

2016-2019 STIP

General Guidance



Minnesota Department of
Transportation

Office of Transportation System
Management (OTSM)

651-366-3750

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Purpose

The State Transportation Improvement Program (STIP) is a federally mandated document which must include a listing of projects and programs planned with federal participation in the next four fiscal years. The document identifies the funding and scheduling of transportation projects. It includes projects and programs on the federal, state, city, and county transportation systems, multimodal projects (highway, passenger rail, freight, public transit, bicycle and pedestrian), and projects and programs in the National Parks, National Forests, and Indian tribal lands.

This guidance is intended for use by MnDOT's Central Office STIP Coordinators and District STIP Coordinators involved in creating their Area Transportation Improvement Programs (ATIPs) and provides the specific guidance for items related to the ATIPs and STIP.

Any questions regarding the content should be directed to:

Minnesota Department of Transportation

Office of Transportation System Management

Mail Stop 440, Third Floor South

395 John Ireland Boulevard

Saint Paul, MN 55155-1899

651-366-3750

Alternate Bid Project

As MnDOT expands its use of Alternative Bid projects, the following approach should be used when programming Alternate Bid project in the ATIP:

- The project total should be the LOWER of the two project totals for all years of the ATIP.
- To minimize potential STIP modifications or amendments, the project description should not be too specific in describing the fix (e.g., 3” mill and 3.5” bituminous overlay”); it should be more generic so that it would cover either alternative. The description should be smart coded as ****AB****.
- For SFY 2016, projects identified under *Federal Funding Contingency for FY 2016* should also be considered as contingency projects to address the cost differential that could result from Alternate Bid projects.

Americans with Disabilities Act (ADA)

District C has allocated \$2 million of federal funds and \$500,000 of state funds per SFY for the Districts to fund ADA eligible projects.

- For SFY 2016 these funds have been distributed to the districts by formula;
- For SFY 2017 and 2018 these funds will be shown in a setaside in District C; and
- For SFY 2019 it has yet to be determined the funding level, but it will be shown as a setaside in District C.

Projects that are funded with ADA funding should be smart coded as ****ADA**** in the description.

Associated Project

Construction plans most commonly contain multiple SPs (one Prime SP and associated SP(s)). An associated SP is assigned when the work is being done on a different control section than the Prime SP's control section. Since the project will be authorized under the Prime SP, associated SPs are not required to be shown in the project description of the Prime SP. Associated SPs sometimes referred to as associated projects.

Associated projects are not required to be shown as separate projects in the STIP unless:

- Projects that include a local federal share on MnDOT let projects; or
- Projects that use HSIP, CMAQ, or TAP funds
- Projects that use both NHPP and STP funds

Bridge and Road Construction (BARC)

BARC funds, also referred to as Road Repair funds, are unique in that they may be spent either through a normal state letting, a contract arranged through the District, or for materials and rental equipment needed by the District. BARC funds are not meant to be used for routine maintenance or for the purchase of equipment, both of which are considered operations expenses. BARC funds should be used for the actual construction, reconstruction, and improvement of trunk highways.

Bridge Eligibility

Bridges on the National Highway System (NHS) are eligible for National Highway Performance Program (NHPP) funds. Bridges on any other federal aid system are eligible for STP funds. Bridges off the federal aid system are eligible for Surface Transportation Program (STP) Off-System Bridge funds. At this time, Bridge Sufficiency Rating is not part of the criteria for a bridge to receive federal funding; however, it is required for a bridge replacement project which uses off-system federal funds carried over from SAFETEA-LU.

Cooperative Agreement – Local Let Projects

Locally let projects may include MnDOT participation and therefore require a MnDOT project number. MnDOT participation on a local let project also requires a Cooperative Agreement between MnDOT and the local authority. When no federal funds are involved, the STIP shows MnDOT project number (SP) and only the TH dollars (TH column) with “AM” program code. When either MnDOT federal or local federal funds are used, the STIP must show both, MnDOT federal, local federal share, and the associated matches.

