



FHWA ER Workshop

MnDOT Emergency Management and State Aid

February 19, 2020

Agenda

Time	Topic
8:30	Opening – welcome, housekeeping
8:45-9:30	FHWA ER Overview – William Lohr
9:30-10:15	Environmental Process: Panel – Christopher Smith, Maggie Jones, Debra Moynihan
10:15-10:30	Break
10:30-11:15	Financial Expectations: Panel – Alycia Cenci, Joyce Garcia, Cindy Degener
11:15-11:45	Case Study – Valerie Svensson
11:45-12:00	Wrap Up

Opening





FHWA ER Overview

William Lohr, Field Operations | Team Leader,
Federal Highway Administration



Highway 61
North Shore of Lake Superior

FHWA Minnesota Division

Federal Highway Administration Emergency Relief Program

February 19th, 2020



Emergency Relief Program

FHWA Minnesota Division

- 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

FHWA Minnesota Division

- MnDOT Organizational Chart for Emergency Relief Program
 - Who can sign Detailed Damage Inspection Report's (DDIR's)
 - 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

FHWA Minnesota Division

- Use of May 31, 2013 FHWA Emergency Relief (ER) Manual
- 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.)

FHWA Minnesota Division

- 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

FHWA Minnesota Division

- New Use of Electronic Platform for Detailed Damage Inspection Reports (DDIR's)
 - 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.)

FHWA Minnesota Division

- 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

FHWA Minnesota Division

- 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)



Issues

- Eligibility of Permanent Work Concurrent with Emergency Restoration
 - Requires Preclearance of Three Elements
 - Section 106 (historic impacts)
 - Section 7 (Endangered Species Act)
 - Army Corps (water impacts consultation and clearance)



Government Accountability Office (GAO)

FHWA Minnesota Division

- GAO Report 20-32, October 2019
- Review of 2017 Hurricanes
 - Texas, Florida, Puerto Rico
 - In Excess of \$1 Billion in Highway Emergency Relief
 - Critical of FHWA Oversight of States
 - Greater Documentation Needed for Emergency vs. Permanent Work

GAO Report Conclusion

FHWA Did not Justify Key Decisions and May Have Inappropriately Classified Emergency Relief Projects

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

FHWA Minnesota Division

- 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?

FHWA Minnesota Division

- 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?

FHWA Minnesota Division

- Internal and External Reviews Cite Lack of FHWA Oversight
 - Delays in Submitting Emergency Relief Funding Applications
 - Project Close-Out



Office of Inspector General (OIG)

FHWA Minnesota Division

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



Office of Inspector General (OIG)

FHWA Minnesota Division

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 2018¹ and 2019,² Congress enacted two supplemental appropriations for FHWA and FTA ER programs totaling over \$3 billion³ 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











SPEED
LIMIT
55

Pre-Existing Conditions - Ineligible



Proactive Measures to Prevent Damage are Ineligible for Emergency Relief \$



May be Eligible for Permanent Repairs



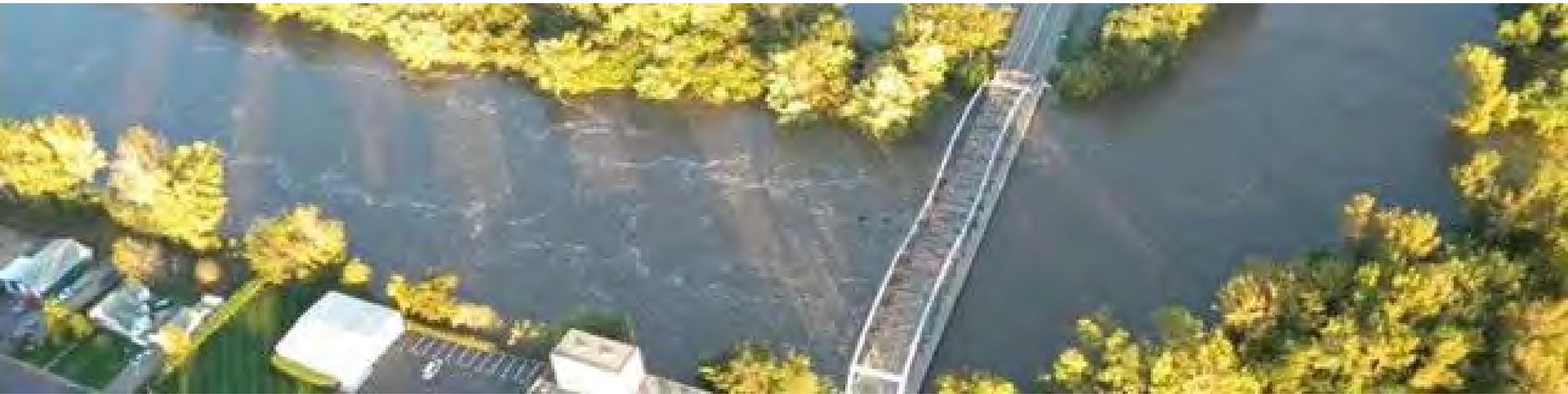
Jay Cooke State Park – Closed for 4 years



