

New County Supervisor Information

“The Importance of the County Engineer”

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Why is a County Engineer necessary?

Iowa Code 309.17 Engineer --term:

“The board of supervisors shall employ one or more licensed civil engineers who shall be known as county engineers. The board shall fix their term of employment which shall not exceed three years, but the tenure of office may be terminated at any time by the board.”

Iowa Code 309.21 Supervision of construction and maintenance work:

“All construction and maintenance work shall be performed under the direct and immediate supervision of the county engineer who shall be deemed responsible for the efficient, economical and good-faith performance of said work.”

Why is a County Engineer necessary?

Iowa Code 309.67 Duties of County Board of Supervisors and County Engineer:

“The county board of supervisors is charged with the duty of establishing policies and providing adequate funds to properly maintain the secondary road system. The county engineer, pursuant to section 309.21 and board policy, shall adopt such methods and recommend such personnel and equipment necessary to maintain continuously, in the best condition practicable, the entire mileage of said system.”

Iowa Code 310.9 Projects Authorized by department:

“Before authorizing for letting any farm-to-market road project, the department shall satisfy itself that the county engineer’s office in that county is organized, equipped and financed to discharge satisfactorily the duties required in this chapter.”

Why is a County Engineer necessary?

Attorney General Opinion of February 5, 1948:

- County Engineer is a public official and has certain defined powers and duties
- Engineer is hired by the board of supervisors and is under the board's direction
- Law contemplates a joint responsibility in the construction and maintenance of secondary roads:
 - Board has power and duty relative to construction and maintenance of the county roads
 - Board has authority to direct the county engineer to proceed with the job
 - Board members have no power or authority as individual members but only a duty to report to the board as a whole
 - County engineer is responsible for the manner and method of procedure
 - County Engineer is responsible to the board relative for his/her efficient, economical and good-faith performance of the work directed to be done by the board

Why is a County Engineer necessary?

Summary: In addition to the statutory requirements outlined previously, a professional engineer is essential to ensure compliance with an extensive and ever-increasing array of very detailed Federal and State requirements. Failure to perform these duties may result in loss of funding, and consequently, further deterioration of the secondary road system.



Where do the Secondary Road Funds come from?

Road Use Tax Fund (RUTF)- Fuel tax and vehicle registration fees deposited in the RUTF fund are distributed as follows: 47.5% to the Primary Road Fund, 24.5% to the Secondary Road Fund of the counties, 8.0% to the Farm-to-Market Fund, and 20.0% to the Street Construction Fund of the cities. The Secondary Road Fund of the counties and the Farm-to-Market fund are distributed to each county according to the Secondary Road Fund Distribution Factors determined as per Iowa Code 312.3C.

Transfer of Jurisdiction Fund—1.575% of the Primary Road is transferred to the Secondary Road Fund and distributed to all counties according to the Secondary Road Fund Distribution Factors.

Where do the Secondary Road Funds come from?

Farm-to-Market (FM) Extension Transfers— As per Iowa Code section 306.4, the County is responsible for FM extensions through cities of less than 500 in population. A corresponding share of the city's RUTF is distributed to the county for these roads.

Time 21 – 20% of the revenues collected in the Time 21 Fund are deposited into the Secondary Road Fund of the counties and then distributed according to the Secondary Road Fund Distribution Factors. The Time 21 fund revenues are projected to grow over the next several years and then level out in about 2022. Time 21 is funded by the increased registration fees on cars, trucks, and trailers. Once the RUTF reaches \$392M for the year, the entire car registration fees go into Time 21. That is why there is a build-up toward the end of the Fiscal Year. Revenues acquired don't get paid out for two months, i.e. registration money received in May comes to you in July.

