FHWA ER Workshop

MnDOT Emergency Management and State Aid

February 19, 2020

mndot.gov
## Agenda

<table>
<thead>
<tr>
<th>Time</th>
<th>Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>8:30</td>
<td>Opening – welcome, housekeeping</td>
</tr>
<tr>
<td>8:45-9:30</td>
<td>FHWA ER Overview – William Lohr</td>
</tr>
<tr>
<td>9:30-10:15</td>
<td>Environmental Process: Panel – Christopher Smith, Maggie Jones, Debra Moynihan</td>
</tr>
<tr>
<td>10:15-10:30</td>
<td>Break</td>
</tr>
<tr>
<td>10:30-11:15</td>
<td>Financial Expectations: Panel – Alycia Cenci, Joyce Garcia, Cindy Degener</td>
</tr>
<tr>
<td>11:15-11:45</td>
<td>Case Study – Valerie Svensson</td>
</tr>
<tr>
<td>11:45-12:00</td>
<td>Wrap Up</td>
</tr>
</tbody>
</table>
Federal Highway Administration
Emergency Relief Program

February 19th, 2020
Emergency Relief Program

- Terms Under the 2018 Programmatic Agreement
- What Has Not Changed
- What Has Changed
- Examples of Work (Both Eligible and Ineligible)
Terms Under the New Agreement

• MnDOT Organizational Chart for Emergency Relief Program
  o Who can sign Detailed Damage Inspection Report’s (DDIR’s)
  o Who can give verbal approval to commence permanent repairs (concurrent with emergency restoration)

• Training Plan (Delivery, Methods)
• Quick Release $ Expended in FFY Authorized
What Has Not Changed

- ER Event Eligibility Still Requires $700K Min.
- ER Site Damage Eligibility (Min. $5K inc Debris)
- MnDOT and FHWA Preference for Quick Release
  - Emergency (100% Pro Rata)
  - Permanent (80% Pro Rata)
What Has Not Changed (Cont.)

- The ability to perform Permanent Repairs concurrent with Emergency Restoration
  - Sites Less Than $150K
- No prior approval from FHWA for Emergency Response and Emergency Restoration
What Has Changed

• New Use of Electronic Platform for Detailed Damage Inspection Reports (DDIR’s)
  o Mobile Solution for Assessment and Reporting (MSAR)
• FHWA Site Visit Request Form (TPCE > $150K)
• New Documentation of Contracting Processes
• FHWA Must Review and Approve All DDIR’s
What Has Changed (Cont.)

- DDIR’s Must be Submitted within 12 Weeks of Event Date
  - Eligibility of Site is at Risk
- 20% Increase in Estimate Requires Resubmittal of DDIR
- Debris Removal is Included in DDIR but Needs to Follow Guidance on Eligibility
Criteria for Permanent Repairs Performed Concurrently with Emergency Repairs

- No Improvements (Current design standard for roadway is allowed)
- 180 Day Window to Complete Work
- No Right of Way Needed to Complete Work
- Public Interest Finding Needed
  - State Forces
  - Non-competitive contract
  - Trunk Highway Can Not Use Negotiated Maintenance Contracts (NMC’s)
Highlights

• All permanent repairs require National Environmental Policy Act (NEPA) clearance.  
  NO EXCEPTIONS!

• All permanent work will be reimbursed at normal pro-rata share (80/20)
• Eligibility of Permanent Work Concurrent with Emergency Restoration
  o Requires Preclearance of Three Elements
    ▪ Section 106 (historic impacts)
    ▪ Section 7 (Endangered Species Act)
    ▪ Army Corps (water impacts consultation and clearance)
• GAO Report 20-32, October 2019

• Review of 2017 Hurricanes
  o Texas, Florida, Puerto Rico
  o In Excess of $1 Billion in Highway Emergency Relief
  o Critical of FHWA Oversight of States
  o Greater Documentation Needed for Emergency vs. Permanent Work
We identified a number of cases in which FHWA did not document decisions to classify emergency relief projects as emergency repairs (those necessary to restore essential traffic, undertaken during or immediately after a disaster and generally accomplished within 180 days) as opposed to permanent repairs (those undertaken to restore a facility to pre-disaster conditions). Specifically, 22 out of 25 emergency repair project we reviewed—which account for approximately $50 million in emergency relief funds—did not include a documented justification for classifying repairs as an emergency repair instead of a permanent repair. In addition, out of approximately 1,200 eligible projects in Puerto Rico, FHWA officials reported undertaking 34 more than 180 days after the hurricanes and continuing to classify them as emergency repairs without documenting the basis for doing so.
FHWA Order 5182.1

- Increased Oversight of Emergency Relief Program

- FHWA Review and Approval of All Detailed Damage Inspection Reports (DDIR’s), and cost changes of > 20%
Why New FHWA Policy?