MnDOT only accounts for the state share and does not track the local portion. Cooperative Agreement can have different fund combinations as follow:

- MnDOT TH funds
- MnDOT TH and local federal funds
- MnDOT federal and local federal funds
- MnDOT federal, but without local federal funds (never be done)

Cooperative Agreement in STIP

Local project with MnDOT TH funds

STIP – 1 line	Who	Program	TH \$	Other \$
4444-44	S	AM	100,000	

Local project with MnDOT TH and local federal funds

STIP – 2 lines	Who	Program	FHWA \$	TH\$	Other \$
4444-44	S	AM		100,000	
111-111-111	L	RD	400,000		100,000

Local project with MnDOT federal and local federal funds

STIP – 2 lines	Who	Program	FHWA \$	TH \$	Other \$
1111-11	S	AM	800,000	200,000	
222-222-222	L	RD	400,000		100,000

Corridors of Commerce Project (COCH)

The Minnesota Legislature provided an additional \$31.5 million in funding for Corridors of Commerce (COCH) during the 2014 legislative session. Of that amount, \$6.5 million became available in fiscal year 2014 for projects strictly in Greater Minnesota and \$25 million is available in fiscal year 2015 for projects statewide. One of the primary intents of the legislation was to use the funding to prepare potential projects for future construction. Preparations can include right-of-way purchases, environmental work and design engineering.

COCH projects (including preliminary design work only) are required to be included and smart coded in the 2016-2019 STIP. Please refer to “Centrally Funded Programs for 2016-2019 STIP” guidance for coding the STIP. For more information about the program go to:

<http://www.dot.state.mn.us/corridorsofcommerce/>.

Cost Split on Project

Periodically, a review of cost/quantity splits on State Highway projects becomes necessary. Recognizing the desire to keep splits to a minimum and also recognizing the need to meet the requirements placed on MnDOT by federal and state requirements, the following are considered minimum splits requiring separate quantities/cost estimates on plan sheets.

Bridges/Culverts

Federal Regulations require the reporting of bridge/culvert data on projects using Federal funds. Quantities for bridges must be broken out regardless of the type of Federal funds used. This is also the case for bridges being replaced by culverts and culverts being replaced by bridges. Both the old and new bridge numbers from structure being replaced should be reported. Approach work from touchdown point to touchdown point is an eligible bridge

replacement cost on projects using Federal bridge funds and should also be reported separately if possible. This ensures that Minnesota is maximizing the use of its bridge apportionments. Each bridge type should have a separate column of quantities.

In the case of bridge rehabilitation, separate quantities are also required and the bridge number of each bridge being rehabilitated should be shown.

Highway Safety Improvement Program (HSIP)

Federal regulations require the reporting of quantities on HSIP eligible items. Federal HSIP funded projects or HSIP funded work on a larger project must be approved by the Office of Traffic, Safety, and Technology (OTST). This work should be shown on plans with quantities and costs separated from other costs.

Transportation Alternative Program (TAP)

Projects using Transportation Alternative Program (TAP) funding is required to show quantities and associated costs for eligible items in order to for MnDOT to be reimbursed with federal funds.

Congestion Mitigation and Air Quality (CMAQ)

Federal CMAQ funds are available for use in the Twin Cities Metropolitan Planning Organization area. Projects using CMAQ funds are required to show quantities and associated costs for eligible CMAQ items.

Multiple System Types

Sometimes a project will have work on more than one highway system type. Different Route Systems are eligible for different federal share amounts (e.g., 90/10 for Interstates and 80/20 other NHS routes). Work being done on different systems requires separated quantities/cost estimates. There are some exceptions to this and if in doubt contact OTSM.

