

# **Kentucky's**

## **Statewide Transportation Improvement Program for FY 2011-2014**

The Kentucky General Assembly approved the enactment of House Bill 3 and House Bill 4 during the May 2010 Extraordinary Session of the 2010 General Assembly. House Bill 3 is the approval of the Kentucky Transportation Cabinet's FY 2011 – FY 2012 Biennial Operating Budget and House Bill 4 is the approval of the 2010 Enacted Biennial Highway Plan. The Transportation Cabinet's overall transportation program contained within the FY 2011-2014 STIP is consistent with the state and federal revenue estimates and assumptions, and contains projects as identified within the 2010 Enacted Biennial Highway Plan.

<http://transportation.ky.gov/progmgmt/stip/stip2010.htm>

**CONTACT PERSON:** *Steve Waddle, P.E.*  
*State Highway Engineer*  
*Department of Highways*  
*200 Mero Street, 6th Floor*  
*Frankfort, Kentucky 40622*  
*Phone: (502) 564-3730*

# Statewide Transportation Improvement Program for FY 2011-2014

## TABLE OF CONTENTS

	<u>PAGE</u>
<b>I. Introduction.....</b>	<b>1</b>
<b>II. STIP Development.....</b>	<b>3</b>
<b>A. Planning Process Considerations.....</b>	<b>4</b>
1. Agreements.....	4
2. Public Involvement Process.....	4
3. Air Quality Considerations.....	8
4. Congestion Mitigation and Air Quality Improvement Program.....	10
5. Fiscal Constraint.....	10
6. Revisions to the STP or STIP.....	18
<b>B. STIP Projects.....</b>	<b>19</b>
1. Planned Highway Improvements.....	20
2. Highway Safety Improvement Program.....	23
3. Highway Safety Plan.....	23
4. Intelligent Transportation System.....	25
5. Transportation Enhancement Projects.....	26
6. Transportation, Community, and System Preservation Program.....	26
7. Planned Public Transportation (Transit) Projects.....	27
8. Human Service Transportation Delivery Process.....	29
9. Planned Aviation Improvements.....	30
10. Maintenance and Traffic Operations.....	30
11. Recreational Trails Program.....	31
12. Kentucky's Mega-Projects.....	31
<b>III. Appendix A - Exhibits</b>	
A-1. State Certification Letters	
A-2. Public Participation Process for STIP and Statewide Transportation Plan	
A-3. Public Participation Documents and Comments for this Edition of the STIP	
A-4. Air Quality Conformity Determinations for Maintenance Areas	
A-5. STIP Projects	
A-6. Safe Routes to School Projects	
A-7. Transportation Enhancement Projects	
A-8. Congestion Mitigation and Air Quality Projects	
A-9. Public Transportation (Transit) Projects	
A-10. Aviation Improvements	
A-11. Recreational Trails Projects	
<b>IV. Appendix B - Metropolitan Planning Organization (MPO) Financial Plans</b>	
<b>V. Appendix C – Glossary of Transportation Terms and Abbreviations</b>	
<b>VI. Appendix D – Important Addresses and Phone Numbers</b>	

# STATEWIDE TRANSPORTATION IMPROVEMENT PROGRAM for FY 2011-2014

## I. Introduction

Section 6001 "Transportation Planning" of the "Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users" (SAFETEA-LU) amended Section 134 "Metropolitan Transportation Planning" and Section 135 "Statewide Transportation Planning" of Title 23, United States Code. The amended language includes specific details pertaining to the development of transportation plans and transportation improvement programs within Metropolitan Planning Organization (MPO) areas, being an urbanized area with a population of more than 50,000 individuals, and development of the Statewide Transportation Plan (STP) and Statewide Transportation Improvement Program (STIP). In general, Congress continued the basic theme of the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) and the Transportation Equity Act for the 21st Century (TEA-21) that "it is in the national interest to encourage and promote the safe and efficient management, operation, and development of surface transportation systems, that will serve the mobility needs of people and freight and foster economic growth and development within and between states and urbanized areas, while minimizing transportation-related fuel consumption and air pollution through metropolitan and statewide transportation planning processes." In an effort to ensure the development of effective and efficient transportation systems, SAFETEA-LU reemphasized the commitments within TEA-21 and ISTEA, and that each state undertakes a continuous planning process that considers all modes of transportation (including accessible pedestrian walkways and bicycle transportation facilities), integrates statewide and metropolitan planning initiatives, and utilizes management systems, comprehensive planning, and innovative financing mechanisms to the maximum extent possible to encourage and promote the safe and efficient management, operation, and development of surface transportation systems, that will serve the mobility needs of people and freight and foster economic growth and development within and between states and urbanized areas, while minimizing transportation-related fuel consumption and air pollution through metropolitan and statewide transportation planning processes.

As required by SAFETEA-LU Section 6001, subsection 135, paragraph (g) (1), the STIP is to be submitted for approval by the states to the Secretary, USDOT, that covers a period of four years and to be updated every four years or more frequently if the Governor elects to update more frequently. The STIP is to be developed for all areas of the state in cooperation with metropolitan planning organizations and local officials, shall be deemed consistent with the applicable State Implementation Plan developed pursuant to the Clean Air Act (42 U.S.C. 7401 et seq.), shall contain primarily those project phases for which funding can reasonably be expected, and shall reflect the statewide priorities for programming and funds expenditure. The STIP is to be a truly multimodal plan, and the public must be afforded the opportunity to comment on the proposed program.

Kentucky submitted its first formal STIP document in 1992, only nine months after ISTEA became a law. Since that time, the Kentucky Transportation Cabinet (KYTC) has been working with the Federal Highway Administration (FHWA), the Federal Transit Administration (FTA), Metropolitan Planning Organizations (MPOs), Area Development Districts (ADDs), and local governmental units to define and strengthen the cooperative processes put into practice by ISTEA,

promoted in TEA-21, and further advocated in SAFETEA-LU. Requirements pertaining to management system implementation, public involvement in strategic planning, environmental justice, and statewide and metropolitan planning have all been carefully reviewed and processes identified to facilitate future transportation program development in Kentucky. These processes continue to evolve. This document demonstrates Kentucky's commitment to the development of a continuing planning process.

It should be noted that Kentucky's transportation programs are developed and implemented under strict legislative oversight at the state level. In particular, the highway program is governed by a section of state law that requires multiple considerations in highway program development. It also requires in-depth reporting to the state legislature of many program events such as monthly program authorizations, bid tabulations, construction project awards, change orders, and cost overruns. The KYTC's Highway Plan is updated biennially under these guidelines, and the first two years of the Plan, the "biennial element," is actually line-itemed into the state's enacted biennial budget. The STIP covers a period of four years (FY 2011-2014). The STIP contains federally-funded projects and state-funded projects that are regionally significant to meet air quality conformity requirements. These regionally significant projects will be state-funded priority projects.

As noted, the FY 2011-2014 STIP contains all the federally-funded scheduled projects, including projects within the MPO areas. The projects identified in the STIP that are located within the designated MPO areas for Louisville, Lexington, Northern Kentucky, Fort Campbell, Henderson, Owensboro, Ashland, Bowling Green, and Radcliff/Elizabethtown require MPO approval and inclusion in the respective Transportation Improvement Program (TIP) prior to project funding authorization. Projects not in the current TIP will be subject to approval and subsequent amendments or administrative modifications within the respective MPO TIP for each of these MPO areas.

The FY 2011-2014 STIP relies heavily upon the local MPO's efforts for the Louisville, Lexington, Northern Kentucky, Fort Campbell, Henderson, Owensboro, Ashland, Bowling Green, and Radcliff/Elizabethtown areas. The following TIPs are incorporated by reference into this document:

- Ashland FY 2009-2013 TIP; approved March 2009
- Henderson/Evansville FY 2010-2013 TIP; approved February 2010
- Oak Grove/Clarksville FY 2008-2011 TIP; approved January 2008
- Lexington FY 2010-2013 TIP; approved May 2009
- Louisville FY 2007-2011 TIP; approved July 2007
- Northern KY FY 2008-2011 TIP; approved July 2007
- Owensboro FY 2008-2013 TIP; approved July 2007
- Bowling Green FY 2007-2012 TIP; approved October 2007
- Radcliff/Elizabethtown FY 2009-2014 TIP; approved July 2009

When new TIPs are finalized or amended, they will individually be incorporated into the STIP document through the STIP amendment process by reference. The KYTC recognizes the role of the MPOs in regional planning, and fully supports STIP contributions resulting from MPO decision-making processes.

The Planning and Research Annual Work Program is in compliance with the provisions of Section 307 of Title 23, United States Code, and includes programs and operations for planning activities in the KYTC and the Kentucky Cooperative Transportation Research Program (KCTRP). The Division of Planning is responsible for recommending, advising, and assisting the chief administrators of the KYTC in the development of the overall goals, policies, project priorities, and procedures relating to the total transportation program of the Department. The KCTRP is concerned with the development and conduct of a comprehensive research program in cooperation with the U.S. Department of Transportation, Federal Highway Administration (FHWA).

In addition to research developed in cooperation with the FHWA, the KCTRP performs other services for the KYTC on a nonparticipating basis. The scope of these services includes activities such as research studies and special investigations of various engineering and operation activities. The Research Program and Implementation Advisory Committee (RPIAC), headed by the State Highway Engineer and coordinated through the Research Coordinator, gives direction to the research program.

## II. STIP Development

Section 135 of Title 23, United States Code, was amended by SAFETEA-LU Section 6001; subsection 135, to include a number of elements which must be considered within a state's continuous transportation planning process. These elements were identified as factors which, when properly addressed, would ensure connectivity between transportation, land use, environmental issues, investment strategies, national energy goals, and other "big picture" components of a comprehensive planning process. The KYTC recognizes the planning process requirements outlined in Sections 135 (d) and (e), and are developing mechanisms for evaluating these items as it strives to implement Kentucky's transportation planning process.

Appendix A, Exhibit A-1, contains the state's certification letters, including a self-certification statement which certifies that Kentucky's transportation planning process is being carried out in accordance with all applicable federal requirements. Copies of policies and acknowledgments regarding the following are on file in the Highway District Offices and the central Office of Human Resource Management:

1. Political Activities
2. Conflict of Interest
3. Code of Ethics
4. Smoking
5. Drug-Free Workplace
6. Americans with Disabilities (ADA)
7. Workplace Violence
8. Work Performed Off the Rights-of-Way of State Maintained Roads and Highways
9. Antiharassment/Antidiscrimination
10. Employee Dress
11. Internet and Electronic Mail Acceptable Use
12. Memo of Holidays for State Personnel
13. Kentucky Employee Assistance Program (KEAP)
14. Confidential and Sensitive Information

## A. Planning Process Considerations

### 1. Agreements

To ensure that the statewide transportation planning process is carried out in coordination with other state and federal agency requirements, the KYTC has formalized agreements with the various transportation and resource agencies. These agreements have defined the roles of these agencies and governments, and yield a stronger platform from which future STIPs will be developed. The KYTC hereby affirms its commitment to these agreements for the purpose of stabilizing the statewide planning process. Copies of the MPO agreements for the urban planning processes are included in the MPOs Unified Planning Work Programs submitted to the FHWA annually. Copies of the agreements with the ADDs for the non-urban transportation planning process are maintained by the KYTC and available upon request.

### 2. Public Involvement Process

The KYTC is working in concert with the ADDs and MPOs to ensure that public involvement processes are utilized that provide opportunities for public review and comments at key decision points.

#### ADDs Public Involvement Process

The ADDs public involvement process is centered on the following major points.

Supplemental to the Cabinet's public involvement efforts are the public involvement procedures utilized by the ADDs. Each ADD documents their process and those documents may be available on the World Wide Web as well as being available upon request.

In addition, a "transportation committee" for the area has been established. The membership of this committee includes a diverse group of interests that impact or are impacted by the transportation system. These committees are charged with setting goals and objectives for the regional transportation system; evaluating the transportation systems; identifying needs; and evaluating, prioritizing, and ranking transportation needs every two years as input to Kentucky's transportation project selection process. Efforts are made in establishing these committees to identify and involve the underserved populations, such as low-income and minority households, to ensure that their needs are considered.

ADD Transportation Committee meetings are held several times each year to continually evaluate the regional transportation system and to educate committee members about the statewide transportation planning process and current transportation issues and projects.