- Internal and External Reviews Cite Lack of FHWA Oversight
  - Eligibility Determinations
  - Variabilities in Classifying Work (Permanent vs. Emergency)
  - Scope Creep
  - Delays in Disaster Assessments
Why New FHWA Policy?

• Internal and External Reviews Cite Lack of FHWA Oversight
  - Delays in Submitting Emergency Relief Funding Applications
  - Project Close-Out
Date: February 10, 2020

Subject: INFORMATION: Audit Announcement | DOT Emergency Relief Funding | Project No. 20F3010F000
Department of Transportation

From: Louis C. King
Assistant Inspector General for Financial and Information Technology Audits

To: Assistant Secretary for Budget and Programs/Chief Financial Officer
During 2017 and 2018, major natural disasters seriously affected the national transportation infrastructure. Hurricanes in 2017—Harvey, Maria, and Irma—were three of the five costliest hurricanes on record to hit the U.S., with damages totaling about $265 billion.

The Department of Transportation (DOT) and its operating administrations (OA) provide emergency aid through the Federal Highway Administration’s (FHWA) and the Federal Transit Administration’s (FTA) public transportation emergency relief (ER) programs. To aid recovery efforts during 2018 and 2019, Congress enacted two supplemental appropriations for FHWA and FTA ER programs totaling over $3 billion and $340 million, respectively.

Due to the size of this investment and the speed required for disaster and related emergency relief, we are initiating an audit of DOT’s emergency relief funding. Our audit objective will be to assess DOT’s controls over the use of its emergency relief program funds, to include DOT’s controls over the distribution of appropriated funds under Public Laws 115-123, and 116-20.
Permanent Repair Eligible Site
Examples of Projects Processed as 100% Emergency Repairs (Should Be 80/20)
Heavy Maintenance - Ineligible
Pre-Existing Conditions - Ineligible
Proactive Measures to Prevent Damage are Ineligible for Emergency Relief $
May be Eligible for Permanent Repairs
Jay Cooke State Park – Closed for 4 years
Jay Cooke State Park – Closed for 4 years

Questions ?
Comments !
Environmental Process: Panel

Christopher Smith (Wildlife Ecologist), Maggie Jones (Historian), Debra Moynihan (Environmental Review Specialist)
What Do I Need for Environmental Review?
It depends on which category that the work falls into...

- Emergency Restoration
- PRCER
- Permanent Repair
Emergency Restoration

• **What does my environmental document look like?**
  - The signed DDIR is the NEPA Document
  - Complete the ESA Complete Consultation Package Form
    - It is important to review this form early to make sure that you will have the information and documentation necessary to complete the form
Permanent Repair Concurrent with Emergency Restoration (PRCER)

- Do the Emergency Restoration Work
- Verify the site meets the 5 criteria
- Get your three clearances
  - Prep any special provisions
- **Obtain approval from the ADE/DSAE Approval to transition to permanent repair work**
- Do permanent Repair Work
- Do the NEPA Document
PRCER – Required Clearances

• Environmental clearances are required before requesting approval to transition from Emergency Restoration to Permanent Repair work
  ➢ Section 106
  ➢ Any necessary Corps permits (404, 10, 408)
  ➢ Endangered Species Act (ESA)

3 CLEARANCES ≠ NEPA DOCUMENT
Endangered Species Act – Section 7

- Projects with federal reimbursements, authorizations, permits, etc.
- Separate ESA-specific Programmatic Agreement between FHWA and USFWS
- Addresses when & how ESA Section 7 consultations will be handled
- For two of the three project categories, reduces the number of species required to be considered from 19 to 2 (max)
- Establishes a predefined set of ESA Required Project Components and ESA Recommended Project Components for each category of project
Endangered Species Act – Section 7

- **Emergency Restoration** – Review occurs after-the-fact
- **PRCER** – Review occurs after-the-fact (most situations)
- **Permanent Repair** – Review occurs prior to construction
- All require an ESA Complete Consultation Package (see Handout)
  - Replaces ENM
  - Replaces SALT Review Request
- All require special provisions and/or other documents demonstrating the associated required project components were included
  - Districts / Counties see MnDOT boiler plate Special Provisions. Required Project Components are required in order to qualify for streamlining and federal reimbursement.
• Required and Recommended Project Components

• Include proof of use (contract provisions, quantities used, photos, etc.)