Multiple Federal Fund Types

Frequently multiple federal funding types are used on one project. Federal funds are assigned to a project based on the type of work to be done, and to effectively use all the various federal funds available to the state. Every attempt is made to keep the number of funds used on a project to a minimum, however this is not always possible and care should be taken to provide splits necessary to capture all the funds. Just the fact that multiple funds are shown on a project in the STIP does not guarantee that all those funds will ultimately be used on the project. It will depend on what funds are available for use at the time of project authorization. A best practice is to separate costs according to the guidance above to ensure the best use of federal funds.

Non-Participating (Non-Par Work)/Local Match

All non-participating and local work must be identified and broken out of the Federal aid eligible work.

The Office of Transportation System Management (OTSM) continues to work towards minimizing the number of separate quantities and cost estimates needed on plans. However it is much easier to establish the splits on the original quantity sheets rather than redo the plan sheets for the proper splits at the time of authorization (this can hold up an authorization).

Please remember to:

- Identify bridge numbers (and culvert numbers)
- Separate quantities/cost estimates for each federally funded bridge and culvert
- Use PPMS as your first check for multiple funds
- Separate quantities and cost estimates must be provided to use Federal NHPP, STP, HSIP, TAP, and CMAQ funds

Department of Public Safety and National Highway Traffic Safety Administration Fund

Projects that are partially or fully funded with DPS and/or NHTSA funds (from SAFETEA-LU) should be treated as a federal project and must follow all federal rules and regulations. However, if those funds are part of a MnDOT federal project, they would be considered as “state funds” when authorizing, but DPS and/or NHTSA funds are still considered as federal funds and cannot be used as a match on any MnDOT federal project.

For STIP purposes, DPS and/or NHTSA funds should be programmed in the “Other” column of the ATIP template and description must include an explanation of the funding source and the appropriate amount.

Districtwide Setaside

Districts will identify the funding source and put in as setasides for each year of the STIP. For the first year, no federal funds are allowed in setasides. Districts are responsible for tracking and managing the eligibility constraints of these funds in the state road construction program. An amendment is required to identify a federally funded project from any of the setasides in the STIP.

Individual line setaside submitted from the ATIPs will no longer be consolidated into one lump sum setaside (*For example: 8801-SAS-14*). The printed STIP will document each setaside separately as how it was originally submitted to OTSM.

Early Let Late Award (ELLA) Project

MnDOT’s ELLA process is a tool used to manage project delivery and fluctuations in funding. This process is used on MnDOT projects only and affects both the federal and state funding targets and the State Road Construction Budget in the year of funding availability. ELLA projects are required to be smart coded in the STIP description using ****ELLA****.

ELLA projects are let in one state fiscal year (July 1 to June 30) and awarded (i.e., funds actually encumbered) in the following fiscal year.

The advantage of ELLAs are that it allows the project to be let and awarded in advance of funding availability so that work can begin as soon as the next SFY begins. Under the regular project letting process, a project is advertised, let and awarded in the year that funding is available. This process is

not available beyond MnDOT as MnDOT’s Trunk Highway fund cash flows the project until Federal funds are available and the Trunk Highway fund cannot cash flow non-Trunk Highway projects.

Federal Fund Contingency for FY 2016

ATPs are required to identify 30% of their FY 2016 projects as contingent should actual Federal appropriations to Minnesota decline. Each ATP should identify projects equaling 30% of their targeted federal funds (state and local) for the contingency. These projects should not have lettings before February 1, 2016. With the Balanced Letting Schedule, the MnDOT projects identified as contingency may include all of end of the fiscal year projects. Please submit this list to the Office of Transportation System Management (Trang Chu) by July 6, 2015.

Federal Fund Eligibility

National Highway Performance Program (NHPP): If any portion of the work is on or adjacent to the NHPP system, then the whole project is NHPP eligible.

Surface Transportation Program (STP): If any portion of the work is being done in a small urban area, then the whole project is eligible for STP small urban. However, in order to fund the project with STP small urban, the district/ATP is required to consult with the regional transportation planning organization.