The ADDs may attend public meetings and various civic meetings to discuss the statewide transportation planning process and to solicit direct input from interested individuals or groups at key decision points as required.

Minutes of committee meetings and public meetings are maintained. These minutes are available upon request and may be posted on the Internet. The process is periodically reviewed to determine its effectiveness. Revisions are made as deemed appropriate.

Each ADD incorporates members with a specific interest in highway safety on their transportation committees to ensure that different opinions and interests are continually incorporated into the transportation planning process.

### MPO Public Involvement Process

The MPO public involvement process is centered on the following major points.

Supplemental to the Cabinet's public involvement efforts are the public involvement procedures utilized by the MPOs in the development of their respective Metropolitan Transportation Plans (MTPs) and their Transportation Improvement Programs (TIPs). All activity pursuant to development of the MPOs TIPs is considered part of the STIP and complies with 23 CFR 450.324 "Development and Content of the Transportation Improvement Program (TIP)." In addition, each MPO is required to develop a Public Participation Plan that defines reasonable opportunities for interested parties to be involved in the MPO transportation planning process. MPO documents are available electronically on the respective MPO's web pages, as well as being available upon request.

MPO meetings are held several times each year to continually evaluate the metropolitan transportation system and to educate committee members about the metropolitan transportation planning process and current transportation projects and issues. The MPO members may attend various civic meetings to discuss the metropolitan planning process and to solicit direct input from interested individuals and groups. Minutes of committee meetings are maintained, are available upon request, and may be posted on the MPO web pages. The process is periodically reviewed to determine its effectiveness. Revisions are made as deemed appropriate.

### KYTC Public Involvement Process

The KYTC public involvement process is centered on the following major points.

In carrying out the statewide transportation planning process, including development of the STP and the STIP, the KYTC has developed a public involvement process that provides opportunities for public review and comment at key decision points.

Through assistance from the ADDs and MPOs, the KYTC will pursue appropriate measures to reach the general public including those traditionally underserved within the state. As citizen concentrations are identified, the KYTC will include a process for seeking out and considering the needs of those traditionally underserved. The notices for public review and comments may be advertised within statewide, significant regional and demographically targeted newspapers as appropriate.

The notices for public review and comments may be advertised within statewide newspapers including the:

- Lexington-Herald Leader
- Louisville Courier-Journal
- Kentucky Enquirer
- Paducah Sun, and others as appropriate

To reach minority or underserved populations within the state, notices may be published in the:

Minority Newspapers

- Cincinnati Herald
- Key News Journal – Lexington
- Louisville Defender, and others as appropriate

Spanish Newspapers

- Al Día en America – Louisville
- La Jornada Latina – Cincinnati
- La Voz de Kentucky – Lexington, and others as appropriate

These newspaper advertisements will specify the number of calendar days for the public review and comment period, will identify an individual to whom comments can be sent, and will inform the public of the appropriate web site address. The KYTC will consider other accommodations upon request as required.

The number of calendar days for public review and comment periods is based upon the following schedules:

- Interested Parties, Public Involvement & Consultation Process Document 45 calendar days
- New STP or STIP 30 calendar days
- Amendments to STP or STIP 15 calendar days
- Administrative Modifications to STP or STIP Not Required

KYTC Interested Parties, Public Involvement & Consultation Process Document

The KYTC continuously evaluates ways of reshaping current public involvement procedures to comply with 23 U.S.C., 450.210 “Interested Parties, Public Involvement, and Consultation” processes. As the STIP is updated every two years, the effectiveness of the public involvement process will be reviewed and revised as appropriate. The KYTC will allow a minimum of 45 calendar days for public review and written comments before revisions to the public involvement process are adopted. The final document will be posted to the KYTC web site as part of the Cabinet’s commitment to the use of visualization techniques.



## New Statewide Transportation Plan (STP) or STIP

The formal STP document will cover a minimum 20-year planning horizon, and periodically the KYTC will evaluate, revise, and update the STP as appropriate. The MPOs Metropolitan Plans will be incorporated into the STP by reference. The formal STIP document may be prepared on a biennial basis (every two years) to coincide with state legislative approval of the biennial update of the Transportation Cabinet's Highway Plan, will cover no less than four years, and will be updated at least once every four years. The MPOs TIPs will be incorporated into the STIP by reference to their specific federally-required documents.

To ensure that the public has ample opportunity to review and comment on the STP and STIP documents, the KYTC will allow a minimum of 30 calendar days for public review and written comments for each proposed new STP and each proposed new STIP. Notice of the 30-day public review and comment period will be advertised in statewide, significant regional and demographically targeted newspapers throughout the Commonwealth of Kentucky through assistance from the ADDs and MPOs as appropriate.

The Draft STP and Draft STIP will be publicly displayed in the KYTC Central Office, each of the 12 Highway District Offices, each of the 15 ADD Offices, and each of the 9 MPO Offices. A letter providing information on document availability will be sent to:

- Transit providers
- FTA
- USDA Forest Service
- FHWA Eastern Federal Lands Highway Division
- Other federal, regional, and state agencies responsible for land use management, natural resources, environmental protection, conservation, and historic preservation
- All county judge/executives
- Mayors of all communities over 5,000 populations
- Any individuals who ask to be included on an official mailing list maintained by the KYTC

Public outreach will be considered in those instances where the complexity of the STP and STIP, or magnitude of public response indicates to the KYTC the need for additional public information.

The Draft STP or Draft STIP document will be posted to the KYTC web site. An electronically accessible format of the Draft STP and Draft STIP will be available to search and print as appropriate. An electronic process will be established for those reviewing the Draft STP and Draft STIP to submit electronically their comments and questions to the KYTC.

In reviewing a Draft STP or Draft STIP, the KYTC may involve various interagency groups that represent environmental, traffic, ridesharing, parking, transportation safety and enforcement, airports, port authorities, toll authorities, and appropriate private transportation provider concerns. The KYTC will also involve city officials as appropriate, as well as local, state, and federal environmental resources and permit agencies. In each case, the reviewing entity will be expected to provide comments within the specified review

period. As noted in Section II – STIP Development, KYTC Interested Parties; the various state, federal, and local agencies are involved in the development process of the STP and STIP at key decision points throughout the entire process.

Review of the Draft STP and Draft STIP may consist of public meetings held at convenient and accessible locations and times, notices to neighborhood associations, legal notices in local newspapers, or any additional efforts that will significantly enhance the public's understanding of the planning-level recommendations being presented by the STP or STIP document. The number, time, and location of any public meetings will be tailored to fit the circumstance being addressed. If such public outreach is deemed necessary, the Draft STP or Draft STIP comment period may be extended to allow adequate time for receipt of post-meeting comments. Whenever possible, ADD and MPO public involvement processes will be coordinated with the statewide process to enhance public consideration of the issues, plans, and programs, and to reduce redundancies and costs.

For the STP, the following apply:

After the initial 30-day public review and comment period, the KYTC will aggregate comments, prepare responses, and finalize the STP document. Copies of the final edition of the STP document will be made available to both the FHWA and the FTA. The final STP document will be posted on the KYTC web site.

For the STIP, the following apply:

After the initial 30-day public review and comment period, the KYTC will aggregate comments, prepare responses demonstrating explicit consideration and response to public input, and finalize the STIP document. Copies of the final edition of the STIP document will be made available to both the FHWA and FTA for review and comment. When the FHWA and FTA comments have been addressed, the final STIP document will be prepared and will include a copy of the joint approval letter from FHWA and FTA. Copies of the final STIP will be prepared and copies will be available for public information and distribution. Copies of the document will be made available to transit providers, FTA, USDA Forest Service, FHWA Eastern Federal Lands Highway Division, and other federal, regional, and state agencies responsible for land use management, natural resources, environmental protection, conservation, historic preservation, and to any individuals who ask to be included on an official mailing list maintained by the KYTC. Also, the STIP final approved document will be posted on the KYTC web site.

### 3. Air Quality Considerations

#### Conformity

Projects contained in the FY 2011-2014 STIP and located in areas designated "nonattainment" or "maintenance" for air quality standards must be consistent with Kentucky's State Implementation Plan (SIP) developed by the Kentucky Environmental and Public Protection Cabinet's Division for Air Quality (DAQ) pursuant to the Federal Clean Air Act. In the absence of a SIP, conformity requirements still apply. Transportation plans involving areas designated as "nonattainment" and "maintenance" are subject to a conformity analysis to ensure that planned projects will neither create nor contribute to violations of the National Ambient Air Quality Standards (NAAQS) and to ensure that the area will be able to meet the NAAQS in future years.

In urbanized areas, this conformity analysis is performed during the development and amendment processes of the urbanized area's metropolitan transportation plan. If found acceptable in this document, the project list of the shorter-range metropolitan area TIP must also be determined to be a subset of the transportation plan and in conformance with the SIP. STIP projects for rural "nonattainment" and "maintenance" areas must also be evaluated to demonstrate conformity. All plans, TIPs, and projects are evaluated as required for transportation conformity in each area. Once conformity has been evaluated, USDOT is able to make a conformity finding for each area and, ultimately, is able to approve the STIP. Additionally, project level conformity must be demonstrated (where "as needed" or "as required") to ensure that the project does not create, or contribute to, an air quality standard violation.

## Designations

The Kentucky counties of Boone, Kenton, and Campbell, are designated as "nonattainment" status for the 8-hour ozone standard. The Kentucky counties of Bullitt, Jefferson, Oldham, Boyd, and Christian Counties have been redesignated by EPA as "attainment with a maintenance plan" status for the 8-hour ozone standard. Additionally, Boyd, a portion of Lawrence, Boone, Kenton, Campbell, Jefferson, and Bullitt Counties are all designated as "nonattainment" for the fine particulate (PM 2.5) NAAQS. Muhlenberg County and a portion of Boyd County are designated as "attainment with a maintenance plan" status for SO<sub>2</sub>. As required, regional conformity for ozone and PM 2.5 has been demonstrated for the metropolitan planning areas of Clarksville-Hopkinsville (Christian County), Louisville (Bullitt, Jefferson, and Oldham Counties), Cincinnati-Hamilton (Boone, Campbell, and Kenton Counties), and Huntington-Ashland (Boyd County). The KYTC has shown conformity for these areas as required for the current 8-hour ozone standard and for the existing PM 2.5 standard, and through subsequent MPO TIP/LRTP amendments and updates.

## Responsibilities

A conformity determination is required for the long-range transportation plans from each of these designated areas prior to the authorization of any federally-funded projects to ensure that air quality will not be adversely affected for the criteria pollutants (i.e., no increase in carbon monoxide, volatile organic compounds (VOCs), nitrogen oxides (NO<sub>x</sub>), sulfur dioxide (SO<sub>2</sub>), or particulate matter (PM)). For nonattainment or maintenance areas within or including an MPO area, the MPO is responsible for the conformity analysis. Currently, all these areas in Kentucky have a conforming long-range plan. For rural nonattainment or maintenance areas, the KYTC Division of Planning is responsible for the conformity analysis. The Jefferson County Air Pollution Control District performs the air quality evaluation of the Louisville MPO Metropolitan Plan. The Division of Air Quality and U.S. Environmental Protection Agency evaluate each conformity analysis and the U.S. Department of Transportation makes the conformity determination. SIP conformity documentation is incorporated by reference into the STIP as the individual TIP updates are amended into the STIP. (See Appendix A, Exhibit A-4 for air quality conformity letters). Project level conformity is the responsibility of the KYTC's Division of Environmental Analysis.

#### 4. Congestion Mitigation and Air Quality Improvement Program

The FY 2011-2014 STIP has been developed in full recognition of Title 23, which establishes a distinct funding source to address Congestion Mitigation and Air Quality (CMAQ) issues. The FHWA and the FTA have set aside funds for CMAQ. The funds are made available for projects within the identified designated air quality areas for the purpose of reducing traffic congestion and improving air quality. If the proposed project is located within an urbanized area, the sponsor submits applications to the MPO for their prioritization. The sponsor forwards the applications to the KYTC's Office of Local Programs. The KYTC forwards proposed project applications to the Kentucky Division for Air Quality for review and comment, and selects projects to be funded as CMAQ funding is available. The FHWA reviews the projects for an eligibility determination and the KYTC is responsible for the disbursement and management of the CMAQ funds. Applications are accepted February 1 through March 31 and project announcements are made from June 1 through July 1. However, this schedule may vary depending upon the availability of federal CMAQ funding. CMAQ projects are listed in Appendix A, Exhibit A-8.