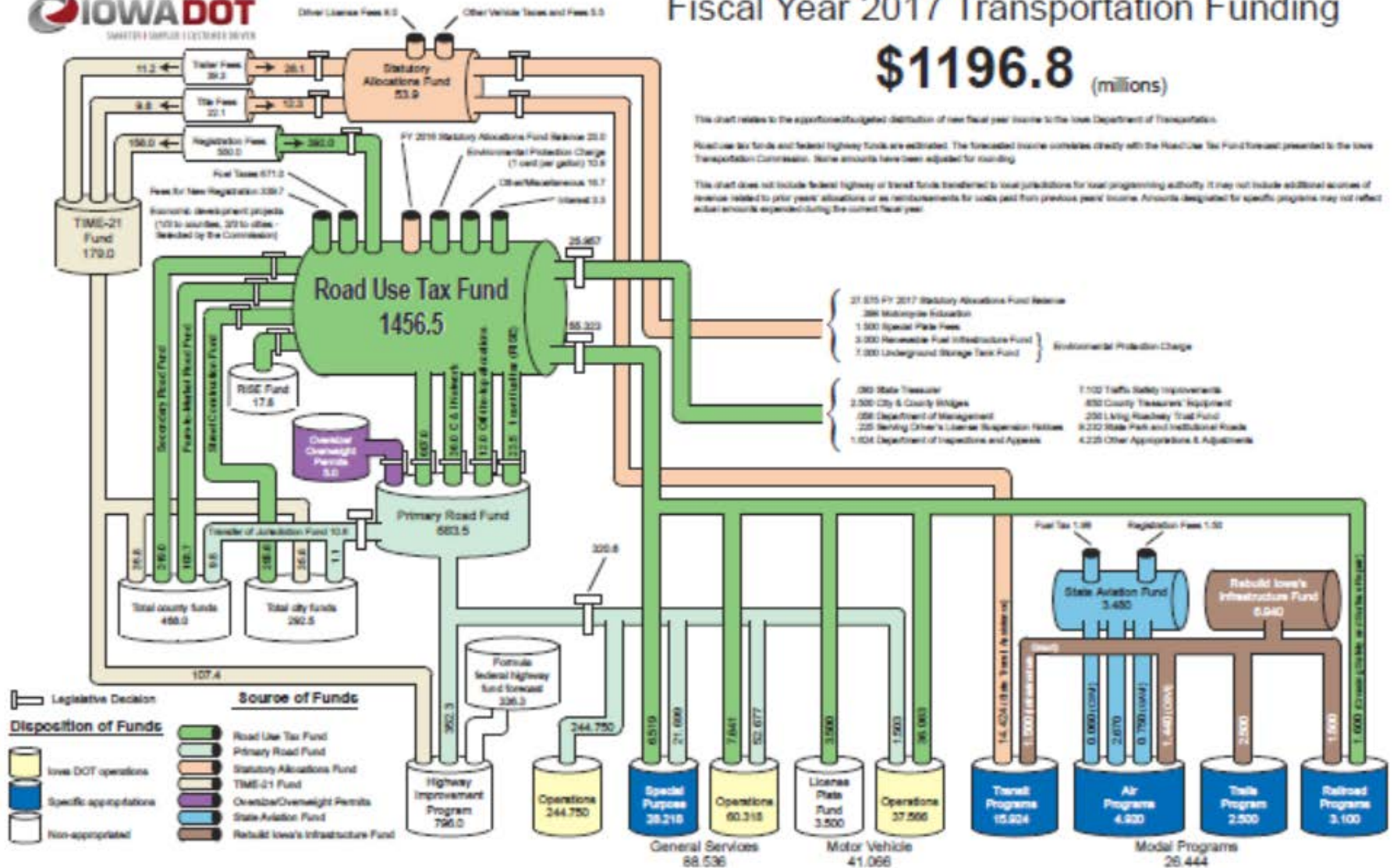
Fiscal Year 2017 Transportation Funding

\$1196.8 (millions)

This chart relates to the appropriated/budgeted distribution of new fiscal year income to the Iowa Department of Transportation.

Road use tax funds and federal highway funds are estimated. The forecasted income correlates closely with the Road Use Tax Fund forecast presented to the Iowa Transportation Commission. Some amounts have been adjusted for rounding.

This chart does not include federal highway or transit funds transferred to local jurisdictions for local programming authority. It may not include additional sources of revenue related to prior year's situations or as reimbursements for costs paid from previous year's income. Amounts designated for specific programs may not reflect actual amounts expended during the current fiscal year.



Where do the Secondary Road Funds come from?

Property Taxes Iowa Code 331.429, subsection 1

- **General Basic** - Everyone that owns property within the county (including cities) pays this tax - up to \$0.16875 per \$1000 of taxable value (\$3.50 overall levy)
- **Rural Basic** - Only the rural residents owning property pay this portion of property taxes (City residents pay city taxes instead) - up to \$3.00375 per \$1000 of taxable value (\$3.95 overall levy)

Local Option Sales Tax - people who buy goods in the county pay this tax on top of the Iowa sales tax

Minimum Local Tax Effort Requirement

Minimum Local Tax Effort Requirement - 75% of the “Total Revenue Potential” of property taxes per Iowa Code Section 312.2, subsection 5.

Essentially this is 75% of the total maximum based on the levies in the previous slide.

How can Secondary Road Funds be spent?

