Federal Aid Project Development

MnDOT Metro State Aid
Colleen Brown and Lisa Daniels
This is a **REIMBURSABLE** Program

The work has to be completed, and payment made to the contractor, before the Federal dollars are reimbursed.

**This is not a grant!**
FOLLOW DELEGATED CONTRACT PROCESS (DCP) CHECKLIST
http://www.dot.state.mn.us/metro/stateaid/dcp.html
REGIONAL SOLICITATION APPLICATION

PROJECT SPONSORSHIP

• Metro State Aid Counties and State Aid Cities can sponsor a project

• All others must contact Metro State Aid prior to submitting application to determine if a sponsor is required.
  • Non-State Aid entity must have approval of project sponsor prior to moving forward with the project.

• Project Sponsor administers project using the State Aid Delegated Contract Process (DCP)
RISK ASSESSMENT

• Steps reflect a federally-funded project development path
• Points are awarded based on how many steps have been taken toward project implementation.
• Project risks may include 4(f), Railroad, Historic Properties
• New this year – Public Involvement
  • Projects that have been through a public process are more likely than others to be successful.
GENERAL FEDERAL ELIGIBILITY

• Roadway and bike/ped trail grading and surfacing
• Drainage
• Utility replacement due to the project construction
• 2 to 1 tree replacement
  • Shrubbery if necessary for erosion control
• Retaining Walls
• Turf Establishment
• Signals
• Signing/Striping
• Lighting – roadway or pedestrian
  • Ornamental if adopted by city/county policy
Multiuse Trails and Bicycle Facilities primary role is to provide alternative mode of travel for purposeful trips

- Trail, drainage, bike racks, shelters, benches, wayfinding signs, turf establishment and shrubbery for erosion control are eligible

- Excessive landscaping/street-scaping such as fountains, elaborate signing, irrigation and perennial gardens are not eligible
ITEMS NOT FEDERAL ELIGIBLE

- Preliminary or Construction Engineering
- Right of Way - unless part of transit project
- Surplus Materials (items salvaged and not re-installed)
- Work outside of project limits
  - Work outside of NEPA limits may jeopardize fed $
- Utility work that is not a direct result of the project
- Utility betterments
  - Replacement in kind only; not upgrades
- Excessively expensive treatments – very extravagant roadway or side street appurtenances
- Proprietary items without an approved PIF or Cert
  - Proprietary items no longer require a PIF or Cert
• Use “Estimate of TAB Eligible Project Costs” form in the front of the application
  • Use 2020 cost estimates for all elements
• % based on Fed Funds vs. Total Project Cost; not to exceed 80% Federal Funds/90% for HSIP
• Federal funds are capped
• Could require STIP amendment later in process if not accurately computed.
Advance Construction (AC)

- Advancing projects to an earlier Fiscal Year
- Agency funds the project
- Federal Funds reimbursed in the year programmed in the STIP
- Requires an Advanced Construct Agreement
- Must be shown as an AC Project in an approved STIP
- AC Agreement “may” be required for federal $ greater than $5M
Program Year Policy

- Intended to manage timely delivery of projects

- Program year is July 1\textsuperscript{st} to June 30\textsuperscript{th} of year which project is originally programmed in the STIP (ie: FY 2024 = 7/1/2023 to 6/30/2024)

- Projects not ready for authorization June 1st will not be carried over into the next year in STIP without an approved extension

- Program Year extension must be requested by December 31\textsuperscript{st} of the program year
By April 1 of the program year, the following documents must be submitted and/or approved:

- Environmental Document approved
  - draft submitted to State Aid by December 1\textsuperscript{st} of the program yr
- R/W cert. approved April 1\textsuperscript{st} or
  - If applicable, condemnation must be initiated by February 28\textsuperscript{th}, with title and possession by June 1\textsuperscript{st}
- Final plans submitted/reviewed for standards, eligibility, and structural design
- Engineer’s Estimate
- Utility Relocation Certificate
- Permit Applications submitted

\textbf{IF PROGRAM YEAR CRITERIA IS NOT MET, AN EXTENSION IS REQUIRED OR FEDERAL FUNDS MAY BE FORFEITED}
PROGRAM YEAR EXTENSION

• Request must be made by December 31\textsuperscript{st} of program year & requires TAB Approval

• Agency must demonstrate they have been working with State Aid and made enough progress to be granted an extension (point system).

• Financial implications if extension is granted
  • Agency must deliver project in the next program year, however, federal funds are contingent on the availability of future federal funds
  • Agency will need to Advance Construct project

• Maximum length of extension is one year

• Only one extension may be granted per project
Program Year Extension Financial Implications

2021-2024 STIP

Federal Funding becomes available for reimbursement

Program Yr Extension (Project must be delivered)

Local Agency needs to finance

Program Year

2021

2022

2025 or 2026
**SCOPE CHANGE POLICY**

- Projects are scored & selected based on the benefits they provide.
- Project description in Funding Application and the STIP serve as project scope
- Discuss “ANY” changes with Fed Aid PM
- Formal Scope change
  - review/approval by the Met Council committees
- Informal Scope Change through consultation process
  - ie: Adding local funded work to a project or minor termini changes (may also require a TIP Amendment)
- Federal Funding may be reduced if major elements are removed or length is reduced significantly

*Approval of Scope changes are not automatic. Some may result in the reduction of federal funds*
Key items to consider when identifying original project scope…

• Project Termini
• Project Elements/Key Connections
• Total Project Cost
Project Termini

- Must select a logical termini

- Work outside of termini in the funding application (including locally funded projects) will require a scope change and “may” trigger a TIP/STIP Amendment for change in description/costs.

- Reduction in project length may result in reduction of federal funding
Project Elements/Key Connections

- Work types (i.e.: trail, rest stop, lighting, etc.)
- # of proposed lanes
- Signals vs Roundabouts
- At grade intersection vs. grade separation
- Connections to parks, schools, historic sites
- Expansion or reduction of parking ramp spaces
Total Project Cost

- Total cost in application plus inflation is entered into the STIP.
- Prepare realistic and accurate estimates
- Total cost in STIP is compared to Engineer’s Estimate
- Increases/decreases that exceed FHWA Guidelines require TIP/STIP Amendments
  - Amendment approval process can add up to 3 months
Thank you!

Colleen Brown
Lisa Daniels