#### 5. Fiscal Constraint

In accordance with 23 CFR 450.216(a)(5), the STIP is required to be financially constrained by year, include sufficient financial information to demonstrate which projects are to be implemented using current revenues, and which projects are to be implemented using proposed revenue sources, while the system as a whole is being adequately operated and maintained. The FY 2011-2014 STIP Fiscal Balance Worksheets (Table 1, pages 16 and 17) show anticipated funding levels (existing and projected federal fund apportionments) and compares them against planned outlays (obligations) for each of the next four fiscal years. The FY 2011-2014 STIP federal funding level forecasts are based on SAFETEA-LU and continuing resolutions enacted by Congress for extending the current Transportation Act. SAFETEA-LU was enacted by the United States Congress in 2005 and provided identified levels of funding dedicated to each state through 2009, and have been extended through December 31, 2010. These state-specific levels of funding are broken down into individual program funding categories as determined by SAFETEA-LU's application to Federal Highway Trust Fund formulas. For the purposes of this edition of the 2010 STIP, the funding levels for FY 2011 through FY 2014 are straight-line projections equivalent to those for FY 2010, as per the Congressional resolutions for extending SAFETEA-LU.

Kentucky's federal highway program will be largely matched with "toll credits" with the only exception being the Appalachian Development Program (APD). The APD funding requires 20 percent state matching funds, and the use of toll credits is not eligible for providing the required matching funds associated with the APD funding. Toll credits are attributed to Kentucky by federal highway law, in accordance with calculations that consider past levels of state fund investment, such as state-sponsored toll roads, in the federal highway system. Toll credits do not generate cash and cannot be accounted as such; however, they do permit the KYTC the flexibility to use 100% federal funding on federal-aid projects. By doing so, the KYTC can allocate more of its own state funding for state "SP" projects, yielding increased cash management controls.

The federal funding target amounts used to fiscally balance the FY 2011-2014 STIP, based upon projected estimated apportionments of category-by-category federal funding expectations of total federal-aid dollars available during Fiscal Years 2011 through 2014, is anticipated to be approximately \$2.5 billion. Adding the carry-over federal funding from FY 2010, the total revenue expectation that supports projects in this edition of the 2010 STIP is approximately \$3.1 billion. It is possible that the final federal appropriation for any given year may change these estimates slightly, but these changes should not substantially alter the ability of the Cabinet to deliver planned federal-aid highway projects. Therefore, end of fiscal year "fiscal constraint" recalculations are conducted within each of the STIP funding programs to compare the federal funding obligations to the planned obligations for the current fiscal year, to assure that the federal program is "fiscally-constrained."

It is important to note that Kentucky oftentimes utilizes federal prefinancing provisions in programming federal funding through the FHWA, defined as Advance Construction (AC). The federal prefinancing AC process is defined as "Advance Construction of Federal-aid Projects" whereby the state may request and receive approval to construct federal-aid projects in advance of the obligation of current apportionments and obligation authority of federal-aid highway funds. By using the AC funding mechanism, Kentucky has maximized its ability to return federal dollars to the state more quickly, while at the same time accelerating many federal highway projects. Federal AC prefinancing requires that the state Road Fund keep approximately \$50 million on hand to cover the advance state fund outlays in support of the federal program acceleration. Kentucky's current AC total is approximately \$56 million. Kentucky's goal is to maintain the federal-aid highway funding prefinancing AC totals to less than \$350 million in federally-funded projects. Prefinancing AC totals range between \$50 million to \$350 million in federally-funded projects, supported by funding from the state Road Fund cash for associated project billings until the federal share of these costs can be billed to the federal government. The Cabinet continually monitors the "net cash balance" of these federal AC prefinanced projects, and these results are included within the month-to-month consideration of this federal program's flexibility in the overall cash flow management procedures of the state and federally-funded programs.

It is also important to note that the KYTC utilizes innovative financing options permitted under federal transportation law. In particular, during the 2004 General Assembly's legislative session, House Bill 418 was passed, enabling the KYTC to pursue a specific group of interstate widening projects through an innovative financing technique known as "Grant Anticipation Revenue Vehicles (GARVEEs)." The General Assembly's enactment of House Bill 267 (Appropriations Bill) during the 2005 legislative session, provided to the KYTC approval of \$150 million in appropriation authority in Fiscal Years 2004-2005 for GARVEE Bond Funds. In addition, during the 2006 General Assembly's legislative session the General Assembly provided within House Bill 380 approval to the KYTC an additional \$290 million in appropriation of authority in Fiscal Years 2006-2008 for GARVEE Bond Funds. The 2008 General Assembly made available the ability to use \$231 million of GARVEE Bond Funds to support the Louisville Bridges Project within House Bill 410. Also, during the 2010 Extraordinary Session, the General Assembly made available the option to use an additional \$105 million of GARVEE Bond Funds to support the Louisville Bridges Project within House Bill 3. In addition, the option to use \$330 million of GARVEE Bond Funds to support the construction of the two (2) US 68/KY 80 bridges

over Kentucky Lake and Lake Barkley was made available within House Bill 3. Thus, the Kentucky General Assembly has provided the KYTC the ability to use \$1.1 billion in GARVEE Bond Funds, along with the approval of usage of federal-aid highway funding to provide debt service payments on the GARVEE Bonds.

The GARVEE financing technique is permitted by federal law and involves the commitment of future federal-aid appropriations as leveraging for current year highway improvements. The primary benefit of such an arrangement is that major highway improvements can be purchased at today's prices and paid for with interest over a multi-year timeframe. The application of the GARVEE principle is very similar to home mortgage financing, but is used to purchase major highway investments when "pay-as-you-go" is not the desirable course.

With the passage of the enabling legislation by the Kentucky General Assembly to use GARVEE Bond Funds, the KYTC has begun activities on the corresponding approved projects. The breakdown of the required federal-aid highway funding to cover the corresponding debt service for each of the GARVEE Bond funded project is shown under the "ZVarious" County item numbers as follows:

<b>"PROJECTED DEBT SERVICE ( in millions)"</b>					
<b>GARVEE PROJECT</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>TOTAL</b>
Interstate 65 Widening ZVarious 99-9065 Series	21	21	21	21	84
Interstate 75 Widening ZVarious 99-9075 Series	20	20	20	20	80
Interstate 64 Widening ZVarious 99-9064 Series	4	4	4	4	16
Louisville Bridges Project ZVarious 99-9659 Series	4	21	21	21	67
US 68/KY 80 Lake Barkley and Kentucky Lake Bridges ZVarious 99-9068 Series	0	0	35	35	70
<b>TOTALS</b>	<b>49</b>	<b>66</b>	<b>101</b>	<b>101</b>	<b>317</b>

Each of these projects constitutes a necessary investment in Kentucky's future. The need to accommodate both people movement and freight movement is critical to Kentucky's economy in the years ahead. Without the GARVEE Bond Program, these highway projects would continue to be piecemealed over time, and likely not completed until beyond 2025. The innovative idea of GARVEE Bonds, along with determined state leadership, will yield the kind of realistic solution necessary to reverse the "always behind" mentality of the past and help restore hope to Kentucky's transportation program.

The federal funding for the construction phases identified within the GARVEE Bond Program will be programmed through the FHWA as Advance Construct (AC) projects. Again, as explained previously, the AC process is defined as "Advance Construction of Federal-Aid Projects," whereby the state may request and receive approval to construct federal-aid projects in advance of the apportionment of authorized federal-aid

funds. The AC conversion of the federal funding for the GARVEE Bond Program will be distributed over a period of fourteen years, and will be in accordance with the GARVEE Bond Program Memorandum of Agreement (MOA). At the beginning of each federal fiscal year, federal programming documents for GARVEE Bond projects AC conversions will be submitted to the FHWA to use current federal-aid highway funding apportionments and current formula funding obligation authority. The total amount of the AC conversions will be the amount of federal funding required to cover the yearly debt service (principal, interest, and other costs incidental to the sale of eligible bond issue) as outlined within each of the approved GARVEE Bond Programs. The required IM, NH, STP, and Bridge funding to cover the yearly debt service amount for the GARVEE Bonds will be included in the end-of-year "Fiscal Constraint" determination, and will be included within the preparation of future STIPs and fiscal constraint calculations. The debt service funding will be matched with toll credits.

As noted, the list of projects within the 2010 STIP includes federally-funded projects and only the state-funded projects that are regionally significant to meet air quality conformity requirements, including the projects within the MPO areas. The projects located within each of the MPO areas included within the STIP are subject to approval and inclusion within the respective MPO Transportation Improvement Program (TIP) and subsequent amendments for each of these MPO areas. In addition, like the 2010 STIP, in accordance with 23 CFR 450.324(e), the TIP is required to be financially constrained by year and include a financial plan that demonstrates which projects can be implemented using current revenues, and which projects are to be implemented using proposed revenue sources, while the existing transportation system is being adequately operated and maintained. Each of the MPOs TIP financial plans are developed in cooperation with the KYTC and the transit operators, based upon projected estimates of available federal and state funds within the MPO areas. Based upon the financial plan, the MPOs TIPs contain only project phases that funding can be reasonably expected to be available for each of the project's identified phase, funding source, fiscal year schedule, and the estimated cost.

Included within the listing of STIP projects are various phases of work for the Louisville Ohio River Bridges project. The Louisville Ohio River Bridges project has progressed to the point that substantial capital outlays will be required if the project is to continue forward to completion. The 2009 General Assembly, in special session, provided for the creation of a bi-state authority whose purpose is to develop a reasonable funding concept for the Louisville Ohio River Bridges project. The bi-state authority was created under Kentucky Revised Statute (KRS) 175B.030 and on March 25, 2010, Kentucky Governor Steve Beshear signed into law Senate Joint Resolution 169, pursuant to which the Kentucky General Assembly ratified the formation of the bi-state bridges authority. An Executive Order was issued by Indiana Governor Mitch Daniels for Indiana's participation in the bi-state authority for the Louisville Ohio River Bridges project.

In general terms, the Louisville and Southern Indiana Bridges Authority is an independent, bi-state governmental agency organized by the Commonwealth of Kentucky and the state of Indiana for the purpose of financing and constructing the Louisville Ohio River Bridges project. The authority's primary task at present is to develop an updated financial plan for the project. The authority operates in consultation with, but separately from, the project's bi-state management team. The authority is not charged with changing

the project's scope, which has already been established in a Federal Highways Record of Decision. The 2003 Record of Decision calls for building two bridges in the Louisville-Southern Indiana metro area and reconstructing the Kennedy Interchange (a.k.a. Spaghetti Junction) where interstates 64, 65, and 71 merge near downtown Louisville. The authority consists of 14 members from Indiana and Kentucky, with an equal number from each state. The seven Hoosier members were appointed by Indiana Governor Mitch Daniels, and three of the seven members from Kentucky were appointed by Kentucky Governor Steve Beshear. Louisville Mayor Jerry Abramson appointed the remaining four Kentucky members. These individuals come from diverse backgrounds and were selected for their leadership skills, experience, and community service. Each member serves without compensation for a term of two, three, or four years, depending on what was established at the time of his or her appointment.

As with any federally-funded project with total estimated cost exceeding \$100 million, federal-aid highway funding regulations requires the preparation of a financial plan for completion of the proposed project. The initial financial plan for the Louisville Ohio River Bridges project was approved by FHWA in 2008, but it is currently in the process of being updated. The bi-state authority statute contemplates the delivery of a financial plan that will specify the construction and financing parameters of the Louisville Ohio River Bridges project. The bridges authority is working on an updated financial plan that meets federal-aid highway funding regulations and is expected to make a submission of the updated financial plan before the end of calendar year 2010.

Upon completion and approval of the updated financial plan by FHWA, the updated financial plan will be submitted to the Kentucky Public Transportation Infrastructure Authority for approval. Upon approval by the Kentucky Public Transportation Infrastructure Authority, the bi-state authority statute contemplates that a development agreement may be entered into in order to establish the terms and conditions under which the Louisville Ohio River Bridges project will be completed and to define the responsibilities for the project's construction and operation. However, at this time, the bi-state authority's primary function is to deliver an updated financial plan for the Louisville Ohio River Bridges project in accordance with federal-aid highway funding regulations.