Iowa Code Section 331.429, subsection 2:

- “2. The board may make appropriations from the secondary road fund for the following secondary road services:
 - *a.* Construction and reconstruction of secondary roads and costs incident to the construction and reconstruction.
 - *b.* Maintenance and repair of secondary roads and costs incident to the maintenance and repair.
 - *c.* Payment of all or part of the cost of construction and maintenance of bridges in cities having a population of eight thousand or less and all or part of the cost of construction of roads which are located within cities of less than four hundred population and which lead to state parks.
 - *d.* Special drainage assessments levied on account of benefits to secondary roads.

How can Secondary Road Funds be spent?

Iowa Code Section 331.429, subsection 2 (continued):

- *e.* Payment of interest and principal on bonds of the county issued for secondary roads, bridges, or culverts constructed by the county.
- *f.* A legal obligation in connection with secondary roads and bridges, which obligation is required by law to be taken over and assumed by the county.
- *g.* Secondary road equipment, materials, and supplies, and garages or sheds for their storage, repair, and servicing.
- *h.* Assignment or designation of names or numbers to roads in the county and erection, construction, or maintenance of guideposts or signs at intersections of roads in the county.
- *i.* The services provided under sections 306.15, 309.18, 309.52, 311.7, 311.23, 313A.23, 316.14, 468.43, 468.108, 468.341, and 468.342, or other state law relating to secondary roads.”



Other Funding Sources for Secondary Roads

Farm- to-Market (FM) Funds – These funds are to be used for construction, reconstruction, or improvements to the FM Road System. These funds are not available for routine maintenance or operating expenses associated with these roads. The FM account is managed by the Office of Local Systems. You can “borrow ahead” on the account up to 5 years. You can accumulate no more than 3 years, or you lose the funds and they revert back to the other counties, per Iowa Code 310.27. The FM money can be used on **FM routes only** per Iowa Code 310.4.

HBP Funds - The Highway Bridge Program (HBP) is a federal program that allows counties to get funds to construct or rehabilitate bridges. As long as a bridge has a designation of Structurally Deficient or Functionally Obsolete, **AND** a Sufficiency Rating of 60 or less for replacement, or between 60 and 80 for rehabilitation, **AND** has an ADT equal to or greater than 25, HBP money can be used for that bridge if so desired. Currently, this program allows you to “borrow ahead” up to 6 years, and you can accumulate no more than 3 years worth of funds, or you will lose the funds and they will revert back to the other counties.

Other Funding Sources for Secondary Roads

STP Funds - The Surface Transportation Program (STP) is a federal program to pay for construction or improvements roads with a Federal Functional Classification of major collector or higher. STP funds can also be used for construction or rehabilitation of bridges on any public road. STP funds are appropriated via Regional Planning Affiliations (RPAs). Each RPA has its own method of selecting projects for funding. Some RPA's sub-allocate funds, and others do not. The map of RPA's can be found at:

http://www.iowadot.gov/systems_planning/pdf/DistrictPlannersMap.pdf

State County Bridge Funds - This program typically allows for one county per year to get funds to construct a large bridge project. \$2 million dollars annually is taken off the top of the Road Use Tax fund and can be used for this purpose only.

Other Funding Sources for Secondary Roads

State Safety Funds - The Office of Traffic and Safety at the Iowa DOT has numerous programs that counties can apply to get State funding for safety improvements. The primary program is the Traffic Safety Improvement Program (TSIP), which is also known as the “Traffic Safety Fund” or “Half-Percent Program”. Sign replacement program example.

Other Programs – Besides the programs listed above, there are a variety of other Federal and State programs that provide funding for roads and bridges. For more details, refer to the Iowa DOT Funding Guide, available on-line at:

[http://www.iowadot.gov/pol leg services/funding_guide.htm](http://www.iowadot.gov/pol_leg_services/funding_guide.htm)

Match Requirements – Most Federal and State transportation programs operate on a reimbursement basis and require a match of funds from the local agency. Most federal programs pay 80% of the cost of a project, and the match required is then 20%.



Budget and 5 Year Construction Program

Due April 15 to DOT.

Iowa Code Sections 309.22, 309.94 and 309.96 address the budget and program.

A county must not go over its budgeted amount. It may go up to 10% over in one or more categories, but the overall expenditures must remain at or less than the budgeted amount for the Fiscal Year.

Budget amendments are allowed for unforeseen circumstances (bad winter, flooding, etc) per Iowa Code Section 309.95.

Annual Report

Due September 15 to DOT.

Required per Iowa Code Section 309.22.