Transit STP:

- If the capital purchase was for use in the small urban area and was also being used in the rural area, then the whole project is eligible for STP small urban.
- If the capital purchase was **specifically** for the rural area, then the project is not eligible for STP small urban.

Federal Share on Projects

Most federally funded projects provide an 80% or 90% share requiring a 20% or 10% non-federal match. MnDOT projects are required to maximize federal funding unless approved by OTSM. For State Aid projects, a minimum 30% federal share is required on all federally funded projects. Below are examples of fully funded federal projects with an 80/20 split.

Examples for Maximizing Federal Funding		
	Project A	Project B
MnDOT Federal	\$800,000	\$800,000
State Match required	\$200,000	\$200,000
Local Federal	-	\$400,000
Local Match required	-	\$100,000
Total Project	\$1,000,000	\$1,500,000

FHWA Advance Construction (AC) and Payback

FHWA's AC process is a tool used by Minnesota to manage project funding. It allows us to spread the funding across multiple construction years as the funds are needed. AC affects the federal target in the year(s) the funding is used on a project. For MnDOT projects, AC affects the State Road Construction Budget (SRC) only in the year the construction begins.

For example:

A 2016 project that will take three construction seasons to construct uses a total of \$30 million in federal funds. This project will use \$10 million in 2016, \$15 million in 2017 and \$5 million in 2018. Without the use of AC the full \$30 million in federal funds is tied up in 2016 even though the project will span three construction seasons. With the use of AC, the project will be shown as using \$10 million in federal funds in 2016 and \$20 million in AC funds. This way the federal funds can be used throughout the life of the project. The project is now considered a 2016 AC project with paybacks (AC conversions) in 2017 and 2018. The \$10 million, \$15 million and \$5 million will go against the federal targets in 2016, 2017 and 2018 respectively.

The advantage of not tying up the full amount of federal funds in the first year of a project is that the District can fund other projects in that year. Another advantage is having the ability to finance a high cost project that may cost beyond what is available in federal target for one year. AC Paybacks shown in the STIP are referred to as "Planned AC."

Any changes in AC Payback should go through Pa Youa Xiong (phone 651.366.3781).

Funding Definition

- *MnDOT Federal Fund* – Federal fund appropriated to the State of Minnesota to be used for transportation purposes on Minnesota Federal Aids eligible systems.
- *MnDOT TH Fund* – State fund to be used for transportation purposes on Minnesota Trunk Highway systems.
- *MnDOT TH Bond Fund* – State bond fund are used for transportation purposes on Minnesota Trunk Highway systems.
- *Local Federal Fund* – Federal fund appropriated to local municipalities to be used for transportation purposes on County State Aid Highway (CSAH) and Municipal State Aid Street (MSAS) systems.
- *Local fund* – Local fund or state aid fund that is neither federal nor state.

Funding Split

Projects on the Interstate would require a 90/10 Federal/State or Local split; however, if the project is adding capacity, it would be an 80/20 split and the federal fund would still be NHPP.

If the project is funded with two or more types of Target FHWA funding, show each funding type as an additional line in the STIP. Use same SP followed by N for NHPP, P for STP, E for Transportation Alternatives, S for HSIP, or Q for CMAQ. Different SPs are not required; however, different groups, costs, and quantities have to be separated for each funding type.

If a Transit project is using FTA and FHWA for proposed funds, split the funding in the District Comments column for Fund 1 and Fund 2. Fund 1 (higher dollar amount) and Fund 2 (the lower

dollar amount) should be STP/FTA or FTA/STP. For example, Fund 1 STP 40,000 and Fund 2 FTA 20,000. In the District Comments column, the description should read: STP 80/20, \$10,000 SM, FTA 50/50, \$20,000 LM.

Historic Bridges

Historic bridges need to go through a process to ensure that they are not replaced without thorough investigation into all available options. Districts should work with the MnDOT Bridge Office and State Historic Preservation Office (SHPO) representatives to ensure options are investigated. Historic bridge projects in the STIP should be smart code ****HB**** in the project description. It should not be assumed that historic bridges require replacement.