Much work is to be done to take advantage of this opportunity as the bi-state authority looks for innovative ways to generate the \$4.1 billion necessary to fund the Louisville Ohio River Bridges project. Kentucky's breakdown of the STIP funding for the Louisville Ohio River Bridges project phases includes traditional federal-aid funding, GARVEE bond funding, and "Innovative Financing" funding. The Innovative Financing funding for the Louisville Ohio River Bridges project is expected to be provided through funding concepts developed by the aforementioned bi-state authority.

As evidenced by Table 1, Kentucky's STIP is fiscally-constrained for the next four years. For informational purposes, the STIP also contains several state-funded (SP) projects, shown in Appendix A, Exhibit A-5 C, which are critical for SIP compliance and conformity determinations. Each of these SP projects will be given priority as future allocations of state highway program dollars are allocated.



The authorization and programming of all state and federal funding for the transportation program will be accommodated through the KYTC's cash flow management program. When the planned obligations exceed estimated apportionments by program category, unobligated previous apportionments will be used, or moneys will be transferred between categories, or flexible funding such as "Minimum Guarantee" will be used to close the program-specific funding gap to the extent that air quality conformity for the region is not jeopardized.

To reiterate, the KYTC's goal is to fund the federal-aid highway program as outlined in the 2010 Enacted Biennial Highway Plan as approved by the 2010 Kentucky General Assembly, unless Congress and the FHWA direct otherwise. The project phases listed in no way constitute an effort to denigrate the importance of any project to the community or region it serves. The KYTC will work diligently to implement all STIP projects as quickly as funding limitations will permit.

Shifting projects between fiscal years of the STIP may be conducted when determined essential to the effective use of federal-aid highway program dollars. It is expected that such changes would normally be "minor," for example; advancing a non-controversial project to replace a project not able to meet the assigned schedule, with respect to STIP activity. If such adjustments involve actions determined by the KYTC to be "major" in nature (e.g., acceleration of a controversial project), then a formal STIP amendment would be pursued.

The operation and maintenance of existing transportation facilities within the state is a primary concern among Kentucky citizens, and included within the FY 2011-2014 STIP are federally-funded system preservation projects. In addition to the federally-funded system preservation projects, Table 1 contains a line-item outlining the FY 2011-2014 scheduled state funding for the KYTC's operations and maintenance program.

Included within each MPO's TIP is a financial plan that demonstrates how the TIP can be implemented, identifies funding resources from public and private sources, and identifies innovative financing techniques to finance projects and programs. The development of the projected estimates of funding resources is developed through cooperative efforts of the MPO, the KYTC, and Public Transportation Agencies. Also, included within the financial plan are line-items for projected funding and obligations for operations and maintenance activities for existing facilities. Again, the projected funding resources were prepared through cooperative efforts of the MPO, the KYTC, and Public Transportation Agencies by utilizing expenditures data from the KYTC Fiscal Year Audit Reports for actual operations and maintenance expenditures within the MPO areas. (See Appendix B - Metropolitan Planning Organization (MPO) Financial Plans).

**TABLE 1**  
**STATEWIDE TRANSPORTATION IMPROVEMENT PROGRAM FISCAL BALANCE SHEET**  
**FY 2011-2014 PLANNED FEDERAL-AID PROGRAM**  
**APPORTIONMENTS VERSUS PLANNED OBLIGATIONS**

ESTIMATED APPORTIONMENTS (IN MILLIONS)														
PROGRAM	2010 AVAILABLE CARRYOVER APPORTIONMENTS (SEE NOTE 1)	2010 CARRYOVER OBLIGATION AUTHORITY	ESTIMATED FY 2011 THRU FY 2014 YEARLY APPORTIONMENTS (SEE NOTE 2)	FY 2011 CARRYOVER	FY 2011 PLUS CARRYOVER	FY 2012 CARRYOVER	FY 2012 PLUS CARRYOVER	FY 2013 CARRYOVER	FY 2013 PLUS CARRYOVER	FY 2013 CARRYOVER	FY 2014 CARRYOVER	FY 2014 PLUS CARRYOVER	FY 2014 CARRYOVER	TOTAL STIP APPORTIONMENTS
<b>I. HIGHWAY FEDERAL FUNDS (Based on TEA.2.1)</b>														
BRIDGE REPLACEMENT (BR)	7	0	78	85	78	6	78	83	19	19	36	97	36	317
CONGESTION MITIGATION (CM)	29	0	13	42	16	3	16	16	3	3	16	16	3	80
PLANNING (SPRPL)	5	0	10	15	15	5	15	15	5	5	15	15	5	45
INTERSTATE-INTERSTATE MAINTENANCE (IM)	0	0	124	124	124	33	124	124	12	12	124	136	45	494
NATIONAL HIGHWAYS (NH)	0	0	141	141	141	0	141	141	0	0	141	141	72	563
SAFETY (SAF) PROGRAM	39	0	26	65	38	14	38	40	15	15	41	41	17	142
SURFACE TRANSPORTATION (Include Statewide STP, Dedicated STP within MPO Areas, and Transportation Enhancement (TE), (SEE NOTE 3))	172	0	185	357	185	0	185	185	0	0	67	185	67	910
FEDERAL DEMONSTRATION PROJECTS	135	135	0	135	1	0	1	0	0	0	0	0	0	135
FEDERAL DISCRETIONARY PROJECTS (K70)	48	44	0	48	0	0	0	0	0	0	0	0	0	48
FOREST HIGHWAY PUBLIC LANDS (FH)	1	0	1	1	1	0	1	1	0	0	1	1	0	3
APPALACHIAN DEVELOPMENT (ADP) (20% State Match Required)	243	186	39	287	92	72	131	111	84	84	60	123	60	405
<b>SUBTOTALS - HIGHWAY FEDERAL FUNDS*</b>	<b>684</b>	<b>365</b>	<b>615</b>	<b>1,259</b>	<b>1,113</b>	<b>132</b>	<b>728</b>	<b>747</b>	<b>138</b>	<b>138</b>	<b>305</b>	<b>753</b>	<b>305</b>	<b>3,143</b>
II. GARVEE BONDS (GPI, GVA, GVR) AND INNOVATIVE FINANCE (IF)														
GARVEE BONDS (GPI, GVA, GVR)	0	0	0	561	266	61	266	61	0	0	0	0	0	561
INNOVATIVE FINANCE (IF)	0	0	0	0	133	0	133	0	0	0	0	0	0	133
<b>SUBTOTALS GARVEE BONDS AND INNOVATIVE FINANCE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>561</b>	<b>399</b>	<b>61</b>	<b>399</b>	<b>61</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>694</b>
III. STATE FUNDS (SP OR BP)														
STATE CONSTRUCTION FUNDS (SP or BP)	0	0	0	612	0	0	325	0	0	0	0	0	0	837
STATE MATCHING FUNDS (SEE NOTE 4)	0	0	0	7	15	0	15	0	7	0	0	16	0	87
STATE FUNDED OPERATIONS AND MAINTENANCE PROGRAM	0	0	0	323	0	0	323	0	323	0	0	323	0	1,292
<b>SUBTOTALS STATE FUNDS TOTALS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>884</b>	<b>663</b>	<b>0</b>	<b>663</b>	<b>330</b>	<b>1,138</b>	<b>330</b>	<b>1,092</b>	<b>1,092</b>	<b>1,092</b>	<b>2,216</b>
<b>HIGHWAY FUNDING TOTALS</b>	<b>684</b>		<b>615</b>	<b>2,744</b>	<b>1,789</b>		<b>1,789</b>	<b>1,138</b>	<b>1,138</b>	<b>1,138</b>	<b>1,092</b>	<b>1,092</b>	<b>1,092</b>	<b>6,052</b>
<b>IV. FEDERAL TRANSIT STATE ASSISTANCE</b>														
SECTION 5311 RURAL TRANSPORTATION				13	14		14	14	14			15		56
SECTION 5310 SPECIALIZED PROGRAMS				2	2		2	2	2			3		9
KENTUCKY SECTION 5307				40	42		42	44	44			46		173
PUBLIC TRANSIT CAPITAL DISCRETIONARY				18	0		0	0	0			0		18
<b>SUBTOTALS - TRANSIT FEDERAL FUNDS**</b>				<b>73</b>	<b>58</b>		<b>58</b>	<b>61</b>	<b>61</b>			<b>64</b>		<b>256</b>
SECTION 5311 (STATE FUNDING)				0	0		0	0	0			0		0
SECTION 5311 (LOCAL FUNDING)				12	13		13	13	13			14		52
SECTION 5311 (CONREV & FAREBOX FUNDING)				63	67		67	70	70			73		273
SECTION 5310 (STATE FUNDING)				0.3	0.3		0.3	0.3	0.3			0.3		1
SECTION 5310 (LOCAL FUNDING)				0.3	0.3		0.3	0.3	0.3			0.3		1
SECTION 5307 (LOCAL FUNDING)				10	11		11	11	11			12		43
PUBLIC TRANSIT CAPITAL DISCRETIONARY (STATE MATCH)				0	0		0	0	0			0		0
PUBLIC TRANSIT CAPITAL DISCRETIONARY (LOCAL MATCH)				5	5		5	5	5			5		5
<b>SUBTOTALS - NON-FEDERAL TRANSIT FUNDS**</b>				<b>81</b>	<b>90</b>		<b>90</b>	<b>95</b>	<b>95</b>			<b>100</b>		<b>375</b>
<b>TRANSIT FUNDING TOTALS</b>				<b>164</b>	<b>148</b>		<b>148</b>	<b>156</b>	<b>156</b>			<b>164</b>		<b>632</b>

TABLE 1

STATEWIDE TRANSPORTATION IMPROVEMENT PROGRAM FISCAL BALANCE SHEET  
 FY 2011-2014 PLANNED FEDERAL-AID PROGRAM  
 APPORTIONMENTS VERSUS PLANNED OBLIGATIONS

