



# Federal Aid Project Development

MnDOT Metro State Aid

Colleen Brown, Federal Aid Program Manager

# FEDERAL AID FUNDING PROGRAM

## This is a **REIMBURSABLE** Program

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

# PROCESS OVERVIEW



**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 an 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)

# SOLICITATION/APPLICATION

## RISK ASSESSMENT

Measures the activities completed to date and an assessment of project risk

- Points are awarded based on how many steps have been completed toward project development, and the level of risk associated with the project
- Projects that have been through a public process are more likely to be successful
- High risk projects increase the likelihood of a project being withdrawn; causing funds to be reallocated
  - Project risks include Railroad, Historic Properties and Right of Way acquisition

# GENERAL FEDERAL ELIGIBILITY - Roadway

Federal Eligible work for a roadway project is generally work necessary to complete the funded project:

- Roadway grading, surfacing and storm sewer
  - Includes retaining walls and noise walls (if noise study required one)
- Signals Revisions and Replacement
- Signing/Striping
- Lighting
  - Ornamental lighting allowed if City or County standard
- Utility replacement due to the project construction
  - Upgrades or replacement due to “convenience” are not eligible
- Landscaping and Turf Establishment
  - 2 to 1 tree replacement and shrubbery if necessary for erosion control

# GENERAL FEDERAL ELIGIBILITY – Multi-use trails

Multiuse Trails and Bicycle Facilities primary role is to provide alternative mode of travel for purposeful trips

- Bike/ped trail grading and surfacing
- Retaining Walls
- Drainage
- Bike amenities such as bike racks, shelters, benches, & wayfinding signs,
- Landscaping and Turf Establishment
  - 2 to 1 tree replacement
  - Shrubbery if necessary for erosion control
  - Excessive landscaping such as fountains, elaborate signing, irrigation and perennial gardens are not eligible

# ITEMS NOT FEDERAL ELIGIBLE

- Preliminary or Construction Engineering
- Right of Way Acquisition - unless part of transit project
- Surplus Materials (items salvaged and not re-installed)
- Work outside of project limits
  - Work outside of NEPA limits will jeopardize fed \$
- Utility work that is not a direct result of the project, and utility betterments
- Excessively expensive treatments – very extravagant roadway or side street appurtenances



# PROJECT FUNDING

- Use “Estimate of TAB-Eligible Project Costs” form in the front of the application
- Use 2022 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.

# PROJECT FUNDING

## 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

# PROGRAM YEAR POLICY

- Intended to manage timely delivery of projects
- Program year is July 1<sup>st</sup> to June 30<sup>th</sup> of year which project is originally programmed in the STIP (ie: FY 2026 = 7/1/2025 to 6/30/2026)
- 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<sup>st</sup> of the program year

# PROGRAM YEAR CRITERIA

By April 1 of the program year, the following documents must be submitted and/or approved:

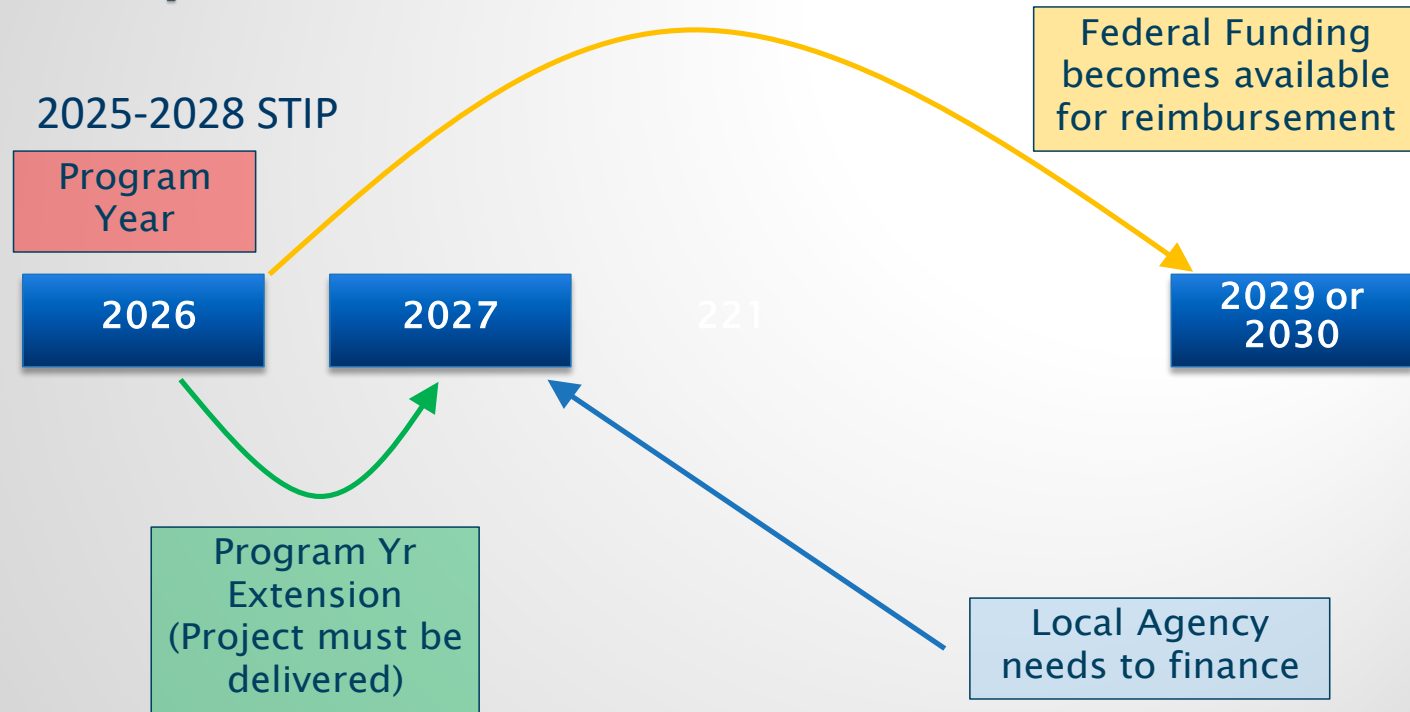
- Environmental Document approved
- R/W cert. approved or
  - If applicable, condemnation must be initiated by February 28<sup>th</sup>, with title and possession by June 1<sup>st</sup>
- Final plans submitted/reviewed for standards, eligibility, and structural design
- Engineer's Estimate
- Utility Relocation Certificate
- Permit Applications submitted

# PROGRAM YEAR EXTENSION

- Request must be made by December 31<sup>st</sup> 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

## Program Year Extension Financial Implications



# FUNDING APPLICATION VS PROPOSED PROJECT

## DEFINE YOUR PROJECT CAREFULLY...

- Projects are scored & selected based on the benefits they provide.
- Project description in Funding Application and the STIP serve as project scope

# FUNDING APPLICATION VS PROPOSED PROJECT

## Key items to consider when identifying original project scope...

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



# FUNDING APPLICATION VS PROPOSED PROJECT

## Project Termini

- Must select a logical termini
  - The project will function properly without requiring additional improvements elsewhere
- 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

# FUNDING APPLICATION VS PROPOSED PROJECT

## Project Elements/Key Connections

- Work types (ie: 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

# FUNDING APPLICATION VS PROPOSED PROJECT

## 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

# Scope Change Policy

## 3 Levels of Scope Changes

- Administrative Scope Change – approved by MnDOT Federal Aid Program Manager
  - Minor in nature
  - Most common – combining TAB project with an adjacent mill and overlay project
- Informal Scope Change-Consultation between Federal Aid Program Manager and Met Council
  - Combining of two TAB projects, changing signal to roundabout, underpass to overpass, adding local funded work to original TAB funded project
- Formal Scope change – formal committee process and approval by TAB
  - Removal of significant elements such as bridge, trails, signals, etc.
  - Changing the number of travel lanes
  - Bridge replacement to bridge rehabilitation or vice versa
  - Off road trail to on-road or vice versa
  - Federal funding may be reduced if major elements are removed

**Approval of Scope changes are not automatic.**

# Thank you!

**Colleen Brown**

**[colleen.brown@state.mn.us](mailto:colleen.brown@state.mn.us)**