• If not followed, could jeopardize your eligibility for reimbursement

• See MnDOT boiler plate for provisions
**Endangered Species Act – Section 7**

- **PRCER** – Review occurs after-the-fact (most situations)
  - Requires *Preliminary ESA Clearance* before transitioning into permanent work.
  - Preliminary clearance is obtained by confirming project is outside NLEB township w/ a hibernaculum and following Required Project Components.
  - If within township w/ a hibernaculum, must contact MnDOT Wildlife Ecologist before transitioning to permanent work.
    - Contact should include partially completed Complete Consultation Package (first gray box).

---

**Complete Consultation Package**

**ESA Emergency Relief Program – Federal – Act**

- **Emergency Restoration**
- **Permanent Repair**
- **Concurrent with Emergency Restoration (PRCER)**
- **Permanent Repair**

**Contact:**

Christopher E. Smith  
MnDOT Wildlife Ecologist  
Phone: 612-444-3622  
Email: Christopher.E.Smith@state.mn.us

**Required Information:**

- **Check One:**
  1. Emergency Restoration
  2. Permanent Repair
  3. Concurrent with Emergency Restoration (PRCER)
  4. Permanent Repair

**Project Location:**

1. MnDOT District
2. County
3. Township
4. Section (sectional degrees)
5. Location Map(s)
6. Location Map(s)
7. Location (ID)
8. **TER**

**Note:** PRCER clearance within TEE workshop with a biologist, completing the service only if project involves MnDOT PRCER, ESA Emergency, or NLEB, while notifying the MnDOT Wildlife Ecologist. This consultation should be conducted as part of obtaining preliminary ESA clearance before transitioning to the Permanent Repair process of the PRCER project.

**Emergency Description:**

1. **Name:**
2. **Detailed Damage Inspection Report (DDER):**
3. **Photos**

**Justification for Expedited Consultation Timeline:**

1. **Number:**
2. **Project Completion:**
   - Less than 90 Days
   - 90-180 Days
   - Greater than 180 Days

**Project Description:**

1. **Project:**
   2. Agency Contact:
   3. **Narrative (Optional):**
      - **Function:**
      - **Scope:**
      - **Planning:**
      - **Schedule:**
      - **Cost:**
      - **Goals:**

**Approval:**

[Signature]

[Date]
Endangered Species Act – Section 7

- Fill out the complete consultation package to the best of your ability.
- Note: Some fields do not apply to local projects. Skip these.
- Please send photos (before/after) if available.
- Please send GIS files (ArcGIS, Google Earth) if available.
- Send high priority and/or with subject line stating emergency review, etc.
- Call if you do not receive a response within a few days.
Section 106: Cultural Resources

• Projects with federal funding must comply with Section 106 of the National Historic Preservation Act before the project can be approved.

• Section 106 requires agencies to consider the effect of projects on historic properties.

• Historic properties can include buildings, districts, objects, bridges, parks, archaeological sites, and others.
• MnDOT Cultural Resources Unit (CRU) conducts Section 106 reviews.

• CRU reviews for historic properties, archaeological sites, cemeteries, and burials.

• CRU consults with Native American tribes and bands.

Tuberculosis (TB) burial discovered in homeowners yard.
Section 106: Cultural Resources

• Submit an Early Notification Memo (ENM) or Cultural Resources Review Request Form to CulturalResources.dot@state.mn.us with “Emergency Relief Funding” in the subject line.

• What does CRU Need?
  • Maps - Showing location
  • Completed form - Project description and methods
  • Photos - Showing project area
The NEPA document essentially will be the same except for:

- It’s done after the fact
- Environmental commitments list is used to demonstrate:
  - The commitments that came out of the three clearances process
  - You got your clearances before transitioning to any Permanent Repair at location
  - You implemented any commitments coming from the three clearances
• Follow the Document Decision Tree to determine class of action

• Follow the Attachment B Checklist to determine PCE or Non-PCE
  • Choose the appropriate citation

• Complete Final ESA Requirements
  • Complete the ESA Complete Consultation Package Form
For MNDOT Staff:
  • Work with the District Environmental Coordinator
  • Attach the PRCER Attachment to the environmental document
  • Send an Early Notification Memo

For Local Governments:
  • Work with MnDOT’s State Aid for Local Transportation (SALT) Office
  • Use the SA1-ER form
What does my environmental document look like?

**Follow the normal process...it just happens faster**

- Follow the [Environmental Document Decision Tree](#) to determine class of action and complete the regular NEPA process.
Can I cite c(9) for my Categorical Exclusion?

