors as it would assist rural communities in the region.

Figure 9.2 shows the history of STBG allocations for the region from 1995 through 2019. Figure 9.3 shows the history of STBG funds including the allocation and the programming each year and shows the available balance.



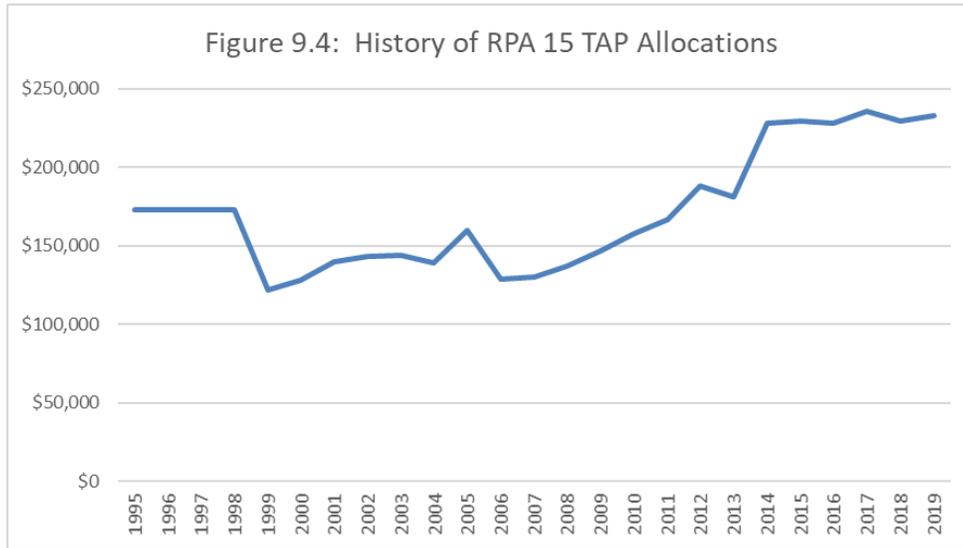
**Figure 9.3: History of RPA 15 STBG Funds**

Year	Allocation	Programmed	Balance
95	1,342,293	717,226	625,067
96	1,218,000	1,159,700	683,367
97	1,218,000	1,157,530	743,837
98	1,218,000	1,961,260	577
99	1,328,000	646,535	682,042
00	1,559,000	549,577	1,691,465
01	1,675,000	687,927	2,678,538
02	1,693,105	1,266,180	3,105,463
03	1,711,677	1,720,255	3,096,885
04	1,692,944	1,438,150	3,351,679
05	1,880,901	3,429,199	1,803,381
06	1,382,433	503,908	2,681,906
07	1,353,618	3,628,035	407,489
08	1,644,190	804,354	1,247,325
09	1,865,713	2,097,304	1,015,734
10	2,184,340	74,777	3,125,297
11	2,370,653	1,226,926	4,269,024
12	2,442,696	2,322,149	4,389,571
13	2,326,603	636,630	6,079,544
14	2,331,470	3,064,368	5,346,646
15	2,387,498	1,230,000	6,504,144
16	2,374,794	3,231,882	5,647,056
17	2,444,518	6,498,255	1,593,319
18	2,450,618	2,530,700	1,513,237
19	2,649,492	2,968,960	1,193,769
20	2,734,957	3,021,664	907,062
21	2,581,000	1,496,880	1,991,182
22	2,581,000	1,208,320	3,363,862
23	2,581,000	2,055,354	3,889,508
<b>TOTAL</b>	<b>57,223,513</b>	<b>53,334,005</b>	<b>3,889,508</b>

Source: RPA 15 Balance Sheet

Transportation Alternative Program funds were also first allocated to the region in 1995. Originally these funds were referred to as Transportation Enhancement funds, they could be used for many of the same types of projects that TAP funds can be used for today. Initially the RPA was given almost \$700,000 in 1995 to spread over four years. Starting in 1999 the region started to receive annual allocations and received \$122,000 that year. From 1999 to 2013 the annual allocations of TAP funding increased to \$180,837. With the change in federal legislation from SAFETEA-LU to MAP-21, TAP funding would see an almost 30% decrease if no changes were made. The Iowa DOT allocated flexible funds, called STBG-TAP Flex, to the regions. In order to prevent a shortfall in funding for TAP projects RPA 15 made the decision to allocate these flexible funds to TAP projects. Starting in 2014 the TAP balance includes both TAP and STBG-TAP Flex funds.