Shows what a Secondary Road Department has spent in the most recent Fiscal Year

Resources for County Engineers

The Federal-aid Project Development Guide

http://www.iowadot.gov/local_systems/publications/im/guide.pdf

Instructional Memorandums (I.M.'s) to Local Public Agencies

http://www.iowadot.gov/local_systems/publications/im/imtoc.pdf

Iowa County Engineering: A Resource Guide for County Engineers

http://www.iowadot.gov/local_systems/publications/resource_guide.pdf

A Guide for Hiring a County Engineer – I send this to Boards who I know are hiring an Engineer

http://www.iowadot.gov/local_systems/publications/hiring-guide.html

Iowa County Engineers Association Service Bureau

Board of Supervisors Responsibilities

Iowa Code Section 306.10 allows the Board to establish, alter and vacate roads.

Board can pass resolutions to establish speed limits (Iowa Code Section 321.285) and stop signs (Iowa Code Section 321.345) in the county.

Iowa Code Section 318 discusses obstructions in the highway rights of way.

The highway authority shall cause all obstructions in a highway right-of-way under its jurisdiction to be removed.

Drainage Districts

Iowa Code Section 357.6 states, “When the Board of Supervisors shall have established the benefited water district, they shall appoint a competent disinterested civil engineer and instruct the engineer to examine the proposed improvement, make preliminary designs in sufficient detail to make an accurate estimate of the cost of the proposed water system. The civil engineer shall also report as to the suitability of the proposed source of water supply.”

The county engineer is generally not a “disinterested civil engineer”.

Contract Letting Requirements

Construction, reconstruction, or improvements to roads and bridges must be let for bids if the estimated cost exceeds the bid threshold.

The bid threshold is periodically reviewed and adjusted by a committee. Current bid thresholds for horizontal infrastructure (roads and bridges) and vertical infrastructure (buildings and other public improvements) are available on-line at:

http://www.iowadot.gov/local_systems/publications/bid_limits.htm.

Maintenance work does not need to be let for bids regardless of the cost. The difference between “construction” and “maintenance” can be found in Iowa Administrative Code Chapter 178.

For 2017, the bid threshold is \$87,000. For projects that the engineer believes will cost less than the bid threshold, the county may use its “day labor” forces to do this construction work.

Questions?

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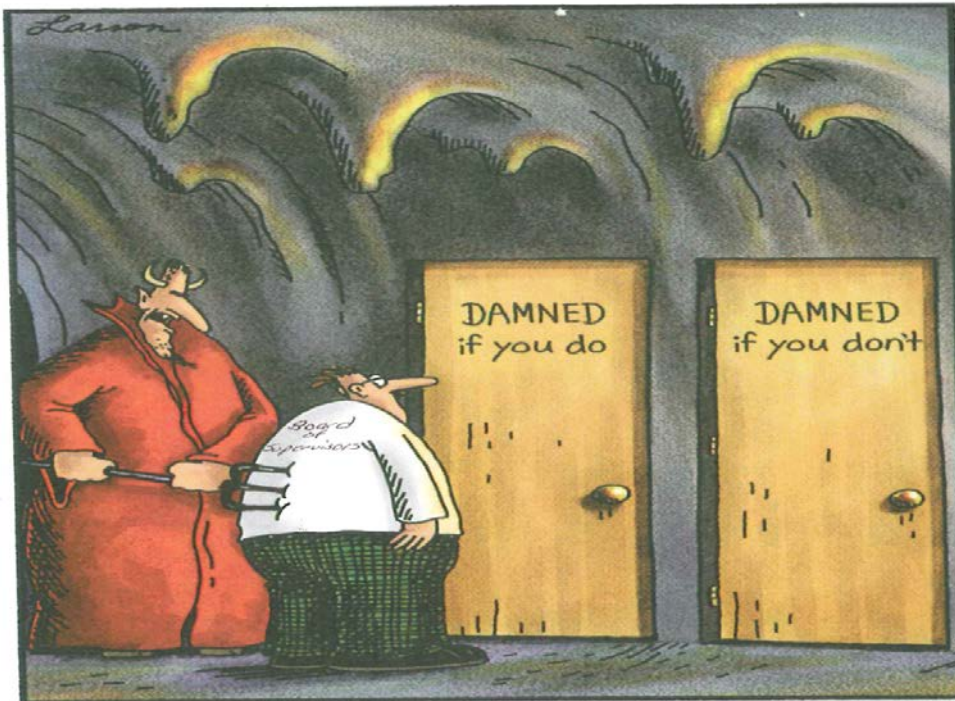
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“C’mon, c’mon—it’s either one or the other.”