The “other” criteria:
- It’s an Emergency Relief program project
- Transportation facility in operation or under construction at time of event
- Entire scope of work (temporary and permanent) within pre-event ROW
- Substantially conforms to the preexisting facility
- Fiscal authorization within 2 years of ER Event start
- No federal actions of other agencies that would trigger a different NEPA class of action for those other federal agencies

See full flowchart on HPDP or Emergency Management web site for detailed information, including definition of “substantially conforms.”
Thank you!

MnDOT Environmental Contacts:

Environmental Review: Debra Moynihan, Environmental Review Specialist
Endangered Species Act: Chris Smith, Wildlife Ecologist
Cultural Resources Unit- Maggie Jones, Historian
State-Aid: Bill Meinholz, Senior Engineer
Break
Financial Expectations: Panel

Joyce Garcia (Emergency Relief Accountant), Cindy Degener (State Aid Finance Supervisor), Alycia Cenci (Federal Programs Specialist)
EMERGENCY RELIEF

Project Authorization
GENERAL REQUIREMENTS

- All DDIR’s must be submitted to FHWA within 12 weeks from the start of the event or the site will not be eligible for Emergency Relief (ER) funds.

- Must obtain fiscal authorization of the project within 2 years.

- Site must be greater than $5,000 to be eligible for ER reimbursement.

- Functional classification of a roadway must be major collector or higher.

- PE, CE & ROW **must** be documented on the DDIR in order to be eligible for ER reimbursement.
  - All engineering & ROW costs will be reimbursed at the permanent repair rate.

- DDIR’s will need to be amended if the cost estimate increases by more than 20% from the initial estimate.

- All projects need to be programmed in CHIMES with the DDIR uploaded.

- Minimum of 1 project SP for each **type of repair** per site.
  - Example: A site with both emergency restoration & permanent repair costs require a minimum of 2 SP’s.
*** It’s extremely important to clearly identifying emergency vs permanent repairs on the DDIR as this determines how to proceed with fiscal authorization & reimbursement ***

Emergency Restoration

- To restore essential traffic
- To minimize the extent of damage
- To protect the remaining facilities

Permanent Repairs

- any work going beyond the three objectives of Emergency Restoration

Permanent Repairs Concurrent with Emergency Restoration (PRCER)

- Permanent repairs that are done simultaneously with emergency repairs for sites less than $150,000
Emergency Restoration

- Eligible repairs reimbursed at 100%
  - Repairs must be completed within 180 days (repairs after 180 days will be considered permanent)

Permanent Repairs

- Eligible repairs reimbursed at 80%
  - Up to 100% for Indian Reservation Roads
  - Up to 90% for Interstate Highways

Permanent Repairs Concurrent with Emergency Restoration (PRCER)

- Eligible emergency restoration reimbursed at 100%
- Eligible permanent repairs reimbursed at 80% (possible for 100% or 90% based on classification of the roadway as noted above)
EMERGENCY RESTORATION

• Eligibility
  • Prior approval from FHWA not required (repairs can begin immediately prior to authorization)
  • Repairs must be completed within 180 days after the event start date
  • Environmental documentation not required (considered Categorical Exclusion 23 CFR 771.117(c)(9))
  • Must obtain fiscal authorization within 2 years from the event start date
  • Project required to be programmed in CHIMES (but not in the STIP)- with DDIR uploaded
Requesting Fiscal Authorization

- State Aid
  - Authorizations are requested from the State-Aid Office

- MnDOT/Trunk Hwy
  - District CHIMES coordinator (or PM) needs to request [authorization via email](mailto:Alycia.Cenci@MnDOT.MN.GOV) from the Federal Authorization Unit (Alycia Cenci)
  - This is because emergency projects are not let via contract and will not go through the Office of Project Management & Technical Support’s Project Delivery Unit as contracted projects normally would

Required Documentation

- Completed & approved DDIR (uploaded into CHIMES)
- Inspection Report (if all work has been completed prior to authorization)
- Project Cost Detail Report (MnDOT/TH projects)
PERMANENT REPAIRS (not concurrent with emergency)

• Fiscal authorization must occur prior to beginning any permanent repairs

Eligibility

• NEPA must be completed prior to authorization
  • PE may be authorized in advance of construction (prior to completion of NEPA)

• Must obtain fiscal authorization within 2 years from the event start date

• Project required to be programmed in CHIMES (not STIP) – with DDIR uploaded

• PE, CE & ROW must be documented on the DDIR in order to be eligible for ER reimbursement
Requesting Fiscal Authorization