Figure 9.4 shows the history of TAP allocations in the region from 1995 through 2019. The history of TAP funds including the allocation and the programming for each year and available balance is shown in figure 9.5.



**Figure 9.5: History of RPA 15 TAP Funds**

Year	Allocation	Programmed	Balance
95	691,951	0	691,951
96		0	691,951
97		206,903	485,048
98		0	485,048
99	122,000	60,000	547,048
00	128,000	0	675,048
01	140,000	28,000	787,048
02	143,000	543,642	386,406
03	144,000	504,577	25,829
04	139,000	0	164,829
05	159,469	148,000	176,298
06	128,314	85,008	219,604
07	130,311	392,953	-43,038
08	136,762	161,451	-67,727
09	146,446	162,640	-83,921
10	157,514	268,170	-194,577
11	166,770	0	-27,807
12	188,267	0	160,460
13	180,837	0	341,297
14	227,963	0	569,260
15	229,705	240,000	558,965
16	228,237	185,600	601,602
17	235,337	509,744	327,195
18	229,290	0	556,485
19	232,589	128,000	661,074
20	228,347	732,000	157,421
21	228,000	0	385,421
22	228,000	320,000	293,421
23	228,000	0	521,421
<b>TOTAL</b>	<b>5,198,109</b>	<b>4,676,688</b>	<b>521,421</b>

*Beginning in FFY14, the allocation includes both the TAP and STBG-TAP Flex funds.*  
*Source: RPA 15 Balance Sheet*

The Iowa Department of Transportation provides targets each year for the next four years of STBG and TAP funds. These targets provide a forecast of what the region may expect with these two revenue sources over the short term. The region used these targets for the first four years of projections for the STBG and TAP funds. Figure 9.6 shows the regions projections for the next twenty years. STBG projections beyond the four years of targets were based on the average of the year-to-year change for the past ten years, which equals \$78,378. TAP projections beyond the four years were based on the average of the year-to-year change for the past five years, which equals \$925. The reason TAP projections are based on five years of history instead of ten is that starting in 2014 the RPA started to add its STBG-TAP Flex with its TAP funds, this large

increase of \$47,126 in one year would have skewed the average year-to-year change. While STBG-Bridge funds are no longer programmed by the RPA, they are included in figure 9.6 since they are allocated directly to the counties by formula and are a funding source the counties regularly use. STBG-Bridge projections are based on the region's ten-year average per year. A regular level of increase cannot be easily determined for this program since each county's percent of the funding is based on their share of deficient bridges which fluctuate each year.