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**

- **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

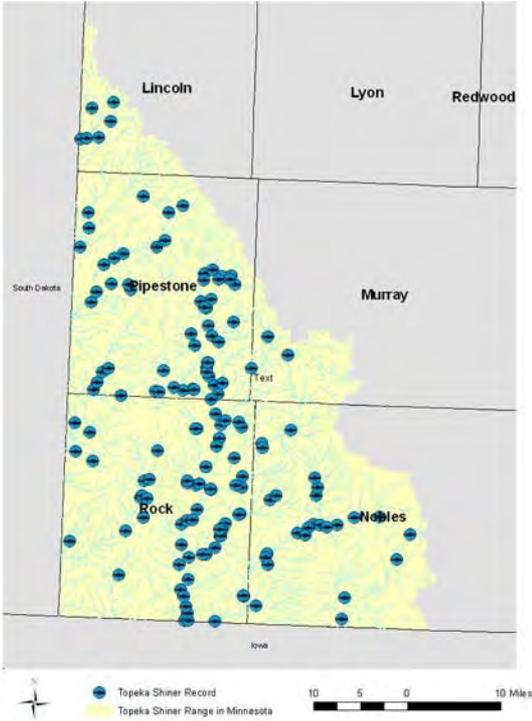


Topeka Shiner - Endangered

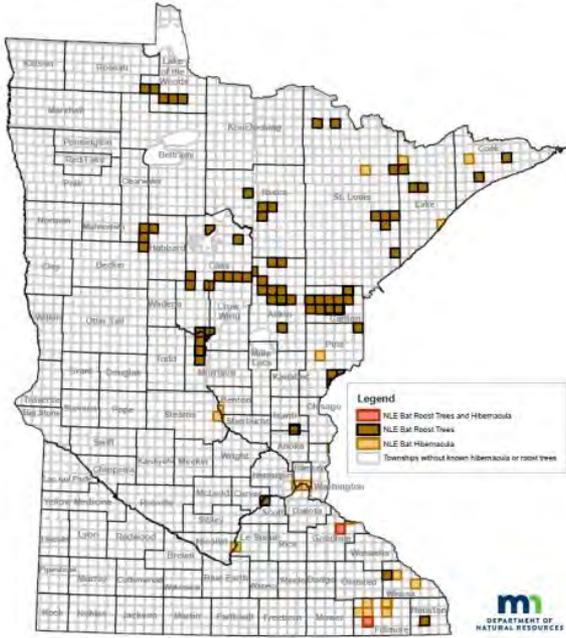


Northern Long-eared Bat- Threatened

Endangered Species Act – Section 7

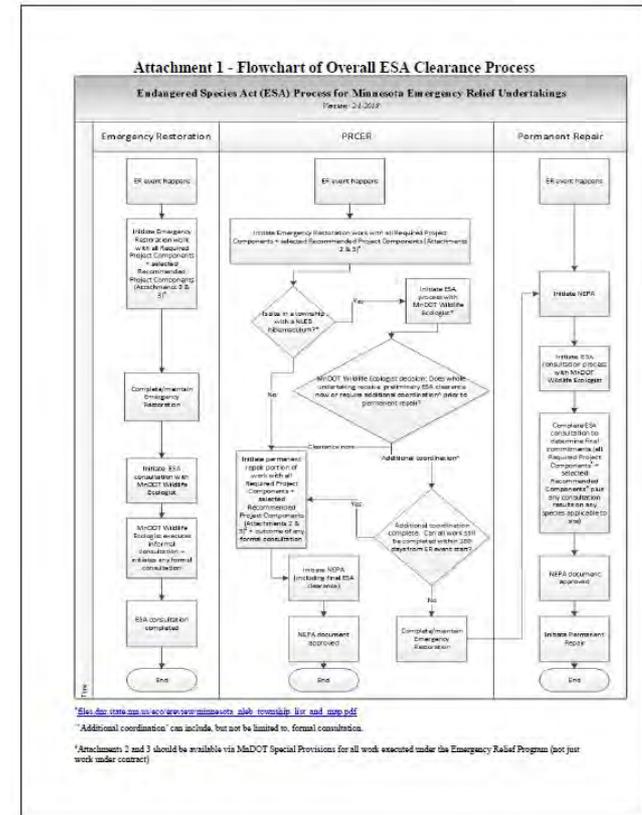


TOWNSHIPS CONTAINING DOCUMENTED NORTHERN LONG-EARED BAT MATERNITY ROOST TREES AND/OR HIBERNACULA ENTRANCES



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.