PROGRAM	PROJECTED END OF CONSTRUCTION OBLIGATIONS (SEE NOTES)	FY 2011 PLANNED OBLIGATIONS	END OF FY 2011 PROJECTED AC	FY 2012 PLANNED OBLIGATIONS	END OF FY 2012 PROJECTED AC	FY 2013 PLANNED OBLIGATIONS	END OF FY 2013 PROJECTED AC	FY 2014 PLANNED OBLIGATIONS	END OF FY 2014 PROJECTED AC	COMBINED AC TOTALS FY 2010 THRU FY 2014	COMBINED APPORTIONMENTS AVAILABLE FOR AC CONVERSION FY 2010 THRU FY 2014	PROJECTED AC TOTALS AT END OF FY 2014	PLANNED STIP OBLIGATIONS	END OF OBLIGATIONS TO APPORTIONMENTS
HIGHWAY FEDERAL FUNDS	(60)	155	60	72	0	63	0	61	0	60	35	(24)	231	1.00
CONSTRUCTION INITIATION (CON)	0	39	0	43	0	43	0	43	0	0	0	0	78	0.97
PLANNING (SPRAL)	(4)	40	0	0	0	0	0	0	0	41	5	0	40	0.88
INTERSTATE MAINTENANCE (IM)	(6)	213	69	90	0	145	0	91	0	(137)	45	(82)	538	1.09
NATIONAL HIGHWAYS (NH)	(14)	288	(147)	185	(44)	175	(34)	69	0	(239)	72	(167)	746	1.27
SAFETY (SAP) PROGRAM	(2)	53	0	24	0	24	0	24	0	(2)	17	0	425	0.88
(Includes State STIP, Included STIP, Urban MPO Area, and Transportation Enhancement (LEIS) (SEE NOTE 3))	(28)	302	(30)	191	(6)	256	(71)	118	0	(141)	67	(74)	957	1.05
DEMO PROJECTS (DP)	0	134	0	0	0	0	0	0	0	0	0	0	134	0.99
DEVELOPMENT (DEV)	0	4	0	0	0	0	0	0	0	0	0	0	4	1.00
FOREST HIGHWAY PUBLIC LANDS (FL)	0	4	0	0	0	0	0	0	0	0	0	0	4	1.00
ALPACACHUA DEVELOPMENT (APD)	0	105	0	0	0	27	0	63	0	0	60	0	345	0.83
SUBTOTALS - HIGHWAY FEDERAL FUNDS*	(105)	1,508	(322)	645	(50)	713	(105)	448	0	(833)	305	(357)	3,314	1.03
IL-GARVE EDITIONS (FOR STATE INNOVATIVE FINANCE (IF) CHANGE ONLY) (CONTRACT)	0	295	0	205	0	61	0	0	0	0	0	0	64	1.00
IL-GARVE EDITIONS (FOR STATE INNOVATIVE FINANCE (IF) NEGATIVE FINANCE (IF))	0	0	0	133	0	0	0	0	0	0	0	0	133	1.00
FEDERAL EMPLOYEE AND INNOVATIVE FINANCE	0	295	0	330	0	61	0	0	0	0	0	0	64	1.00
IL STATE FUNDS (SEE NOTE 4)	0	437	0	356	0	0	0	0	0	0	0	0	751	0.95
NON-EMPT STATE FUNDED PROJECTS	0	49	0	15	0	7	0	16	0	0	0	0	87	1.00
STATE MATCHING FUNDS	0	323	0	323	0	323	0	323	0	0	0	0	1,292	1.00
STATE FUNDED OPERATIONS AND MAINTENANCE PROGRAM	0	869	0	684	0	530	0	338	0	0	0	0	2,472	0.90
SUBTOTALS - STATE FUNDS*	(0)	2,317	0	1,339	0	1,033	0	787	0	0	0	0	6,100	1.00
HIGHWAY FUNDING OBLIGATION TOTALS	(105)	2,317	0	1,339	0	1,033	0	787	0	0	0	0	6,100	1.00
IV. FEDERAL TRANSIT/STATE ASSISTANCE														
SECTION 5311 RURAL TRANSPORTATION	0	13.0	0	13.7	0	14.3	0	15.1	0	13.7	0	0	56.1	1.00
SECTION 5310 SPECIAL NEED PROGRAMS	0	2.0	0	2.3	0	2.4	0	2.5	0	2.4	0	0	9.2	1.00
KENTUCKY SECTION 5307	0	40.1	0	42.1	0	44.2	0	46.4	0	40.1	0	0	172.8	1.00
PUBLIC TRANSIT CAPITAL DISCRETIONARY	0	82.2	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	82.2	1.00
SUBTOTALS - TRANSIT FEDERAL FUNDING OBLIGATIONS*	0	74.3	0	58.1	0	60.9	0	64.0	0	56.2	0	0	266.3	1.00
SECTION 5311 (STATE FUNDING)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0	0.0	1.00
SECTION 5311 (LOCAL FUNDING)	0	12.1	0	12.7	0	13.4	0	14.0	0	12.1	0	0	52.2	1.00
SECTION 5311 (CONCRETE & PARALLEL FUNDING)	0	63.3	0	68.5	0	69.8	0	73.3	0	64.1	0	0	222.9	1.00
SECTION 5310 (STATE FUNDING)	0	0.3	0	0.3	0	0.3	0	0.3	0	0.3	0	0	1.2	1.00
SECTION 5310 (LOCAL FUNDING)	0	0.3	0	0.3	0	0.3	0	0.3	0	0.3	0	0	1.2	1.00
SECTION 5307 (STATE FUNDING)	0	10.0	0	8.5	0	11.0	0	11.6	0	10.0	0	0	45.1	1.00
PUBLIC TRANSIT CAPITAL DISCRETIONARY (STATE ASSISTANCE)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0	0.0	1.00
PUBLIC TRANSIT CAPITAL DISCRETIONARY (LOCAL FUNDING)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0	0.0	1.00
SUBTOTALS - NEW FEDERAL TRANSIT FUNDING OBLIGATIONS*	0	74.3	0	58.1	0	60.9	0	64.0	0	56.2	0	0	266.3	1.00
TRANSIT FUNDING OBLIGATION TOTALS	0	183.9	0	183.1	0	185.7	0	183.5	0	0	0	0	631.5	1.00

NOTES FOR ITEMS WITHIN FY 2011 - 2014 STIP FISCAL BALANCE SHEET

- (1) THE APPORTIONMENT BALANCES SHOWN ARE NOT INDICATIVE OF ACTUAL OBLIGATION AUTHORITY BALANCES. DUE TO FEDERAL LIMITATIONS, THE ACTUAL TOTAL OBLIGATION AUTHORITY BALANCE ENTERING FY 2011 FOR THE FEDERAL "FORMULA FUNDING PROGRAMS" WILL BE ZERO.
- (2) FEDERAL FUNDS FOR FY 2011, FY 2012, FY 2013, AND FY 2014 ARE BASED ON STRAIGHT LINE PROJECTION OF FY 2010 SAFETEA-LU'S APPORTIONMENT TABLES.
- (3) SURFACE TRANSPORTATION PROGRAM BALANCES INCLUDE MINIMUM GUARANTEE AND EQUITY BONUS LIMITATION ADJUSTMENT FUNDING. THE DEDICATED STIP FUNDING FOR SHM, SLO, SLX, AND SNK FUNDING CATEGORIES, ALONG WITH OTHER FEDERALLY FUNDED PROJECTS WITHIN THE MPO AREA ARE FISCALLY CONSTRAINED WITHIN EACH OF THE CORRESPONDING MPO TIP'S FINANCIAL PLAN.
- (4) TOLL CREDITS WILL BE USED FOR REQUIRED MATCHING FUNDS FOR FY 2011 THROUGH FY 2014 FUNDING, EXCEPT THE APD DESIGNATED FUNDING WHICH WILL BE MATCHED WITH 20 PERCENT STATE FUNDING. THE USE OF TOLL CREDITS INCREASES THE USE OF FEDERAL FUNDING CONTRIBUTION FROM 80/80 PERCENT TO 100 PERCENT OF PROGRAMMED COST. THIS, REDUCING THE AVAILABLE FEDERAL FUNDING ACCORDINGLY.
- (5) IF PLANNED OBLIGATIONS ARE GREATER THAN THE ANNUAL APPORTIONMENTS IN A GIVEN FISCAL YEAR, THE DIFFERENCE WILL BE MANAGED USING THE FEDERAL "ADVANCE CONSTRUCTION" MECHANISM. WHILE THE GOAL OF THE KYTC IS TO MAINTAIN A YEARLY TOTAL OF LESS THAN \$350 MILLION EACH FISCAL YEAR FOR "ADVANCE CONSTRUCTION", HOWEVER, THIS DEPENDS UPON SEVERAL FACTORS INCLUDING THE TIMING OF THE ACTUAL RELEASE OF FEDERAL FUNDED PROJECTS NEAR THE END OF THE FEDERAL FISCAL YEAR.

## 6. Revisions to the Statewide Transportation Plan (STP) or STIP

On various occasions revisions may be required to the STP or STIP. Revisions to a STP or STIP may involve a minor revision or may involve a major revision. On a case-by-case basis, the KYTC, FHWA, and/or FTA determines whether the revision is minor or major as per definition of "Administrative Modification" and the definition of "Amendment" outlined in 23 CFR 450.104. The KYTC, FHWA, and FTA will utilize the applicable requirements and classifications of projects outlined in 23 CFR 771.117 (c) and (d) and/or 40 CFR part 93.126 "Exempt Projects" and 93.127 "Projects Exempt from Regional Emissions Analysis" to group projects into the ZVarious programs and other program placeholders to determine if a STIP revision is required.

### Administrative Modifications to STIP

Administrative modifications are minor revisions to the STIP that include minor changes to:

- Projects/project phase costs.
- Funding sources of previously included projects.
- Project phase initiation dates.
- Program placeholders which include:
  - Congestion Mitigation and Air Quality (CMAQ) projects
  - Transportation Enhancement (TE) projects
  - High Cost Safety Improvement (HSIP-HCS) projects
  - Safe Routes to School (SRTS) projects

An administrative modification is a revision that does not require:

- Public review and comment.
- Redemonstration of fiscal constraint.
- A conformity determination (in air quality conformity nonattainment and maintenance areas).

For administrative modifications to the STIP, the official STIP mailing list will be utilized to distribute information pertaining to the revision. As STIP administrative modifications are made, each administrative modification will be posted on the KYTC web site. Each of these documents will be provided in an electronically accessible format with the means to search and print as appropriate.

### Amendments to the STIP

Amendments are revisions to the STIP that include major changes to a project included in the STIP. This includes a major change in:

- Project cost.
- Project/project phase initiation dates.
- Design concept or design scope (e.g., changing project termini or the number of through traffic lanes).
- The addition or deletion of projects, except those types of projects as outlined in 23 CFR 771.117 (c) and (d) and/or 40 CFR part 93.126 "Exempt Projects" and 93.127 "Projects Exempt from Regional Emissions Analysis," which are the grouped projects listed in the ZVarious programs and other program placeholders.

An amendment is a revision that requires:

- Public review and comment.
- Redemonstration of fiscal constraint.
- A conformity determination (in air quality nonattainment and maintenance areas).

For STIP amendments that have not undergone public involvement through the MPO process or the Highway Plan process, a 15-day public review period will be provided and public notice advertisements will be placed in statewide, significant regional, and demographically targeted newspapers. Selected newspapers will be identified through assistance from the corresponding ADDs and MPOs. In addition, other possible public outreach efforts targeted to the specific region of the state directly affected by the proposed STIP amendment may be required and will be determined on a case-by-case basis.

The proposed amendment will be displayed at the KYTC Central Office as well as the appropriate Highway District, ADD, and MPO offices for public review and comment. At the conclusion of the 15-day review period, public comments will be addressed, additional public outreach may be conducted as necessary, and the final STIP amendment will be provided to FHWA and FTA for approval. For amendments to the STIP from areas within MPO boundaries, the public involvement process conducted for the respective MPO TIP will suffice as the required public involvement for the STIP.

As STIP amendments are approved, each amendment will be posted on the KYTC web site. Each of these documents will be provided in an electronically accessible format with the means to search and print as appropriate.

## B. STIP Projects

ISTEA put into practice, TEA-21 promoted, and SAFETEA-LU further advocates that transportation-planning processes be broadened to include the intermodal aspects of the nation's transportation system. Each state is to (1) establish a statewide transportation planning process that considers all modes of transportation including the intermodal movement of people and goods, and (2) develop an intermodal management system that addresses the connections, choices, and cooperation between the various modes of transportation. The KYTC has incorporated an intermodal planning process through the statewide and regional transportation planning process that identifies and assesses intermodal facilities and systems and highway access to these facilities on a continuous basis. The KYTC hopes to further develop its processes to use performance criteria and relevant data to determine the efficiency and effectiveness of these facilities and systems, and identify projects and strategies to improve the intermodal movement of people and goods.

Specific activities that the KYTC has undertaken to develop this intermodal planning process included integrating freight movement and modal access tasks into the Annual Work Program of the ADDs and MPOs, identifying and discussing intermodal issues through the statewide transportation planning meetings, the identification of intermodal access projects in the Unscheduled Projects List, and the dedication of specific staff to the freight movement issues. Improvement projects and strategies resulting from the studies and prioritization process based on selected criteria, as well as the other pertinent data, will be considered for inclusion in the statewide transportation plan for future implementation. TEA-21 further required that (1) the plans and programs for each state provide for development of integrated management and operation of

transportation systems that will function as an intermodal transportation system for the state, and an integral part of an intermodal transportation system for the United States, and (2) the process shall provide for consideration of all modes and be continuing, cooperative, and comprehensive.

SAFETEA-LU also mandated the specific listing of pedestrian walkways and bicycle transportation facilities for all projects using federal funds as well as adding a new stand-alone planning factor to "increase the security of the transportation system for motorized and non-motorized users." The Cabinet is attempting to be "pre-compliant" with these SAFETEA-LU regulations to the extent practicable.

SAFETEA-LU outlines that each state carry out a statewide transportation planning process that provides for consideration and implementation of projects, strategies, and services that will promote efficient system management and operation, and emphasize the preservation of the existing transportation system. In keeping with SAFETEA-LU, the KYTC mission is "to provide a safe, secure, and reliable highway system that ensures the efficient mobility of people and goods, thereby enhancing both the quality of life and economic vitality of the Commonwealth." Simply stated, the KYTC's goal is to provide "safe and reliable roads, roads that lead to jobs," and the 2010 Enacted Biennial Highway Plan and FY 2011-2014 STIP have been developed to support that goal.