For additional information on Historic Bridge go to: <http://www.dot.state.mn.us/historicbridges/>

Illustrative Project

A project is considered “illustrative” if total funding is not available for the project at the time of STIP development/approval. Projects meeting this definition can only be included in the last 2 years of the STIP as illustrative. When total project funding becomes available, the project must be formally amended into the STIP. Common illustrative projects are those that need more visibility.

Projects that are on the State Highway system must have been reviewed and supported by MnDOT’s Transportation Program Investment Committee (TPIC) in order to be listed as “illustrative” in the STIP. Examples of TPIC supported illustrative projects are the Highway 53 relocation project in northeastern Minnesota and the Stone Arch Bridge in Minneapolis. Projects that are on local systems and seeking to be identified as “illustrative,” need to have been reviewed and supported by the local MPO in order to be listed as “illustrative” in the STIP.

Illustrative project descriptions should be smart coded as ****IP**** in the description. Use **Who as S** for MnDOT projects and **Who as L** for local projects. The total project estimate should be in the “Other” column. If a district’s program exceeds their target budget, you would show the additional projects as illustrative or you can use Target FHWA AC with payback in 2019.

Indefinite Delivery Indefinite Quantity Project (IDIQ)

Indefinite Delivery/Indefinite Quantity (IDIQ) is a contracting process for the Department. The IDIQ contracting method establishes a minimum guaranteed and maximum contract amount. Costs of specific items/services are identified in the contract; however, the quantity of such items/services as well as the timing in which the work will occur are not specified. Task orders will be added to the contract as funds and needs warrant. In addition, IDIQ contracts cannot span across multiple Districts.

Funding for IDIQ Project

All IDIQ projects should be included in the STIP for tracking purposes. At this time, only state trunk highway funds should be used to fund IDIQ projects; federal funds should not be used on IDIQ projects. All IDIQ projects should be entered into PPMS using the standard PPMS procedures.

IDIQ Project in the STIP

- Project Descriptions: IDIQ projects should be smart coded in the STIP and should include the project description, minimum and maximum amount of the contract, and expiration date of the contract.
 - Example: ****IDIQ** DISTRICTWIDE SEALCOAT, IDIQ MINIMUM \$500,000, MAXIMUM \$1M, CONTRACT EXPIRATION DATE: JUNE 2016**
- Project Financing: Only state trunk highway funds may be used for IDIQ projects at this time. The minimum contract amount should be included in the STIP.
- The Budget Tracking form takes place of the PPMS change form (on IDIQ projects only).

STIP – 1 line	TH\$
XXXX-XX	500,000

If a District plans to use Operations budget authority, the Operations budget authority must be transferred into the District's SRC budget prior to adding the project to the STIP. For more information about the program contact Brad Cornelius at 651-366-3904.

In-Kind Match for Federal Project

FHWA allows for the matching of federal funds with right-of-way on all projects and for the use of In-Kind match on all federal projects. Districts are responsible to document all In-Kind matches and are required to request FHWA approval prior to project authorization.

The right-of-way used for match should be right-of-way either purchased or donated specifically for the project. Right-of-way purchased at an earlier time to do other work or the initial construction of the route should not be used as match. In-Kind match on federal projects must be something that has a tangible cost, such as railroad ties or wires necessary to run a historic streetcar. The following are some examples of In-Kind matches under federal law:

- Donated funds are treated at cash value.
- Donated materials are treated at fair market value as determined locally within the State.
- Donated services are treated at fair market value as determined locally within the State. A State's labor department should have a schedule of the cost of services within the State, perhaps by region within the State. These rates may vary within a State.

Donated land or right-of-way is appraised at fair market value. The following examples assume 80/20 participation. In Example A and B, no local or state match is required as 80% is equal to or greater than the total project cost. Federal funds used would be \$100,000. Example C illustrates that a local or state match would be required as 80% is less than the contract amount. Federal funds used would equal \$96,000 requiring a match of \$4,000.