<b>Figure 9.6: Future Funding Projections</b>			
	STBG	TAP	STBG-Bridge
2020	\$2,734,957	\$228,347	\$1,764,014
2021	\$2,581,000	\$228,000	\$1,764,014
2022	\$2,581,000	\$228,000	\$1,764,014
2023	\$2,581,000	\$228,000	\$1,764,014
2024	\$2,659,378	\$228,925	\$1,764,014
2025	\$2,737,756	\$229,850	\$1,764,014
2026	\$2,816,134	\$230,775	\$1,764,014
2027	\$2,894,512	\$231,700	\$1,764,014
2028	\$2,972,890	\$232,625	\$1,764,014
2029	\$3,051,268	\$233,550	\$1,764,014
2030	\$3,129,646	\$234,475	\$1,764,014
2031	\$3,208,024	\$235,400	\$1,764,014
2032	\$3,286,402	\$236,325	\$1,764,014
2033	\$3,364,780	\$237,250	\$1,764,014
2034	\$3,443,158	\$238,175	\$1,764,014
2035	\$3,521,536	\$239,100	\$1,764,014
2036	\$3,599,914	\$240,025	\$1,764,014
2037	\$3,678,292	\$240,950	\$1,764,014
2038	\$3,756,670	\$241,875	\$1,764,014
2039	\$3,835,048	\$242,800	\$1,764,014
2040	\$3,913,426	\$243,725	\$1,764,014
<i>Based off 2020-3 STBG and TAP Targets and 2007-18 HBP funding summary</i>			
<i>2020-3 STBG and TAP are actual targets</i>			
<i>2024-40 STBG assumes \$78,378 increase per yr, avg increase per yr over last 10yrs</i>			
<i>2024-40 TAP assumes \$925 increase per yr, avg increase per yr over last 5 years</i>			
<i>2020-40 STBG-Bridge assumes region's 10yr average per yr</i>			

**Operations and Maintenance Cost Projections and Non-Federal Aid Revenue Projections**

After a road or street is built there are still costs to the jurisdiction associated with that facility. These operation and maintenance costs must be considered by local jurisdictions when assessing their road and street system. For the purpose of this plan, operations and maintenance reports from the Iowa DOT were used, which obtain their information from the City Street Finance Reports and the County Secondary Road Reports. Anticipated Operations and Maintenance costs were determined for the entire system from the 2018 report year and increased by an inflation rate of four percent to project the costs for the 2020-2040 plan window as shown in figure 9.7.

**Figure 9.7: Operations and Maintenance Cost History and Projections on the Total System in the RPA 15 Region**

	County Operations	County Maintenance	City Operations	City Maintenance
2014	\$6,919,105	\$12,622,672	\$1,439,325	\$6,022,647
2015	\$6,519,782	\$13,020,600	\$1,450,969	\$6,039,141
2016	\$6,753,365	\$15,911,718	\$1,327,274	\$6,604,709
2017	\$6,572,142	\$15,623,421	\$1,394,114	\$7,442,642
2018	\$7,755,921	\$15,135,864	\$1,412,957	\$11,645,507
2020	\$8,388,804	\$16,370,951	\$1,528,254	\$12,595,780
2021	\$8,724,356	\$17,025,789	\$1,589,384	\$13,099,611
2022	\$9,073,330	\$17,706,821	\$1,652,960	\$13,623,596
2023	\$9,436,264	\$18,415,093	\$1,719,078	\$14,168,539
2024	\$9,813,714	\$19,151,697	\$1,787,841	\$14,735,281
2025	\$10,206,263	\$19,917,765	\$1,859,355	\$15,324,692
2026	\$10,614,513	\$20,714,476	\$1,933,729	\$15,937,680
2027	\$11,039,094	\$21,543,055	\$2,011,078	\$16,575,187
2028	\$11,480,658	\$22,404,777	\$2,091,521	\$17,238,195
2029	\$11,939,884	\$23,300,968	\$2,175,182	\$17,927,722
2030	\$12,417,479	\$24,233,007	\$2,262,189	\$18,644,831
2031	\$12,914,178	\$25,202,327	\$2,352,677	\$19,390,625
2032	\$13,430,745	\$26,210,420	\$2,446,784	\$20,166,250
2033	\$13,967,975	\$27,258,837	\$2,544,655	\$20,972,900
2034	\$14,526,694	\$28,349,190	\$2,646,441	\$21,811,816
2035	\$15,107,762	\$29,483,158	\$2,752,299	\$22,684,288
2036	\$15,712,073	\$30,662,484	\$2,862,391	\$23,591,660
2037	\$16,340,555	\$31,888,984	\$2,976,887	\$24,535,326
2038	\$16,994,178	\$33,164,543	\$3,095,962	\$25,516,739
2039	\$17,673,945	\$34,491,125	\$3,219,801	\$26,537,409
2040	\$18,380,903	\$35,870,770	\$3,348,593	\$27,598,905