## 1. Planned Highway Improvements

In developing the highway element of the FY 2011-2014 STIP, the KYTC relied heavily upon its ongoing project identification and scheduling mechanisms, particularly the long-range planning process. The KYTC projected federal and state funding levels and produced the development of the Recommended FY 2010-2016 Highway Plan submitted to the Kentucky General Assembly in January 2010, and they approved Kentucky's FY 2010-2012 Enacted Biennial Highway Plan in May 2010. The 2010 Enacted Biennial Highway Plan constitutes the primary basis for the federal-aid highway element of the FY 2011-2014 STIP; however, some STIP projects scheduled in FY 2013 and FY 2014 are projects that were scheduled in the 2009 Highway Plan as approved by the Kentucky General Assembly. Included within the 2010 Enacted Biennial Highway Plan are projects shown as having HPP funding and KYD funding. These are projects that have been earmarked by Congress to be funded with special high priority (HPP) funding, or have been earmarked by Congress to receive federal discretionary (KYD) funding. Also, included within the 2010 Enacted Biennial Highway Plan are projects that are scheduled to use GARVEE Bond funding and Innovative Financing funding as described within STIP Development; Section 5: Fiscal Constraint.

To help achieve these goals, the identification of highway needs has been accomplished through in-house evaluations of highway performance and adequacy, meshed with input received from state legislators, local officials through MPO TIPs and long-range transportation plans, input from non-urban local officials and ADD transportation committees, small urban area transportation studies, consideration of comments from the general public, and within our own agency's Central Office and District Offices. Each of these sources yielded valuable input for consideration in the development of the state's long-range and highway programs.

The KYTC considered technical data on the ability of candidate projects to improve safety, increase system reliability, and contribute toward enhancing regional economic attractiveness. Unfortunately, the needs on our highway system far outweigh our ability to meet them all. The KYTC is working to improve the evaluation of all active and potential projects to ensure that every dollar we spend is used to address the most critical and cost effective improvements. In doing so, the KYTC can concentrate available funds on those projects that truly result in safer roadway conditions, better pavements and bridges, and improved local economies.

As the Highway Plan was developed, projects were pulled from the Statewide Transportation Plan (STP) and from the MPO Metropolitan Transportation Plans (MTPs), to fill in gaps where federal and state funding could reasonably be expected during FY 2011-2014. By following this continuing process, the Cabinet's long-range planning efforts have served to maintain a stream of prioritized candidate projects for inclusion and advancement in Kentucky's Highway Plan. As the federally-required long-range planning process matures, the Highway Plan and STIP documents will be strengthened by the focus on longer-range program management considerations. It is expected that future editions of Kentucky's STIP will reflect a strategy for implementation resulting from more clearly defined longer-range transportation goals.

As outlined within the STIP Introduction, the FY 2011-2014 STIP is a planning document that covers a period of four years, and is updated every two years upon approval of the KYTC's Highway Plan by the Kentucky General Assembly. With the STIP being a planning document, the projects, schedules, and estimated costs identified within the FY 2011-2014 STIP are based upon the most current project information at the time of preparing the Highway Plan and STIP. As work progresses within each phase of the projects, the project team refines the project scope, schedules, and estimated costs to complete the project. The programming of project funding for project refinements will follow the STIP amendments/revisions process as described within STIP Development; Section 6: Revisions to the STP or STIP, along with the STIP end of fiscal year "fiscal constraint" recalculations.

The listing of FY 2011-2014 STIP projects is contained in Appendix A, Exhibit A-5. The KYTC will administer each of the projects listed unless clearly indicated in the project description as being handled otherwise. Included as part of the listing of projects, is the "Priority" column which is a quick reference for project priority of the corresponding project. The project priority is listed as Safety, Reliability, or Economic Development as defined by the following definitions:

Safety: Providing for the safety and security of the motorists who travel Kentucky's highways is the KYTC's highest priority. The FY 2011-2014 STIP includes several programs of projects that serve to address the safety needs on Kentucky's highways. In accordance with SAFETEA-LU, Kentucky has developed a Strategic Highway Safety Plan (SHSP) that combines all statewide enforcement, engineering, education, and emergency response issues into a single coherent plan. The "engineering" element of the SHSP is primarily addressed through the Highway Safety Improvement Program which funds infrastructure-related safety improvements. The "educational" and "enforcement" elements of the SHSP are addressed in the Highway Safety Plan (HSP) which funds behavioral-related safety improvements.

Reliability: The condition of roads and highways in the state is a primary concern among Kentucky's citizens. Poor pavements detract from the driving experience, and road maintenance and resurfacing are the top transportation investment needs in our state. These issues certainly resonate with the KYTC, as we too see the value in protecting the infrastructure with which the public has entrusted to us.

In an effort to provide a consistent, ongoing set of performance measurements for the maintenance condition of Kentucky's state-maintained highway system, the KYTC has developed a Maintenance Rating Program (MRP). The purpose of the MRP is to assess maintenance activities as they relate to customer expectations, provide data to support needed performance improvements, ensure that the KYTC system preservation strategies are working, and to meet federal asset management requirements. Through the MRP, the KYTC has proposed some budgetary adjustments for the FY 2011-2014 STIP to increase funding for the maintenance and resurfacing programs in an effort to improve conditions on Kentucky's roadways. There has also been a concerted effort to include essential, major pavement reconstruction projects in the FY 2011-2014 STIP. Again, the KYTC's desire is to improve overall pavement conditions and meet the public expectation that Kentucky's roads will be kept in the best possible shape.

According to the KYTC inventory data, approximately 71% of Kentucky's bridges are performing the function that they were designed to fulfill without presenting any particular problems. Of the remainder, 6% are classified as "structurally deficient" and 23% are classified as "functionally obsolete." The phrase "structurally deficient" implies that there is a structural problem that will eventually require attention. Many times, these structural problems are handled by posting the bridge at a specific maximum loading to prolong the life of the structure. The phrase "functionally obsolete" implies that a bridge is too narrow to accommodate the traffic it carries. While the KYTC is concerned that Kentucky's bridges are functionally wide enough, our major emphasis is on those bridges that present structural condition issues. As the KYTC works to keep Kentucky's bridges safe, the focus of the federal and state bridge replacement programs is to repair or replace those bridges that carry relatively heavy traffic volumes and present the most severe structural problems.

Economic Development: Kentucky's future economy and congestion concerns: The economic development and highway congestion in Kentucky is very much a "relative" issue. While Kentucky does not have the overly-oppressive highway congestion found in many of the nation's very large cities, there are times when congestion in our urban centers is just as frustrating to Kentucky drivers. Morning and afternoon "rush hours" create traffic problems on many of our city streets, urban beltlines, and metro area interstate highway arteries. Additionally, "just in time" delivery schedules have created "rolling warehouses" on many of Kentucky's rural interstates, resulting in truck percentages of 50% in some instances. Such heavy truck volumes choke the traffic-carrying capacity of our major roadways, and create safety issues and driver frustrations. As traffic and freight volumes increase in the years ahead, our existing highway network will become more and more constrained and potentially impact Kentucky's competitiveness in the global marketplace. Each of the FY 2011-2014 STIP projects, whether identified with a purpose of safety, reliability, or economic development, truly has an effect on Kentucky's future economy and congestion concerns.



## Highway Safety Improvement Program (HSIP)

### Hazard Elimination Program

The purpose of the Highway Safety Improvement Program (HSIP) is to achieve a significant reduction in traffic fatalities and serious injuries on public roads. The HSIP will be conducted in accordance with regulations as outlined in the corresponding sections of SAFETEA-LU, Title 23.

Projects may be selected based on:

- (1) High collision locations
- (2) Scheduled resurfacing
- (3) Emphasis areas
- (4) Safety Corridors

High collision projects are evaluated for locations that have a documented crash history and have identified low-cost corrective countermeasures. Roads that are scheduled to be resurfaced are appraised for potential safety modification or safety improvements. Specific treatments, identified areas of interest, and other recognized programs are processed as emphasis area measures. Safety improvements, enhancements, or modifications can be identified on routes selected as safety corridors based on criteria developed by the Kentucky Transportation Center.

Projects meeting the program's requirements are submitted to the FHWA for review and approval into the program. Upon approval of the identified projects, funding for the projects are initiated based upon statewide priorities and upon available funding. An annual report is submitted to FHWA that describes the progress being made, assesses the effectiveness of the improvements, and describes the extent to which the improvements funded contribute to the safety goals.

### High Risk Rural Roads Program

High Risk Rural Roads Program (HRRRP) is a set-aside provision of SAFETEA-LU Section 1401, which addresses the need to reduce fatalities on our rural roads. Roadways classified as rural major or minor collector or a rural local road on which the accident rate for fatalities and incapacitating injuries exceeds the statewide average for those functional classes of roadway, or that will likely have increases in traffic volume that are likely to create an accident rate for fatalities and incapacitating injuries that exceeds the statewide average for those functional classes of roadway are eligible for funding under the HRRRP. This program will follow the same processes as the Hazard Elimination Program.

## 2. Highway Safety Plan (HSP)

The purpose of the Highway Safety Plan (HSP) is to identify problem areas of the state regarding the behavioral aspects of highway safety, develop performance goals and objectives, and establish programs and projects to reduce fatalities and serious injuries on Kentucky's highways. The federal funding is a combination from the Federal Highway Administration (FHWA) and the National Highway Traffic Safety Administration (NHTSA). The HSP is an integral part of Kentucky's overall Strategic Highway Safety Plan

(SHSP) as required by SAFETEA-LU. Program areas are as follows:

- a. Impaired Driving
- b. Occupant Protection
- c. Police Traffic Services
- d. Planning and Administration
- e. Community Traffic Safety
- f. Motorcycle Safety
- g. Safety Communities
- h. Pedestrian and Bicycle Safety
- i. Crash Investigation
- j. Roadway Safety
- k. Traffic Records
- l. Data Incentives

### Grants Management

Grants are a significant part of the HSP for law enforcement, communities, research and data. It takes a cooperative effort by many agencies to reduce fatalities and serious injuries on our highways. The NHTSA provides federal funding that is then dispersed to various agencies based upon the identified problem areas. Two national law enforcement mobilizations are conducted each year to specifically draw attention to safety belt usage and drunk driving. These are "Click It or Ticket" and "Drunk Driving. Over the Limit. Under Arrest."

### Education – Drive Smart Kentucky!

The Drive Smart Kentucky Program was created in 1994 as the educational arm of the Cabinet's Drive Smart Safety Corridor Program. The Safety Corridor Program is a cooperative of the 4 Es of highway safety – engineering, education, enforcement, and emergency response. Funding for these programs has come primarily from FHWA. Drive Smart Kentucky focuses heavily on schools and communities to target the newest and youngest drivers to get them started in the right direction. There are many programs, including simulators that focus attention on different problem areas regarding highway safety. Below is a listing of these:

- a. Vince and Larry (the crash dummies)
- b. Drive Smart Kentucky Bear
- c. Guest Speakers
- d. Ghost Out
- e. Mock Crash
- f. Judgement Day
- g. Fatal Vision Goggles
- h. D2 Distracted Driving Simulator
- i. 3D Drunk and Drugged Driving Simulator

All of these programs focus on targeted areas of the state where there are unusually high fatalities and injuries, low safety belt usage, and high incidences of drunk or drugged driving.

## Safe Routes to School Program

This program is a set-aside provision of SAFETEA-LU Section 1404, designed to enable and encourage children, including those with disabilities, to walk and bicycle to school; to make bicycling and walking to school a safer and more appealing transportation alternative; and to facilitate the planning, development, and implementation of projects and activities that will improve safety and reduce traffic, fuel consumption, and air pollution in the vicinity of schools. Safe Routes to School (SRTS) projects should incorporate the five "E's": engineering, education, enforcement, encouragement, and evaluation.

Infrastructure projects may include the planning, design, and construction of projects that will improve the ability of students to walk and bicycle to school. Examples of infrastructure improvements include: sidewalk improvements, traffic calming and speed reduction improvements, pedestrian and bicycle crossing improvements, on-street bicycle facilities, off-street bicycle and pedestrian facilities, secure bike parking, and traffic diversion improvements in the vicinity of schools. Non-infrastructure projects may include public awareness campaigns, educational materials, traffic education and enforcement in the vicinity of the school, student sessions on bicycle safety, health, and the environment, and training for volunteers and managers of SRTS programs. Not less than 10% and not more than 30% of the amount apportioned to the state program each fiscal year should be used for non-infrastructure related activities.