Endangered Species Act – Section 7

- 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

Attachment 3

Table II: Required and Recommended Project Components for NLEB				
Component	Required to Qualify for Review Under this AGREEMENT			
	Emergency Restoration (Column A)	PRCER (Column B)	Permanent Repair (Column C)	
B.1	If project occurs within a Minnesota Township that is known to contain a NLEB hibernacula, ESA clearance must be completed prior to any permanent repair. files.dnr.state.mn.us/eco/ereview/minnesota_nleb_township_list_and_map.pdf	Recommended	Required	Required
B.2	Direct temporary lighting away from upland forest to the maximum extent practicable.	Recommended	Required	Required
B.3	Use downward-facing, full cut-off lens lights, and direct lighting away from suitable habitat when installing new or replacing existing permanent lights. For those transportation agencies using the BUG system developed by the Illuminating Engineering Society, the goal is to be as close to 0 for all three ratings with a priority of "uplight" of 0 and "backlight" as low as possible.	Recommended	Required	Required
B.4	Modify all phases/aspects of the project (e.g., temporary work areas, alignments) to avoid any tree removal that is in excess of what is required to implement the project safely.	Recommended	Required	Required

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-Aid Highway Undertakings in Minnesota

Contact:
Christopher E. Smith
MnDOT Wildlife Ecologist
Phone: 651-366-3605
E-mail: Christopher.E.Smith@state.mn.us

Required Information:

Check One:

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

Project Location:

- 1) MnDOT District:
- 2) County Name(s):
- 3) Roadway Name(s):
- 4) Latitude & Longitude (decimal degrees):
- 5) Location Map(s) with project termini (PDF, KMZ, or .SHP):
- 6) TER #:

Note: For PRCER projects within NLEB townships with a hibernaculum, completing this section only to initiate consultation with MnDOT Wildlife Ecologist is acceptable. This consultation must be completed as part of obtaining preliminary ESA clearance before transitioning to the Permanent Repair portion of the PRCER project.

Emergency Description:

- 1) Narrative:
- 2) Detailed Damage Inspection Report (DDIR):
- 3) Photos (pre-event, damaged condition, and/or repaired condition):

Justification for Expedited Consultation Timeline:

- 1) Narrative: Explain project's need for expedited review, traffic impacts, detour length, etc.
- 2) Project Completion (time from declaration of disaster to demobilization from site):
 Less than 90 Days | 90-180 Days | Greater than 180 Days

Project Description:

- 1) Project Proposer:
 - a. Agency Contact:
- 2) Narrative (include):
 - a. Timeline for initiation and completion (local forces/contractor demobilization from site):
 - b. Complete scope of work (proposed and/or completed):
 - c. Bridge Number(s):

Version: Jun 7, 2019

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.

Complete Consultation Package

ESA Emergency Relief Program - Federal-Aid Highway Undertakings in Minnesota

Contact:

Christopher E. Smith
MnDOT Wildlife Ecologist
Phone: 651-366-3605
E-mail: Christopher.E.Smith@state.mn.us

Required Information:

Check One:

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

Project Location:

- 1) MnDOT District:
- 2) County Name(s):
- 3) Roadway Name(s):
- 4) Latitude & Longitude (decimal degrees):
- 5) Location Map(s) with project termini (PDF, KMZ, or .SHP):
- 6) TER #:

Note: For PRCER projects within NLEP workshops with a submittal, completing this section only to initiate consultation with MnDOT Wildlife Ecologist is acceptable. This consultation must be completed as part of obtaining preliminary ESA clearance before transitioning to the Permanent Repair portion of the PRCER project.

Emergency Description:

- 1) Narrative:
- 2) Detailed Damage Inspection Report (DDIR):
- 3) Photos (pre-event, damaged condition, and/or repaired condition):

Justification for Expedited Consultation Timeline:

- 1) Narrative: Explain project's need for expedited review, traffic impacts, detour length, etc.
- 2) Project Completion (time from declaration of disaster to demobilization from site):
 - Less than 90 Days | 90-180 Days | Greater than 180 Days

Project Description:

- 1) Project Proposer:
 - a. Agency Contact:
- 2) Narrative (include):
 - a. Timeline for initiation and completion (local forces/contractor demobilization from site):
 - b. Complete scope of work (proposed and/or completed):
 - c. Bridge Number(s):

Version: Jun 7, 2019

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.



