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GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

KIRK T. STEUDLE
DIRECTOR

November 9, 2015

TO: **Rural Task Force Program Agencies**

SUBJECT: **FYs 2017-2020 Local Rural Task Force Program Call for Projects**

The Michigan Department of Transportation (MDOT) in conjunction with the Rural Task Force Oversight Board is issuing a "Call for Projects" in non-metropolitan areas for fiscal years (FYs) 2017-2020. The purpose of this call is to solicit projects from local rural highway and transit agencies wishing to utilize federal Surface Transportation Program-Rural (STL) and state Transportation Economic Development Fund-Category D (EDD) funding for FYs 2017-2020. Projects selected to receive STL and EDD funding will be included in the FYs 2017-2020 Statewide Transportation Improvement Program (STIP). The FYs 2017-2020 STIP will cover the four fiscal years between October 1, 2016 and September 30, 2020.

Through the call, it is anticipated that MDOT will provide approximately $42 million of STL funds (including $32 million in regular STP-Rural funds and $10 million of STP-Flexible funds) and $7 million of EDD funds annually to the Local Rural Task Force Program for FYs 2017-2020. STP-Flexible funds are federal trunkline dollars that are being used to replace Federal D funds which were eliminated under MAP-21. All funds require at least a 20 percent non-federal or local match, and must be spent on construction costs and contingencies for highway projects and transit capital projects. Right-of-way, construction engineering, and preliminary engineering costs are not eligible.

Recently, STL target amounts were equal to 100 percent of each Rural Task Force's allocation amount. On October 26, 2015, the Rural Task Force Oversight Board cooperatively reached a decision to require each Rural Task Force to use a target amount equal to 95 percent of their FY 2015 base year funding amounts for FY 2016. **The targets will then be adjusted to 90 percent of that amount for all four years of the FY 2017-2020 STIP.** The idea behind using target amounts equal to these percentages is to align Rural Task Force targets more closely with federal obligation authority, which averages 93-95 percent of the annual total federal allocation amount. This methodology also provides an allowance in the program to accommodate eligible projects that need to move from the current fiscal year to the following fiscal year if necessary. Funding targets may be adjusted in the future to reflect updated state and/or federal legislation.

Rural projects included in the STIP are scheduled to be obligated in the fiscal year they are shown. To be included in the STIP, each respective Rural Task Force must approve the projects and **submit selected projects for FYs 2017-2020 to their Regional Planning Agency (RPA) by no later than January 31, 2016. RPAs will forward their Rural Task Force FYs 2017-2020 programs to MDOT by no later than February 12, 2016. Programs submitted to RPAs must be financially constrained to the annual allocation targets.**

The enclosed document provides more information regarding the Call for Projects process. If you have any questions regarding the Local Rural Task Force Program or would like an MDOT representative to attend your Rural Task Force meetings, please contact Jim Koenig, Transportation Planner, at (517) 373-1881 or at koenigj@michigan.gov.

Sincerely,

David E. Wresinski, Chair
Rural Task Force Oversight Board

James M. Iwanicki, Vice-Chair
Rural Task Force Oversight Board

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