• State Aid
  • Authorizations are requested from the State-Aid Office

• MnDOT/Trunk Hwy
  • Let via contract
    • Authorization follows normal construction process – project submittal submitted to CO for review. Project Delivery Unit will then submit the authorization request
  • Authorize PE in advance of construction
    • District CHIMES coordinator (or PM) needs to request authorization (via email) from the Federal Authorization Unit (Alycia Cenci)

Required Documentation

• Completed & approved DDIR (uploaded into CHIMES)
PERMANENT REPAIRS CONCURRENT WITH EMERGENCY RESTORATION

• **Eligibility**

  • Estimated cost of site can be **no greater** than $150,000

  • Prior approval from FHWA not required (emergency restoration repairs can begin immediately prior to authorization)

  • Prior approval from the ADE or DSAE is required prior to beginning any permanent repairs
    - Must have the following environmental clearances obtained **prior to beginning any permanent repairs**;
      - Section 106 (Historic Impacts)
      - Section 7 (Endangered Species Act)
      - Any necessary consultation & clearances with the Army Corps of Engineers

  • Must justify in writing that it is in the public interest to complete the permanent repairs concurrently

  • All proposed work must be within the existing ROW

  • NEPA must be completed prior to authorization

  • Must obtain fiscal authorization within 2 years from the event start date

  • Project required to be programmed in CHIMES (not STIP) – with DDIR uploaded
PERMANENT REPAIRS CONCURRENT WITH EMERGENCY RESTORATION CONT.

Requesting Fiscal Authorization

- State Aid
  - Authorizations are requested from the State-Aid Office
- MnDOT/Trunk Hwy
  - Let via contract
    - Authorization follows normal construction process – project submittal submitted to CO for review. Project Delivery Unit will then submit the authorization request
  - Authorize PE in advance of construction
    - District CHIMES coordinator (or PM) needs to request authorization (via email) from the Federal Authorization Unit (Alycia Cenci)

Required Documentation

- Completed & approved DDIR (uploaded into CHIMES)
- Inspection Report (if all work has been completed prior to authorization)
- Project Cost Detail Report (MnDOT/TH projects)
REQUESTING FEDERAL PROJECT NUMBERS

• Federal project numbers may be assigned;
  • Prior to requesting authorization
  • At time authorization is requested

• To request a federal project number
  • Project must be programmed in CHIMES (with DDIR uploaded)
  • Send email to Finance’s Project Authorization Unit (Alycia Cenci)
    • Include the project SP
    • Please include only 1 request per email

Emergency Repairs = 1 federal project number

Permanent Repairs = 1 federal project number

PRCER = 1 federal project number
ER Authorization Contact:

Alycia Cenci

Alycia.Paulus@state.mn.us

(651) 366-3948
An important part of the Emergency Relief (ER) process is the financial end. At the time the work is being performed, it is typically not known if the work will be eligible for federal funds.

Without proper records for the work completed, reimbursement from FHWA or FEMA cannot occur. Finance must be able to identify a transaction in SWIFT in order to bill the federal government.

Joyce Garcia - Emergency Relief Accountant
Office of Financial Management
February 19, 2020
Why Are TER Project IDs Used?

TER project IDs are created for emergency relief work

- These projects have emergency relief activity type which reflects the scope of work.
- Overhead rates are applied by activity type.
- Using project IDs other than TER will not accurately reflect allowable costs.
- Emergency work that is not coded to TER project IDs will not receive federal reimbursement.

Permanent work

When permanent work begins there is typically a construction contracting method used and the Finance Office creates project IDs for contract payments and construction engineering if applicable.

If preliminary engineering work is required, the district will create a project ID for MnDOT payroll and equipment usage. Professional technical contracts follow the normal procurement process.
TER Project IDs

The following format is recommended when creating a project ID: TER07155

- TER = first three characters (required)
- Control section = next four characters 0715
- Last digit = consecutive number identifying each damage point on the control section 5

A project ID must provide this information:

- Beginning and ending mile points
- District
- Funding District
- Responsible Dept. ID

A look-up report is available on the Finance Web Reports page
A to Z>Financial Reports>Look-Up>Project Information

- Select the Look-Up tab
- Project Information report
- Enter the District/Office and TER
Commonly Used Source Type Codes

Always use the source type code that reflects the work being done.