History based off of 2014-18 County and City O-M reports

Projections based off of 2018 FM, Secondary Road and City Street reports

Assumes 4% inflationary growth per year

The non-federal aid system makes up a majority of a jurisdiction’s roads and streets. While some grants may be used on non-federal aid routes most of the funding is through the Road Use Tax Fund (RUTF) and local mechanisms discussed previously. The RUTF provides funds to cities through the City Street fund and to the counties through the Farm-to-Market and Secondary Road funds. To estimate future revenues from the RUTF, 2017 City Street, County Farm-to-Market and Secondary Road receipt reports from the Iowa DOT were used. Figure 9.8 shows future revenues for each of these three revenue streams. Revenues were projected from the 2018 report year by an inflation rate of two percent to project the revenues for the life of the plan.

**Figure 9.8: Non-Federal Aid Revenue History and Projections for the RPA 15 Region**

	Farm to Market	Secondary Road	City Street
2014	\$3,698,185	\$20,519,374	\$15,913,188
2015	\$3,861,609	\$21,078,469	\$15,886,363
2016	\$4,616,489	\$23,157,972	\$21,239,448
2017	\$4,775,481	\$24,596,465	\$20,195,940
2018	\$4,600,004	\$28,018,105	\$18,862,320
2020	\$4,785,844	\$29,150,036	\$19,624,358
2021	\$4,881,561	\$29,733,037	\$20,016,845
2022	\$4,979,192	\$30,327,697	\$20,417,182
2023	\$5,078,776	\$30,934,251	\$20,825,526
2024	\$5,180,351	\$31,552,936	\$21,242,036
2025	\$5,283,958	\$32,183,995	\$21,666,877
2026	\$5,389,638	\$32,827,675	\$22,100,214
2027	\$5,497,430	\$33,484,229	\$22,542,219
2028	\$5,607,379	\$34,153,913	\$22,993,063
2029	\$5,719,527	\$34,836,991	\$23,452,924
2030	\$5,833,917	\$35,533,731	\$23,921,983
2031	\$5,950,595	\$36,244,406	\$24,400,423
2032	\$6,069,607	\$36,969,294	\$24,888,431
2033	\$6,191,000	\$37,708,680	\$25,386,200
2034	\$6,314,820	\$38,462,853	\$25,893,924
2035	\$6,441,116	\$39,232,111	\$26,411,802
2036	\$6,569,938	\$40,016,753	\$26,940,038
2037	\$6,701,337	\$40,817,088	\$27,478,839
2038	\$6,835,364	\$41,633,430	\$28,028,416
2039	\$6,972,071	\$42,466,098	\$28,588,984
2040	\$7,111,512	\$43,315,420	\$29,160,764

*History based off of 2014-18 County and City O-M reports*

*Projections based off of 2018 FM, Secondary Road and City Street reports*

*Assumes 2% revenue growth per year*

**Short-Term Fiscally Constrained Projects**

STBG/SWAP and TAP projects programmed by the RPA should be fiscally constrained. For STBG/SWAP projects, the project costs cannot exceed the carryover balance from the previous year and the target for the year that the projects are programmed. Figure 9.9 provides a list of planned STBG/SWAP projects for FY2020-2023 and shows the project’s cost, the region’s STBG allocation and balance for each year. This figure shows how the region has maintained fiscal constraint throughout the four years. The RPA does have some flexibility with TAP funds in that it only needs to maintain fiscal constraint within the entirety of the four years and not every year. This is due to the Iowa DOT allowing RPAs and MPOs to borrow TAP funds against each other with the DOT making sure the program as a whole is fiscally constrained. A list of the planned TAP projects for 2020-2023 is shown in figure 9.10, this figure shows the costs, the regions allocation and balance each year. While the RPA’s TAP balance is negative at the end of 2020, and slightly negative at the end of 2022, it is fiscally constrained within the overall four-year timeframe.