In-Kind Match Example for Federal Project			
	Project A	Project B	Project C
Contract Cost	\$100,000	\$100,000	\$100,000
ROW or In-Kind Match	\$25,000	\$40,000	\$20,000
Total Project Cost	\$125,000	\$140,000	\$120,000
Federal Share 80% of Total Project Cost	\$100,000	\$112,000	\$96,000
Additional ATP or Local responsibility	\$0	\$0	\$4,000

For additional information, go to:

http://www.fhwa.dot.gov/legsregs/directives/policy/fedaid_guidance_nfmr.pdf

Maximizing Federal Funds

State projects using Federal Funds should be shown in the STIP with the maximum amount of federal/state split, typically 80/20 or 90/10. Some projects including projects using bonds may result in a project not meeting the maximum split. The Districts should contact OTSM if they want to include a state projects with federal funds when the federal funds are not maximized.

NOTE: Additional funds received by MnDOT through legislation is always possible (e.g., the \$95 M received in FY2014). Additional guidance will accompany any additional fund distribution to clearly state how to address maximizing federal funds.

Multiple District/ATP Project

At times, multiple district/ATP involvements are required to design and/or fund a single construction project. This is when the project starts in one district/ATP going across its border and ends within another district/ATP.

To help identify multiple district/ATP projects in the STIP, the descriptions must include the “design” district and the total amount funded by each of the ATPs. Please refer to Figure 4B of Template Guidance Part II for the multiple District/ATP description format.

Multiple District/ATP projects where the work is being done on one control section requires two SPs. One SP is assigned by the district doing the design work, XXXX-XX, and the other SP will be the same except adding the letter M extension at the end, XXXX-XXM (M stands for multiple districts). The district who designs the project is the owner of SP XXXX-XX (without M) regardless what the funding split will be. The district that does not design the project, but may partially/fully fund the project will acquire SP XXXX-XXM.

Project with work being done on two different control sections, where one control section is located in one district/ATP and the other control section is in the other district/ATP, requires two different SPs each assigned by their own District.

Multiple District/ATP Project Types

- Project with the same SPs, designed by one ATP, and funded by another ATP
- Project with the same SPs, designed by one ATP, and funded by both ATPs
- Project with different SPs, designed by one ATP, and funded by both ATPs
- Project with different SPs, designed and funded by both ATPs

Multiple District Project funding in STIP

Project with the same SP, designed by one ATP, and funded by another ATP:

- Designed by ATP 2
- Funded by ATP 1

STIP – 2 lines	ATP	District	FHWA \$	TH \$
5555-55	2	2	0	0
5555-55M	1	1	800,000	200,000

Project with the same SP, designed by one ATP, and funded by both ATPs:

- Designed by ATP 1
- Funded by ATPs 1 and 3

STIP – 2 lines	ATP	District	FHWA \$	TH \$
5555-55	1	1	800,000	270,000
5555-55M	3	3	800,000	200,000

Project with different SPs, designed by one ATP, and funded by both ATPs:

- Designed by ATP 1
- Funded by ATPs 1 and 2

STIP – 2 lines	ATP	District	FHWA\$	TH \$
5555-55	1	1	800,000	200,000
6666-66	2	2	800,000	200,000

Project with different SPs, designed and funded by both ATPs:

- Designed and funded by ATPs 1 & 2

STIP – 2 lines	ATP	District	FHWA \$	TH \$
5555-55	1	1	800,000	200,000
6666-66	2	2	800,000	200,000

Greater Minnesota Noise Barriers Program

MnDOT's Noise Policy allows communities outside of the metropolitan area to become eligible for federal and/or state funded Noise Barrier Projects. MnDOT Office of Environmental Stewardship (OES) will assist the Districts in conducting preliminary noise analysis and develop a solicitation and scoring system based on needs, cost effectiveness and noise level. The first solicitation will take place approximately between February and March 2015.