Debris Removal and Protective Measures
• 2120 Roadway Sweeping
• 2202 Ditches/Slopes/Pond Clean
• 2208 Drain Structure Clean
• 2214 Debris Clearance
• 2316 Brush & Tree Removal
• 2143 Construction Zone Detour Signing
• 2216 Emergency Protective Measures
• 2807 Traffic Control

Damage Assessment and Repair
• 1018 Photogrammetric Base Map
• 1800 Field Inspection
• 2104 Bituminous Paving
• 2116 Restore Gravel Shoulder
• 2218 Repair Bituminous Shoulder
• 2210 Guardrail Install/Repair
• 2222 Sign Maintenance
• 2825 Bridge Scour Monitoring
• 2834 Waterway/Culvert Maintenance

A complete list of ER source type codes is available on the Financial Management Emergency Relief web page.
A to Z >Financial Management>Financial Operations>Program Accounting>Emergency Relief - Resources
Contracting

- Construction contracts that use the Emergency Order process are eventually added to AASHTOWare. These will be encumbered and paid by the Finance Office. The Office of Construction and Innovative Contacting do not allow payments to be made until after the contract is executed, so it is not necessary to use a TER project ID for a construction contract.

- Competitive bid contracts follow the normal procurement procedures and are encumbered by the Finance Office. All contract and construction engineering costs should be coded to the Project IDs set up by the Finance Office, a TER project ID is not necessary for construction.

- Negotiated Maintenance Contracts or Negotiated Contracts are not eligible for FHWA reimbursement.

If the work is done at multiple damage sites, multiple categories/elements are required to properly track the costs.
FHWA requires the same documents for standard federal project files AND for emergency projects as well. They include:

• Complete construction contract final packages for either MnDOT or local let contracts

• Audit certs on any agreements

• Purchase orders are printed and kept in the project file. Finance relies on the TER project ID identified on the DDIR to find these transactions.

Additional emergency relief documents required at project authorization:

• For emergency work done outside of a normal construction contract, it is still necessary to have a completed construction inspection form. This document is required at the time of project authorization.

• A completed DDIR is also required for project authorization. TER Project IDs must be identified on the DDIR and a Project Cost Detail report is required to identify costs incurred for emergency work.
MnDOT has an Emergency Relief Account in the Trunk Highway Fund for reimbursing districts for FHWA Emergency Relief Projects.

- The account has $5 million appropriated.
- This $5 million remains available for cash flow as long as the expenses are offset with receipts.

After federal authorization, finance reviews the actual costs coded and moves eligible costs to the revolving fund account.

- For emergency repair work, the costs must have been incurred within 180 days of the official emergency declared event date.
- Journal vouchers credit budgets for FHWA eligible costs.
Finance:

- Finance reviews and verifies that the required documents were submitted.
- Documents the project’s costs on the FHWA Final Voucher form.
- Requests project closeout with FHWA.
Resources

Finance Web Reports
A to Z>Financial Reports
- >Look-up>Project Information Report – to find a list of TER project IDs by district
- >Projects>Project Cost Detail Report – to identify project costs

Finance Office ER Guidance
A to Z>Financial Management>Financial Operations>Program Accounting>Emergency Relief
- ER Project Authorization
- Project IDs
- Resources
- Contacts
Assistance

• DDIRs – Erin Meier
• Project Authorization – Alycia Cenci
• Project Cost Reports – Joyce Garcia
• Source Type Codes – Joyce Garcia
• TER project IDs – Joyce Garcia
Financial Requirements for Local Agencies

• Cindy Degener
• State Aid Finance Supervisor
• 2/19/2020
Damage Sites

• Costs at each damage site needs to be tracked separately
  • Using a different SP number
  • Costs for similar work at damage sites less than ½ mile apart can be grouped together

• Local agency submits the DDIR to the DSAE
  • DSAE assigns a SP number and forwards to Emergency Management & SALT
  • No funds are available until DDIR is approved by DSAE and FHWA and the project is federally authorized
Cost Accounting Requirements

• Make sure to set up cost accounts for the following if they are not already set up in your cost accounting system. Examples:
  • Debris Removal
  • Barricading
  • Flagging
  • Signing
  • Sand Bagging

• Track your administrative costs. They are not eligible for FHWA ER but they may be eligible for FEMA if applicable.
Reimbursement

• To help the accountant prepare for tracking the disaster expenditures view the Disaster Guidelines for Highway Accountants on State Aid Finance’s website.

• Excel worksheets used by accountants in prior disasters
  • [http://www.dot.state.mn.us/safinance/disaster.html](http://www.dot.state.mn.us/safinance/disaster.html)
Federal Emergency Relief Checklist for Local Agencies

This checklist should be used to ensure that adequate documentation is submitted in order to receive reimbursement from FHWA.

http://www.dot.state.mn.us/safinance/disaster/federal-er-checklist.pdf

1. **Completed Signed DDIR** that will show a fairly detailed and understandable list of costs by type and amount. Include agreement and contract numbers if available at time of DDIR completion. A copy is always included with the Authorization Packet.