The Kentucky SRTS Program traditionally holds an annual application cycle. Safe Routes to School Projects are listed in Appendix A, Exhibit A-6.

## 4. Intelligent Transportation System (ITS)

The KYTC has a variety of Intelligent Transportation System (ITS) programs both operational and under construction throughout Kentucky. The Cabinet has operational freeway traffic management systems in Northern Kentucky (ARTIMIS) and Metro Louisville (TRIMARC). The Cumberland Gap Tunnel (CGT) Center provides traffic management, as well as other tunnel-related services. The Transportation Operations Center (TOC) in Frankfort provides support to those facilities, and also provides traffic management services to the rural areas of Kentucky. The KYTC partners with the Lexington Fayette Urban County Government Traffic Management Center through the TOC. NorPass, referred to as Advantage CVO, covers all eleven weigh stations in Kentucky.

The KYTC has implemented ITS projects in the Lexington, Elizabethtown, Bowling Green, Paducah, and Ft. Campbell areas. These projects include Dynamic Message Signs (DMS), cameras, and roadway sensors. Provision has been made to allow the respective affected Highway Districts to control the DMS and cameras for traffic, maintenance, and construction purposes. The KYTC has also been able to utilize four older, obsolete DMS to provide two DMS and cameras on US 119 on either side of Pine Mountain. Obsolete DMS and cameras have been replaced within the ARTIMIS area, and a contract to provide Speed Data services is in-place within that same region. The obsolete Video Wall Monitors have been replaced within the TOC.

The TRIMARC system has been expanded with ITS additions on I-71 and I-264 within the Louisville Metro area. Plans are currently under development for an ITS project to provide additional instrumentation within the Elizabethtown, Louisville, Oldham County, and Boone County areas. Other operational systems include the Road Weather Information Stations (RWIS) in 39 locations to provide Highway District Maintenance personnel, as well as others, with vital roadway weather information for critical purposes such as snow and ice maintenance.

On a statewide level, the KYTC has an operational Freeway Service Patrol (SAFE Patrol) which provides motorist assistance and Incident Management services on Kentucky's interstates and parkways. The KYTC has implemented the Condition Acquisition and Reporting System (CARS) and associated 511 systems. This allows data entered into the CARS database to be translated into a text-to-voice system with interactive voice recognition to provide automated, up-to-date traffic and road information by dialing the three digit telephone number 511. The KYTC has accomplished this in an efficient and cost-effective manner as a member of the CARS-511 multi-state consortium. This system provides the ability to gather and share with the traveling public the road and weather conditions along National Highway System routes. The partnership with the Cabinet's District Offices, the Transportation Operations Center in Frankfort, Division of Traffic Operations, Kentucky Vehicle Enforcement, and the Kentucky State Police ensures the highest level of information provided to the traveling public through the use of the common software. The KYTC has invested additional funds into the CARS-511 system within the current biennium to upgrade the various systems components and to provide more timely and accurate incident data to the public. For example, motorists will soon be able to get customized trip data on a regular basis (e.g., daily rush hour routing) through the CARS Messenger service. The KYTC also provides a 511 transfer for live 511 Tourism Information in southern and eastern Kentucky.

## 5. Transportation Enhancement Projects

TEA-21 continued the ISTEA set aside of 10% of a state's annual Surface Transportation Program (STP) funding for "Transportation Enhancement" (TE) projects. The use of TE monies is strictly limited to projects that qualify under at least one of twelve eligible activities and have a surface transportation relationship. Eligible activities may include bikeways or pedestrian facilities, preservation of historic transportation facilities, beautification of the roadway environment, or other such specified improvements. Intent to apply applications will be accepted June 1 through July 31 and project announcements are made from December 1 through January 1. As new TE project selections are made, the new projects will be incorporated into the STIP thru the STIP Administrative Modification process.

Transportation Enhancement Projects are listed in Appendix A, Exhibit A-7.

## 6. Transportation, Community, and System Preservation Program

SAFETEA-LU, Section 1117; Transportation, Community, and System Preservation Program (TCSP) provides funding for a comprehensive initiative including planning grants, implementation grants, and research to investigate and address the relationships between

transportation, community, and system preservation, and to identify private sector-based initiatives.

Section 1117 of SAFETEA-LU defines the TCSP program. Projects eligible for TCSP funding include any project eligible for funding under Title 23 or Chapter 53 of Title 49 U.S.C., or any other activity relating to the purposes of this section determined appropriate by the Secretary of the U.S. Department of Transportation, including corridor preservation activities necessary to implement transit-oriented development plans, traffic-calming measures, or other coordinated preservation practices. Projects should address one or more of the following: (1) improve the efficiency of the transportation system of the United States; (2) reduce the impacts of transportation on the environment; (3) reduce the need for costly future investments in public infrastructure; (4) provide efficient access to jobs, services, and centers of trade; and (5) examine community development patterns and identify strategies to encourage private sector development. Projects receiving TCSP federal discretionary funding are generally earmarked by Congress through yearly allocations, and the projects will be added to the FY 2011-2014 STIP through the STIP Administrative Modification process.

## 7. Planned Public Transportation (Transit) Projects

The Federal Transit Law (49 U.S.C. Chapter 53), is the basis for the federally-assisted public transportation programs. Program funds for the rural and small urban portion of the state (Section 5311), for the urbanized portion of the state (Section 5307), for the elderly and disabled persons in the state (Section 5310), for technical assistance and transit planning (Section 5303), training for transit operators (RTAP), and discretionary capital (Section 5309) are allocated on a formula basis. Other program funds include the transit New Freedom Initiative (Section 5317) and the formula grant for Job Access and Reverse Commute (Section 5316). Local plans are required.

Section 5311 program funds are used for planning, capital, and operating assistance by local public bodies, nonprofit organizations, and operators of public transportation services. These funds are used to give people access to health care, shopping, employment, education opportunities, public services, recreation, etc. Public transportation systems in rural areas assume the responsibility of meeting these needs. Kentucky utilizes 15% of these funds for provision of intercity bus services.

Section 5307 program funds are used by transit operators in urbanized areas. The KYTC has approval authority for operating and capital funding for operators in areas of 50,000 to 200,000 populations. These funds do not flow through the Cabinet for all areas, but the allocation is done by the Governor. Areas larger than 200,000 are allocated a specific grant amount by the FTA.

Section 5303 program funds are used for planning purposes by the MPOs and the KYTC. MPO funds are formula allocated by the KYTC and are identified for use in urbanized area unified planning work programs. Statewide transit planning for the rural areas is also funded with Section 5303 funds.

Section 5309 is a discretionary capital program that provides capital for three primary activities: new and replacement bus and facilities, modernization of existing rail systems, and new fixed guide way systems. Funds are allocated on a discretionary basis. Any future Section 5309 funding must be added to the STIP thru an administrative modification or amendment.

Section 5310 program funds are used for capital purposes only. Vans and other equipment critical to providing transportation services for elderly and persons with disabilities are purchased through this program. The Rural Transit Assistance Program (RTAP) is designed to provide training, technical assistance, research, and other related support services for rural transit operators. Section 5309 funds are for capital purposes and may be utilized for both rural and urban areas. Program funds are used extensively throughout the state. The Section 5310 will be required to have a local plan before funds can be programmed.

Section 5316, Job Access and Reverse Commute Program (JARC): The purpose of the JARC Program is to provide financial assistance for projects benefiting low-income individuals to access work and work-related opportunities and to transport residents of urbanized areas and nonurbanized areas, regardless of income, to suburban employment opportunities. The KYTC Office of Transportation Delivery (OTD) is the designated recipient of an annual apportionment by formula from FTA for the Section 5316 program in the small urban and nonurbanized areas of the state. All projects funded with Section 5316 must be derived from a locally developed coordinated public transit-human service transportation plan.

Section 5317, New Freedom Initiative: The New Freedom Program provides financial assistance for projects that support new public transportation services and public transportation alternatives beyond those required by the Americans with Disabilities Act (ADA) of 1990. The OTD is the designated recipient for an annual apportionment by formula from FTA for Section 5317 programs in the small urban (populations greater than 50,000 and less than 200,000) and rural areas of the state. All projects funded with Section 5317 must be derived from a locally developed coordinated public transit-human service transportation plan.

In general, the KYTC receives applications from areas and agencies for the FTA program funds. These applications describe the needs for public transit funds (type of service needed, etc.), the funding required, and local matching sources. The KYTC allocates the money based on several factors including potential ridership, area to be served, availability of services, etc. Each agency is accountable to the Cabinet for the allocated funds. Monthly reports, site visits and compliance reviews, vehicle inspections, drug and alcohol testing, timely invoicing, and audits are among the monitoring activities the Cabinet performs.

With regard to transit project identification, the KYTC advertises annually for competitive proposals for Sections 5310, 5311, 5316, and 5317 in newspapers of statewide circulation, as well as relying heavily upon past experience to develop the transit element of the FY 2011-2014 STIP. Since the passage of TEA-21 and SAFETEA-LU, the KYTC has been cognizant of the many opportunities for combining highway and transit funding for

individual projects and programs, and fully expects to take advantage of these opportunities in the future. Kentucky's MPOs are seriously studying transit options for addressing metropolitan traffic issues, and are engaged in the project prioritization efforts which truly represent a multimodal approach to overcoming the problems of urban congestion.

Planned transit improvements are listed in Appendix A, Exhibit A-9.

## 8. Human Service Transportation Delivery Process

Welfare reform legislation has greatly influenced changes in the Human Service Transportation Delivery (HSTD) process. This process/program utilized combined transportation resources of the Health and Family Services Cabinet and the Education Cabinet's Vocational Rehab and the Department of the Blind to provide a coordinated network of transportation providers to provide safe, efficient, and accessible transportation for Kentucky's health, human service, and workforce program clients.

Medicaid, Vocational Rehabilitation, and Department for the Blind funds will flow from the two human service Cabinets to the KYTC for operating funds for providers and administrative funds for the KYTC to manage the program.

The Commonwealth is divided into ten Human Service Transportation Delivery Regions. This division was based upon items such as operating authority, fleet sizes and capacities of existing providers, and historical transportation utilization.

Through the use of a financial consultant, the Cabinets developed a "capitated rate" payment system, essentially a flat rate (a fee paid per member, per month). This will reward providers for operating efficiency, discourages over utilization, and significantly reduces fraud and abuse. Some parts of the program will be paid on a fee-for-service basis.

There will be one broker/provider per region who must provide needed transportation or will be responsible for securing transportation from other providers. The KYTC will contract with the transportation brokers on behalf of all the programs. A Coordinated Transportation Advisory Committee (CTAC) includes representatives of each of the different programs and will monitor the programs' interests in the network. The KYTC staff will monitor the brokers to make sure they operate as CTAC agrees. Details of each trip will be recorded by the broker/provider and will be used to report program results to state and federal agencies.

In order to fully implement this program, two accomplishments were needed. One was getting legislation passed (HB 468 and HB 488) which requires brokers/providers to meet safety standards, and the other was getting emergency regulations signed so this initiative can actually begin operation. This legislation has been passed and the emergency regulations are signed.

### HUMAN SERVICE TRANSPORTATION DELIVERY PROCESS

The Kentucky Transportation Cabinet/Office of Transportation Delivery receives funding from the Department of Medicaid to finance the transportation brokerage for

Human Service Transportation Delivery non-emergency medical transportation. The Department of the Blind and Vocational Rehab reimburses the transportation broker at the local level and does not flow through the Transportation Cabinet. Each funding stream meets the respective program requirements. Public Transit, Vocational Rehab, Department of the Blind, and non-emergency medical trips are coordinated at the transportation broker level. Ridership is over 2,800,000 annually.

## 9. Planned Aviation Improvements

The Airport Improvement Program (AIP) was established by the Airport and Airway Improvement Act of 1982 (Title V of the Tax Equity and Fiscal Responsibility Act of 1982, Public Law 97-248), and amended by the Airport and Airway Safety and Capacity Expansion Act of 1987, (Public Law 100-223), and the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century of 2000 (AIR-21). Current legislation supports and provides funding for the following: (1) airport planning, (2) noise compatibility planning, and (3) noise compatibility programs as set forth in the Aviation Safety and Noise Abatement Act of 1979, (Public Law 96-193).