On November 18, 2014, TPIC approved \$800,000 of District C state funds for the Greater Minnesota Noise Barriers program in FY2017. Thereafter, projects will be funded under District Risk Management Program. For more information on the program contact Marilyn Larson in OES.

Noise Barrier projects are required to be included in the 2016-2019 STIP. Please refer to "Centrally Funded Programs for 2016-2019 STIP" guidance for coding the STIP.

Program Contact

Below is a list of the different program contacts. Please contact them directly if you have specific questions regarding to the program.

Program	Contact
Advance Construction	Pa Youa Xiong
Americans with Disabilities	Kristie Billiar
Bridge Off System Program	Patti Loken
Corridor Investment Management Strategy (CIMS)	Philip Schaffner
Corridor of Commerce	Patrick Weidemann
Early Let Late Award	Sue Thompson
Flood Mitigation Program	Brian Gage
Highway Safety Improvement Program	Sue Groth
High Priority Project	Patti Elness
Historic Bridges	Kristen Zschomler
Indefinite Delivery Indefinite Quantity	Brad Cornelius
Local Government Advance and Payback	Pa Youa Xiong
Major Regional and Community Improvement Priorities	Brian Gage
Noise Barriers Program	Marilyn Larson
Rail Grade Crossing	Amy Johnson/Paul Delarosa
Safe Route to School Infrastructure	Mao Yang
Safe Route to School Non-Infrastructure	Nicole Campbell
Section 164 HSIP Project	Brad Estochen
Scenic Byway Program	Holly Slagle
Transportation Alternatives	Chris Berrens/Katey Caskey
Transportation, Community, System Preservation Program	John Lindemer
Transportation Economic Development (TED)	Patrick Weidemann
Transportation Revolving Loan Fund	Pa Youa Xiong
Other Bond Programs	Ed Idzorek, Sue Thompson

Rail Grade Crossing Safety Project

The prioritized statewide list of rail grade crossing safety improvement projects is developed by MnDOT's Office of Freight and Commercial Vehicle Operations based on the following criteria:

- Ranking the relative hazards of public grade crossings in the state by utilizing a multi-faceted hazard index formula
- Soliciting local road authorities, counties and railroads for proposed projects
- Conducting on-site diagnostic inspections of conditions at the crossings

For clarification, Rail Highway Safety projects are funded with their own Railway-Highway Crossing apportionments. They are not part of Highway Safety Improvement Program (HSIP) funds. All selected projects are required to be included in the STIP and are 100 percent federally funded.

Section 164 Sanction HSIP Project

MAP-21 includes specific provisions related to the 23 United States Codes Section 154 and Section 164, also referred to as Repeat Offender laws. States are encouraged to enact these laws meeting the minimum Federal standards. States that fail to meet the requirements of these provisions are penalized by the reservation of apportioned Federal-aid funds.

MnDOT estimates to receive approximately \$6.9 million per year of Section 164 federal funds to conduct Highways Safety Improvement Program eligible activities with no match required. MnDOT Office of Traffic Safety and Technology (OTST) solicits and manages the program statewide. Section 164 HSIP projects are required to be included in the STIP. Please refer to "Centrally Managed Program" guidance for how to show them in the ATIP.

Section 164 Sanction funds are not made available to Minnesota at the same time as other federal funds, therefore these projects should not be scheduled for letting until the third and fourth quarters of the SFY. Generally 40% of the projects should be let in the third quarter and 60% should be let in the fourth quarter of the SFY.

Shared Construction – MnDOT Let Project

Shared Construction is the local work that is being done as part of a MnDOT let project. MnDOT is responsible and pays for the entire project and the local agency reimburses MnDOT the local share or the local match if federally funded, through “Shared Receipts”. Shared Receipts and/or local federal shares are credited to the District’s Budget when received. The tables below reflect all local shares in T790129 Appropriation as the local receipts will off-set expenditures.