______ **Completed DDIR** using DDIR Guidelines
1. **Costs Report Provided by Locals** – There is not a standardized report, these are the requirements:

- **Detailed analysis of Labor and Equipment Costs**
  a) Employee Classification
  b) Hourly wage rate
  c) Compensation/benefits
  d) Dates worked
  e) Equipment used
  f) Equipment rate
  g) Description of work per line

- **Purchases**
  a) Vendor
  b) Services provided
  c) Copies of invoices paid

- **Materials from Stock/Inventory** – copy of inventory withdrawal slips

- Documentation must be easy to understand with a summary, subtotals and total, which matches Claim to State Aid. If created in Excel send the workbook.
3. **Debris Statement** – If there was a Presidential Declaration – a statement is required on each payment request that states:

______ County was included in the Presidential Declaration; reimbursement for debris removal is covered by FEMA. There was no debris removal (to include trees, tree limbs, other woody material, sand, mud, silt, gravel and rocks, etc.) included in this emergency repair project that we are asking for federal reimbursement of funds from FHWA.

Signed ______________________.

4. **Inspection Report** – Send with DDIR or as soon as the project is complete.

______ If the emergency restoration work is completed when the DDIR is filled out and the project is being authorized, fill out the Inspection Report available on SALT’s Plan Delivery website and submit with the authorization. If the project is not complete at authorization, as soon as project is complete the Inspection Report should be sent to william.meinholz@state.mn.us.
Key Points for Obtaining Federal Emergency Relief Reimbursement

1. Costs cannot be before the event ER Declaration Date.

2. To be eligible for 100% reimbursement, emergency costs must be completed within 180 days of the event. Permanent repair is authorized at 80%.

3. Expenses billed must match the type of costs detailed on the DDIR. The dollar amount doesn’t need to be exactly the same, but increases over 20% must have a revised DDIR approved by FHWA.

4. Do not label account codes as FEMA as it will be questioned if seeking FHWA ER reimbursement. Coding must be for the actual type of work being performed.

5. Cannot bill for debris if county is included in a Presidential Declaration as this would be reimbursed by FEMA.

6. Administrative salary costs are not eligible for FHWA reimbursement.
Payment Request Process

- **Emergency Restoration or Permanent Repair Concurrent with Emergency**
  - Send an invoice with supporting documentation to the DSAE
  - Follow the payment flow chart (on next slide)

- **Permanent Repair of Preliminary Engineering (PE), Construction Engineering (CE), Right of Way (ROW), or Force Account Agreements (FA)** follow the normal State Aid Agreement process to execute an agreement

  Sample agreement documents may be found here
  [http://www.dot.state.mn.us/stateaid/agreements-info.html](http://www.dot.state.mn.us/stateaid/agreements-info.html)

  After the agreement has been executed and expenses incurred send in a payment request by following the agency agreement payment flow chart (on next slide).

Agency Agreement Payment Requests & Emergency Restoration Work
(Federal funds for FA, ROW, PE, CE, etc – also includes ER agreements)
Payment Request Process
Permanent Repair for Delegated Contract Process (DCP)

• Follow the DCP Checklist
  http://www.dot.state.mn.us/stateaid/projectdelivery/dcp/dcp-checklist.pdf

• Once expenditures have been incurred start sending in pay requests by following the DCP payment flow chart on next slide.
  http://www.dot.state.mn.us/safinance/payment/dcp-payment-request-flowchart.pdf
DCP (Delegated Contract Process) Payment Requests
(Federal funds and Bonding funds – also includes ER DCP)

Local Agency Completes Pay Request using SAAS Web Reporting – Federal Aid DCP Payment Request

Is this a Final?

Yes

Submit signed request via email with supporting backup documents to DSAE

No

Local Agency submits signed request via email with supporting backup documents to State Aid Finance (vacant - Mohamed Farah) - Check with your DSAE to see if they want a copy

DSAE approves, signs & forwards to State Aid (Mark Charner)

State Aid goes through checklists, signs & forwards to State Aid Finance (vacant - Mohamed Farah)

Is the documentation correct?

Yes

State Aid Finance sends email to Local Agency and/or DSAE to make corrections or get additional documentation

Local/DSAE provides corrections and/or additional documentation to State Aid Finance – if DSAE’s signature is needed send to them also.

