Federal Aid Project Development

MnDOT Metro State Aid
Colleen Brown, Federal Aid Program Manager
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

1/20/2022

STIP Approval

Federal Aid – LPA
Project Kickoff Meeting

LPA Project Development

Environmental Document
Right of Way Acquisition
Plan & Specification

FHWA Authorization

LPA Advertisement/Letting

Office of Civil Rights Clearance

LPA Award & Approval

LPA Construction, Engineering,
Supervision, Contract
Administration

LPA Federal Funds Payment
Reimbursement

LPA/State Aid
Project Final

FOLLOW DELEGATED CONTRACT PROCESS (DCP) CHECKLIST
http://www.dot.state.mn.us/metro/stateaid/dcp.html
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)
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• High risk projects increase the likelihood of a project being withdrawn; causing funds to be reallocated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
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
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.
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
• Intended to manage timely delivery of projects

• Program year is July 1st to June 30th 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 31st 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 28th, with title and possession by June 1st

• 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 31st 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
Federal Funding becomes available for reimbursement

Local Agency needs to finance

Program Yr Extension (Project must be delivered)
DEFINING 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
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
  - 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
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
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
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!

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