TO: Regional Planning Organization Directors

FROM: Raeanne V. Curtis  
Deputy Commissioner

SUBJECT: STP-Urban Program

May 14, 2007

The Department of Transportation (Department) has updated the State’s policy regarding the STP-Urban Program. During the period of redefining the STP-Urban Program, a number of interesting and convincing points concerning how that Program is administered and how that process could be improved were explored. The Department used the input provided by all the stakeholders and developed a policy that would improve upon the administration of the STP-Urban Program.

The revised policy is as follows:

The funding ratio for the STP-Urban Program will remain as an 80-10-10 Program.

- PE phase - 80 percent federal / 10 percent State / 10 percent municipal (no change)
- ROW phase - 80 percent federal / 10 percent State / 10 percent municipal (no change)
- CON phase - 80 percent federal / 10 percent State / 10 percent municipal (capped at low bid)
  - 80 percent federal / 20 percent State (balance of project if any change)

Municipalities will be required to provide a council resolution which indicates their financial support for the rights-of-way and construction phases and their recommendation to proceed with the final design phase of the project. The resolution will be provided upon completion of the public involvement process and prior to the start of final design. The agreement for the municipality’s 10 percent share of the construction phase will be requested at the final design review submission. If required, a supplemental agreement for the municipality’s share will be processed at the time of low bid. During the interim period, while the supplemental agreement is being processed, the State will temporarily cover the municipality’s 10 percent, so as to not delay the award of the construction contract. The cost of the construction phase includes contract items, contingencies and incidental to construction. Change orders requested by a municipality, which are not directly required to address a field condition during construction, will be deemed federally and State nonparticipating.

A review of the agreement process, requirements, and associated timelines was advocated by many of the regions. This is being pursued within the Department. If you have any further questions regarding this policy, please contact Mr. Charles Barone, Bureau Chief of Policy and Planning, at (860) 594-2001.