State Aid Finance (vacant - Mohamed Farah) makes payment
Contact Info

State Aid Finance

  Cindy Degener

  cindy.Degener@state.mn.us

  (651) 366-4877

State Aid

  Bill Meinholz

  william.meinholz@state.mn.us

  (651) 366-3832
Processes using Abbreviated Advertisements
Case Study: Post Construction Review
FHWA ER Project in D2
State Funded Repair Project in D7

FHWA ER Workshop
11:15 – 11:45
February 19, 2020
Valerie Svensson
OPMTS – Project Delivery Unit
Process Overview for Federal and State Projects

Federal Project Review
- District 2 SP 3515-19
- Project development – Ray Gust
- FHWA 2019 ER Project Perm Repair
- Estimate - $400,000
- Work scope – bituminous pavement replacement on roadway section washout
- Schedule driver – Beet harvest haul route and timeline for harvest/haul
- No wait for letting date

State Project Review
- District 7 SP 6780-123
- Project development – Matt Young
- Followed FHWA ER Project as State Funded
- Estimate $175,000
- Work Scope – Sediment removal and Culvert cleanout
- Schedule driver – Topeka Shiner window for construction activities
- No wait for letting date
Process Overview for Federal and State Projects

Federal Project Review
- Repair work and process allowed for use of Federal Funds
- Requirements
  - Environmental Document complete
  - ROW clearance complete
  - Public Interest Finding used to justify shortened Ad period (Damaged TH Statute, 23 CFR 635.113(b))
- Timeline from Project turn in to advertisement
  - 4 weeks
    - Ad Period - 1 week, Let August 1
    - Award on August 16

State Project Review
- Repair need included sedimentation buildup for years so not eligible for FHWA funding
- Requirements
  - Environmental Document complete
  - ROW clearance complete
  - Public Interest Finding used to justify shortened Ad period (Damaged TH Statute)
- Timeline from Project turn in to advertisement
  - 3 weeks
    - Ad Period - 1 week, Let Sept 10
    - Award on September 12
Public Interest Findings Used
Federal Project Abbreviated Advertisement

§ 635.112 - Advertising for bids and proposals.

• (a) No work shall be undertaken on any Federal-aid project, nor shall any project be advertised for bids, prior to authorization by the Division Administrator.

• (b) The advertisement and approved plans and specifications shall be available to bidders a minimum of 3 weeks prior to opening of bids except that shorter periods may be approved by the Division Administrator in special cases when justified.

* Note Change in Citation number – Reg Changes

State Project Abbreviated Advertisement

MnStatute 161.32, Subd 4

- Damaged Trunk Highways
- A 1 week advertisement is allowed by Minnesota State Statutes 161.32, Subd 4, Damaged Trunk Highways.
- Other options depending on work scope are Competitively solicited Negotiated Contracts through CO.
District 2 Project Before and After
District 7 Project Before and After
Comments From Districts on Process

Comments from Ray Gust

After the flood waters receded from the highway the damage was too great to allow traffic to resume. This did not sit well with the farmers who depend on this highway to get to their fields.

The decision was made by MnDOT Maintenance to hire a contractor to reclaim the damaged section of highway and to allow traffic to resume at a slow speed.

FHWA no longer considered this an emergency situation since traffic was moving. That forced us to go through the bid process to complete the repair of this highway. MnDOT Maintenance forces salvaged and placed the riprap which had been dislocated by flood waters back in its original position prior to the contractor rebuilding and paving the damaged section of highway.

The project was completed in time for the fall Beet Harvest Haul.

Comments from Matt Young

One thing that made it valuable to me was that under NMC being awarded through the district, a minimum of 2 bids are required. We have been having difficulty getting 2 bids. Your process allows it to be awarded even if we received only one bid.

There was a delay in getting construction started due to fall rains and high water.
Project was completed in the fall and met compliance with Topeka Shiner Avoidance, Minimization and Mitigation measures and was successful.
Questions and Comments

For more information or if you have project specific questions:
Contact:
Valerie Svensson, P.E.
Director, Project Delivery Section
Project Management and Technical Support
395 John Ireland Blvd. MS 692
Saint Paul, Mn 55155
Phone: (651) 366-4664
Cell: (651) 775-5730
Valerie.Svensson@state.mn.us

For additional information regarding District experience contact:
D2 – Ray Gust at ray.gust@state.mn.us
or call 218-683-8004
D7 – Matt Young at matthew.young@state.mn.us
Or call 507-317-7855
Thank you again!

Erin Meier
erin.meier@state.mn.us
651-366-3367

Bill Meinholz
william.meinholz@state.mn.us
651-366-3832