**Figure 9.9: Short-Term Fiscally Constrained STBG/SWAP Projects (Years 1-4) in RPA 15**

Location	Project	Total Cost	Aid	Year
	<b>STBG Balance (carryover)</b>		<b>\$1,193,769</b>	<b>2019</b>
	<b>STBG Target</b>		<b>\$2,734,957</b>	<b>2020</b>
RPA 15	Planning	\$106,024	\$31,656	2020
Fairfield	PE for milling and overlay on 4th St from Broadway Av to BNSF ROW	\$30,500	\$30,500	2020
Fairfield	PE for HMA overlay on 32nd St from Jackpine Loop to Burlington Ave	\$60,000	\$60,000	2020
Ottumwa	Milner St reconstruction from Burhhus to Mary St	\$2,036,885	\$1,629,508	2020
Jefferson Co	W21 pavement HMA surfacing from 167th St to North Walnut Creek	\$1,485,000	\$570,000	2020
Jefferson Co	W40 pavement rehab from 190th to 218th St	\$700,000	\$700,000	2020
	<b>Balance</b>		<b>\$907,062</b>	<b>2020</b>
	<b>STBG Target</b>		<b>\$2,581,000</b>	<b>2021</b>
Fairfield	Final design for IA 1/S Main widening from Fillmore to 200ft S of Libertyville Rd	\$219,600	\$151,680	2021
Fairfield	Milling and overlay on 4th St from Broadway Av to BNSF ROW	\$417,200	\$417,200	2021
Fairfield	HMA overlay on 32nd St from Jackpine Loop to Burlington Ave	\$708,000	\$708,000	2021
Jefferson Co	W40 pavement rehab from 150th to Washington Co line	\$2,350,000	\$220,000	2021
	<b>Balance</b>		<b>\$1,991,182</b>	<b>2021</b>
	<b>STBG Target</b>		<b>\$2,581,000</b>	<b>2022</b>
Fairfield	Const insp for IA 1/S Main widening from Fillmore to 200ft S of Libertyville Rd	\$335,000	\$8,320	2022
Keokuk Co	G29 paving from Mahaska Co line to IA 21	\$1,500,000	\$1,200,000	2022
	<b>Balance</b>		<b>\$3,363,862</b>	<b>2022</b>
	<b>STBG Target</b>		<b>\$2,581,000</b>	<b>2023</b>
Ottumwa	Mary St PCC reconstruction from Ferry St to Shaul Av	\$2,197,128	\$2,055,354	2023
	<b>Balance</b>		<b>\$3,889,508</b>	<b>2023</b>

*Source: RPA 15 2019-22 TIP, 2020-3 Targets and 2020-3 STBG/SWAP applications*

**Figure 9.10: Short-Term Fiscally Constrained TAP Projects (Years 1-4)**

Location	Project	Total Cost	Aid	Year
	<b>TAP Balance (carryover)</b>		<b>\$661,074</b>	<b>2019</b>
	<b>TAP Target</b>		<b>\$228,347</b>	<b>2020</b>
Keokuk Co	Belva Deer Recreation Area Trail Project Phase 3	\$915,000	\$732,000	2020
Ottumwa	8 ft trail along Milner St from Mary St to Richmond Av	\$377,170	\$301,735	2020
	<b>Balance</b>		<b>-\$144,314</b>	<b>2020</b>
	<b>TAP Target</b>		<b>\$228,000</b>	<b>2021</b>
	<b>Balance</b>		<b>\$83,686</b>	<b>2021</b>
	TAP Target		\$228,000	2022
Fairfield	IA 1/S Main widen frm Fillmore to S of Libertyville Rd, incl bike/ped accom	\$3,352,800	\$320,000	2022
	<b>Balance</b>		<b>-\$8,314</b>	<b>2022</b>
	<b>TAP Target</b>		<b>\$228,000</b>	<b>2023</b>
	<b>Balance</b>		<b>\$219,686</b>	<b>2023</b>