Shared Construction projects utilizing state aid funds, local federal funds, or non-TH bond funds will require a State Aid project number, XXX-XXX-XXX (assigned by MnDOT State Aid Office).

With Shared Construction, the State Aid project number is most often **associated** to the MnDOT project number. MnDOT project number is called **Prime SP** and State Aid project number is called **Non-Prime SP** (See tables below). Prime SP required to be shown in the STIP and Non-Prime SP is not required to be shown in the STIP unless local federal funds are used.

Shared Construction Types

- MnDOT project with MnDOT TH funds and local funds (local or State Aid)
- MnDOT project with MnDOT federal, and local funds (local or State Aid)
- MnDOT project with MnDOT federal and local federal funds
- MnDOT project with MnDOT federal where the locals contributing match to MnDOT federal funds (must have prior approval from Maryanne Kelly-Sonnek).

Shared Construction in the STIP

MnDOT project with MnDOT TH funds and local funds (Local or State Aid)

1 line	TH\$	Other \$
1111-11	80,000	20,000

MnDOT project with MnDOT federal and local funds (local or State Aid)

1 line	FHWA \$	TH\$	Other \$
1111-11	800,000	200,000	20,000

MnDOT project with MnDOT federal and local federal funds

2 lines	FHWA \$	TH\$	Other \$
1111-11	800,000	200,000	
222-222-222*	400,000		100,000 + \$\$\$

* If State Aid SP is unknown at the time of developing the STIP, use 1111-11L. With new process in place, a modification is required to change 1111-11L to the real State Aid SP once identified and the 2 SPs must be adjacent to one another.

State Road Construction (SRC) Eligibility

Projects that are eligible to use State Road Construction (SRC) budget are projects with:

“...actual construction, reconstruction, and improvement of trunk highways, including design-build contracts and consultant usage to support these activities. This includes the cost of actual payment to landowners for lands acquired for highway right-of-way, payment to lessees, interest subsidies, and relocation expenses.”

Planning studies are not eligible for funding through the SRC budget. Even though they are federally eligible for federal non-target funds, the projects cannot be encumbered using the SRC budget. A planning study is defined as a study that is done before the NEPA process is completed. In addition, research projects cannot be funded with target federal formula funds and are not eligible for funding through the SRC. Additionally, On the Job Training (OJT) may receive special federal funding, but is also not eligible to use SRC budget. Federal funds being used that are not eligible for SRC budget will need a request to use budget from the 3000 Fund. Please contact Pa Youa Xiong (651.366.8781) on questions concerning SRC eligibility or the 3000 Fund.

Tied Project

For cost saving purposes, individual projects with their own construction plans being let together on the same letting date and under one letting contract are called tied projects. All tied projects (prime SP) are required to be shown in the STIP as separate projects and the description should list all the tied SP(s).

- Example: *MN 61, NB FROM HOMESTEAD RD TO SOUTH END BR# 9341 AT KNIFE RIVER, CPR WORK. (TIED TO 6933-92 & 6980-59)*

Transportation Economic Development (TED) Program

The Transportation Economic Development (TED) Program is a joint effort of the Department of Transportation (DOT) and the Department of Employment and Economic Development (DEED). The program's purpose is to fund construction, reconstruction, and improvement of state and local transportation infrastructure in order to create and preserve jobs, improve the state's economic competitiveness, increase the tax base, accelerate transportation improvements to enhance safety and mobility, and promote partnerships with the private sector.

To date, DOT and DEED has awarded \$27 million in FY 2012 (**TED12**) and \$15.7 million in FY 2014 (**TED14**) for the TED Program. An additional \$25 million (**TED16**) will be available for the program in the next TED solicitation which will take place in the spring 2015.

TED projects are required to be included and smart coded in the 2016-2019 STIP. Please refer to “Centrally Funded Programs for 2016-2019 STIP” guidance for coding the STIP. For more information about the program go to: <http://www.dot.state.mn.us/funding/ted.html>.