The funds for the AIP are distributed in accordance with provisions contained in the 2000 Act, as amended. In grant parlance, funds distributed by formula for use at a specific airport or in a specific state or insular area are referred to as apportionment funds. The remaining funds are for use at the discretion of the Secretary of the U.S. Department of Transportation, and are known as discretionary funds.

The estimated federal apportionment levels for Kentucky for FY 2010 through FY 2011 are \$3.9 million annually. At present, there is no way to estimate the level of federal discretionary funding that may be made available during the upcoming biennium.

FY 2010 current projects are identified in Appendix A, Exhibit A-10.

## 10. Maintenance and Traffic Operations

The KYTC is responsible for ensuring that the State Primary Road System is maintained and operated in such a manner as to ensure the safest and most reliable roadways possible. The Cabinet's goal is to provide the highway user maximum safety and comfort with minimum travel interruptions. Table 1 contains a line-item outlining the FY 2011-2014 scheduled state funding for the KYTC's operations and maintenance program, and Appendix B contains the Metropolitan Planning Organization (MPO) Financial Plans, which includes a line-item outlining the operations and maintenance program within each MPO area.

The annual state-funded Maintenance and Traffic Operations Programs are comprised of four major sub-programs: Roadway Maintenance, Bridge Maintenance, Rest Area Maintenance, and Traffic Operations. The Roadway Maintenance unit is responsible for maintenance of the highways in the State Primary Road System. This unit handles routine upkeep such as surface repairs, ditch cleaning, mowing, litter pickup, snow and ice removal, and maintenance relating to drainage, shoulders, signs, markings, delineation, and guardrails on the approximately 27,579 miles of highways in Kentucky.



The Bridge Maintenance Program performs activities on bridges such as painting, deck repair, and structural work on the Commonwealth's 8,971 total state-maintained bridges. The Rest Area Maintenance Program provides upkeep and janitorial services at 24 rest area facilities and 4 truck rest havens across the state. All of these sites are maintained by contract.

The Traffic Operations Program is responsible for the installation and maintenance of traffic signals, beacons, and roadway lighting on approximately 27,579 miles of highways. It also includes administration of the Highway Safety Improvement Program (HSIP). It is also responsible for the efficient movement of traffic through the development and coordination of traffic signal systems and support of intelligent transportation systems.

In addition to the ongoing highway maintenance and traffic operations programs, the state legislature budgets an annual funding level to resurface roads on the state road system. These funds are in addition to the monies funneled through the Cabinet's Rural and Municipal-aid Programs for improvements to county roads, city streets, and the state rural-secondary road system. Each of the rural and municipal-aid program components is accomplished through an ongoing dialogue with Kentucky's city and county governmental entities.

## 11. Recreational Trails Program

The Recreational Trails Program provides funds to develop and maintain recreational trails for motorized and non-motorized recreational trail users. Funds are apportioned under Section 1103(f) (2) of TEA-21 (23 U.S.C. 206). Funds may be used to provide and maintain trails, trailside, and trailhead facilities, including provisions to facilitate access for people with disabilities. Funds may also be used to acquire easements or land for trails.

The Governor of a state designates an agency to administer the program, which may be an agency other than the State Department of Transportation. The Kentucky Recreational Trails Program is administered by the Governor's Office for Local Development.

Planned Recreational Trails Projects are included in Appendix A, Exhibit A-11.

## 12. Kentucky's Mega-Projects

As the 2010 Enacted Biennial Highway Plan was developed, strong consideration was given to the funding needs associated with four "Mega-Projects" located in Kentucky. The term "Mega-Project," as defined in SAFETEA-LU, Title 23 is a project having a total estimated cost of greater than \$500 million. In addition, as per Title 23, "Mega-Projects" require the preparation of financial plans on projects funded with federal funding. The four Mega-Projects in Kentucky are (1) the Louisville Bridges project, (2) the Interstate 71/75 Brent Spence Bridge congestion relief project in northern Kentucky, (3) the proposed Interstate 66 in southeastern Kentucky, and (4) the proposed Interstate 69 in far western Kentucky. Each of these projects would be an expensive, but welcome, addition to Kentucky's highway system.

In addition, SAFETEA-LU, Title 23 requires an annual financial plan for projects having a cost between \$100 million to \$500 million. For all new projects or projects that are currently underway, and the construction phase funding has not been authorized, the annual financial plan will be completed in accordance with Title 23 guidelines, outlining the project cost estimates, implementation plan, funding resources, cash flow, environmental, and legal status. The financial plan will not be required for a project in this category that is currently under construction.

Each of the four “Mega-Projects” is underway, with varying levels of progress achieved. The following information provides a description, an approximate total cost, and a brief report on the progress to-date for each project.

### The Louisville Bridges

The Louisville Bridges project is located in the Louisville metropolitan area and involves a two-part approach to resolving traffic congestion problems in the region. The existing highway network features a myriad of interstate highway facilities (Interstates 64, 65, and 71) that all meet in a tangled maze of ramps known locally as “Spaghetti Junction” in downtown Louisville. Immediately associated with Spaghetti Junction is the Interstate 65 Kennedy Bridge, which links downtown Louisville with Jeffersonville, Indiana. Since there are no true outer beltways linking the Kentucky and Indiana portions of the Greater Louisville Area, virtually all north-south and east-west traffic is forced through Spaghetti Junction. This creates traffic delays of major proportions during peak morning and afternoon rush hours.

While Spaghetti Junction and the Kennedy Bridge certainly need to be modernized, transportation professionals understand that a major culprit in downtown Louisville’s traffic congestion is the absence of a “relief valve.” To truly accommodate future traffic in the Louisville area, it is essential to connect together the dangling ends of Interstate 265 east of Louisville. This can be accomplished by building a new bridge over the Ohio River in the vicinity of Prospect, Kentucky, and Utica, Indiana. This new “East End Bridge” would provide an alternative route to Spaghetti Junction and would work in concert with the “Downtown Bridge” to move traffic efficiently through the region.

Much work has been done over the past few years to complete an Environmental Impact Statement for the Louisville Bridges project, and design work is now fully underway. The costs for this project over the multi-year project life are expected to approach \$4.1 billion. Recognizing the dependence of each bridge on the other, a careful balance has been crafted to pursue both new bridges in a harmonious manner. Kentucky and Indiana will jointly develop an updated financial plan for this project under the scrutiny of the FHWA. Of principal concern to the FHWA is the manner in which each state will deliver funds to the continuing project development effort. To address these concerns Kentucky and Indiana have established a bi-state bridges authority as discussed in Section 5, Fiscal Constraint.

### The Interstate 71/75 Brent Spence Bridge

The Interstate 71/75 Brent Spence Bridge is the focal point for some of the heaviest traffic volumes in Kentucky as these two major north-south interstates cross the Ohio River

between Covington, Kentucky, and Cincinnati, Ohio. This bridge not only serves traffic between two major urban centers, but it also connects the downtown areas with one of the world's busiest airports, the Greater Cincinnati/Northern Kentucky Airport, located in Boone County, Kentucky. In recent years, the existing double-deck bridge has been "restriped" to carry additional lanes of traffic and, although the bridge is still structurally strong as indicated by its sufficiency rating of 64.0 out of a possible 100 points, it is functionally outdated.

Recognizing the old bridge's inability to meet today's traffic demands, and knowing that the situation will only worsen in the years ahead; metropolitan transportation planners are working with the KYTC and the Ohio Department of Transportation (ODOT) to craft a reasonable solution. Design studies are currently underway to narrow the options for a new Ohio River bridge, from which further project development work can determine the most desirable means of solving the traffic problems at this location. There are environmental issues, downtown redevelopment concerns, and physical alignment constraints that work together to make this a very challenging project. Accordingly, one of the most challenging considerations will be the project cost, which is estimated at \$2.8 billion. Kentucky's share of the project cost is estimated to be approximately \$1.8 billion.

### Proposed Interstate 66

The proposed Interstate 66 (TransAmerica) Corridor in southeastern Kentucky extends from Interstate 65 near Bowling Green along the Cumberland Parkway to west of Somerset, from which it departs and extends north and east around Somerset, then along KY 80 and south to Interstate 75 south of London. From Interstate 75, the corridor extends eastward along the Hal Rogers Parkway to Hazard before heading east to US 23 south of Pikeville. From US 23 south of Pikeville, the proposed Interstate 66 would extend across the rugged mountainous terrain of Pike County to existing US 52 (proposed Interstate 74 Corridor) near Matewan, West Virginia. Along this course, the proposed Interstate 66 would pass through some of the most severely economically distressed Appalachian counties.

At the present time, there are three independent segments of the proposed Interstate 66 that are involved in some degree of highway project development. The first of these segments is the north bypass of Somerset, which will serve to provide a high speed connection from the Cumberland Parkway to KY 80 east of Somerset. Preliminary engineering and environmental studies have been completed, with design and right-of-way activity scheduled to proceed in the very near future. The Cumberland Parkway to US 27 segment of this project is expected to be completed first to coincide with the construction of the Somerset southwest bypass. These two projects together would offer a US 27 west bypass of Somerset. The full north bypass of Somerset is expected to cost approximately \$250 million.

The second active proposed Interstate 66 project in southeastern Kentucky is the connector between KY 80 east of Somerset and Interstate 75 south of London. Preliminary engineering and environmental work are underway for this section. There are many environmental issues associated with this project including involvement with the Daniel Boone National Forest, a wild and scenic stretch of the Rockcastle River, and numerous

cliff lines, cave, and cultural/historic concerns. There has been, and will continue to be, considerable public involvement and coordination with resource agencies to minimize the environmental effects of this project. The total estimated cost of the Somerset to London section of the proposed Interstate 66 is \$1.5 billion.

The third section of the proposed Interstate 66 that is being developed is the portion of the route between US 23 south of Pikeville and US 52 (proposed Interstate 74) in West Virginia. An Environmental Impact Statement for this segment of Interstate 66 was completed in October 2003. While environmental issues have proven to be minimal in the Pike County area, the rugged terrain makes this one of the most expensive sections of the proposed Interstate 66 to build. It is expected that it will cost more than \$2 billion to complete this connection between US 23 and US 52.

### Proposed Interstate 69

The proposed Interstate 69 is being pursued in some manner by every state it traverses, from south Texas to the Michigan border with Canada. The impetus for Interstate 69 is Latin American trade, and the overland transportation need to link Latin America with Canada and the northeastern United States. The states involved in this project are Texas, Louisiana, Arkansas, Mississippi, Tennessee, Kentucky, Indiana, and Michigan. An Environmental Impact Statement has been prepared for the entire route, with the "purpose and need" of the project focused squarely on freight movement.

In Kentucky, Interstate 69 will follow the existing Purchase Parkway from the Tennessee state line to Interstate 24, then Interstate 24 to the Western Kentucky Parkway, then the Western Kentucky Parkway to the Pennyryle Parkway, then the Pennyryle Parkway north to Henderson. At Henderson, a new route (including a new Ohio River bridge) will be required to connect to Interstate 64 in southern Indiana. Both Tennessee and Indiana are actively engaged in pursuing their own segments of Interstate 69, and each state has cooperated in studies to assess connections at the state lines.

For Interstate 69 to become fully functional in Kentucky, it is expected that the existing parkway system will have to be upgraded. The Purchase, Western Kentucky, and Pennyryle Parkways all have limited access, four-lane divided highways, but there are spot locations where access control would have to be tightened and shoulder widths, clear zones, and bridge dimensions addressed before interstate highway design standards are achieved in full. It is expected that such upgrades may cost \$700 million or more to accomplish. At Henderson, the new route and its new Ohio River Bridge will likely cost an additional \$800 million to complete. The KYTC has recently completed a study of the parkway upgrade needs from Interstate 24 to Henderson, and has worked with Indiana to develop a Draft Environmental Impact Statement for the new Ohio River crossing at Henderson. Continuing work on Interstate 69 in Kentucky will depend upon the financial support that can be garnered for the project through federal reauthorization and appropriations processes. The 2010 STIP contains approximately \$21 million of scheduled projects along the I-69 Corridor.