Source: RPA 15 2019-22 TIP, 2020-3 Targets and 2020-3 TAP applications

### Long-Term Projects, or Areas of Interest or Concern

Projects beyond the four years of TIP are not fiscally constrained. These are projects that have not started development and may not have cost estimates. Figure 9.11 lists long-term future projects outside of the 2020-2023 Transportation Improvement Program. These projects may be developed and submitted for inclusion in a later TIP.

**Figure 9.11: Long-Term Projects, or Areas of Interest or Concern (Years 5-20)**

Location	Project
Fairfield	Old US 34/Burlington Road resurfacing w/in city limits
Jefferson Co	Old Us 34/Bus 34 resurfacing East and West of Fairfield
Jefferson Co	Bus 34 bridge replacement east of Fairfield
Keokuk Co	V45 repaving from Sigourney to Keswick
Keokuk Co	W15 repaving from Richland to 277th
Keokuk Co	G13 repaving from IA 78 to Ollie
Mahaska Co	T38 repaving from G79 to Blums Corner
Mahaska Co	G29 repaving from US63 to Independence
Mahaska Co	G5T repaving from Skunk River to US63
Mahaska Co	G17 repaving from US63 to V13
Van Buren Co	J40 repaving from Davis Co to Keosauqua
Van Buren Co	V64 repaving from J40 to IA 16

Source: RPA 15 Technical Advisory Committee

### **Project Selection Process for STBG and TAP Funds**

The RPA project selection process for STBG funds includes a combination of sub-allocation, discussion and consensus and scoring. Funds are sub-allocated to all of the counties and to the cities with populations over 5,000. There are also set asides for planning, regional transit and special projects. Small cities and DOT projects are funded through the special projects set aside. Ottumwa Transit is funded from the City of Ottumwa's allocation as it is a department of the city. In order to be considered for funding, a project application must be submitted to the RPA. The application includes a project description, timeline, cost breakdown, project location and map, and self-scoring/rating criteria that looks at traffic, connectivity, federal functional classification, safety and if the project is in the long-range plan.

Applications are reviewed by the RPA staff for eligibility and then are presented at a Technical Advisory Committee meeting where the applicant is asked to make a presentation on their project and the committee has a chance to ask questions. After the presentation of all of the application the committee then discusses the projects and makes a recommendation on the projects to fund and funding level that is presented to the policy board along with the project applications. The Policy Board reviews the projects and the technical committee's recommendation before making the decision whether to program each project for funding. Projects approved by the Policy Board are then added to the Transportation Improvement Program.

The application process for TAP funds uses a combination of scoring and discussion and consensus. The application used is the standard Iowa DOT application for Transportation Alternatives funds. After receiving the TAP applications, they are sent to Iowa DOT for review of eligibility and comment. Once comments have been received back by the RPA staff they are presented to the Technical Advisory Committee by the applicant where the committee can ask questions. After the presentations the committee scores the projects, scores are averaged together for each project and the average be 60 points or greater for the project to be considered for funding. The TAC then discusses the projects and makes recommendations for funding. This recommendation is presented to the Policy Board along with each project application and their scores. The Policy Board reviews the recommendations and projects and makes the funding decision on each project. Approved projects are included in the Transportation Improvement Program.

### **Reasonableness of Sub-Allocation**

Sub-allocation of STBG funds is used by the RPA to maintain equity between the cities and counties. The region is flexible with sub-allocation targets and encourages spending ahead to keep STBG balances from accumulating and to encourage the development of projects. The cities and counties are satisfied with the process described above and believe that sub-allocation helps them plan for future projects and is equitable.