Merchants National Bank (Winona)

Section 106: Cultural Resources

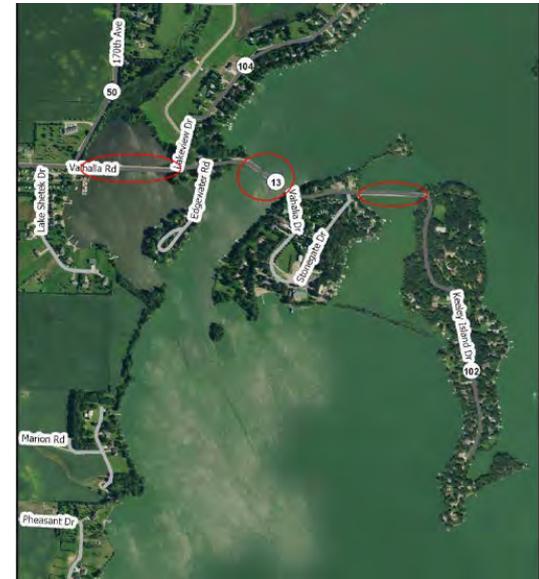
- MnDOT Cultural Resources Unit (CRU) conducts Section 106 reviews.
- CRU reviews for historic properties, archaeological sites, cemeteries, and burials.
- CRU consults with Native American tribes and bands.



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



PRCER – What Does My Environmental Document Look Like?

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

PRCER – What Does My Environmental Document Look Like?

- 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

PRCER – What Does My Environmental Document Look Like?

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:

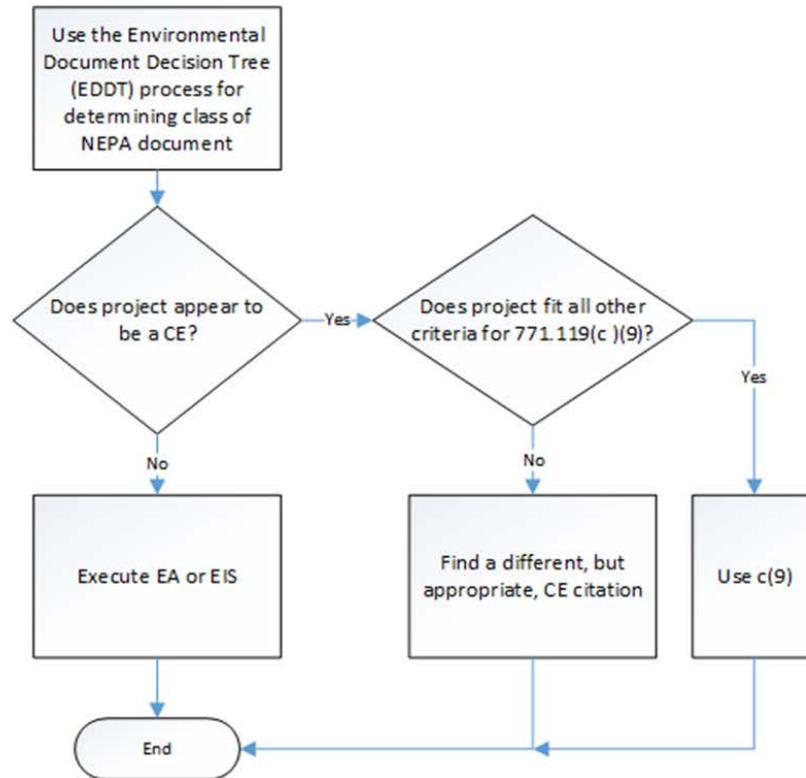
- Work with MnDOT's State Aid for Local Transportation (SALT) Office
- Use the SA1-ER form

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

TYPES OF REPAIRS

***** 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

FEDERAL SHARE

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

EMERGENCY RESTORATION CONT.

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 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)*

- Eligibility
 - Fiscal authorization must occur prior to beginning any permanent repairs
 - 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

PERMANENT REPAIRS 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)

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

REFERENCES

- iHUB > A to Z > Financial Management > Financial Ops > Program Accounting > Emergency Relief

<http://ihub/financialmanagement/financial-ops/program-accounting/emergency-relief.html>

ER Authorization Contact:

Alycia Cenci

Alycia.Paulus@state.mn.us

(651) 366-3948

Financial Considerations for MnDOT Projects

- 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 Contracting 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.

Required FHWA Documentation

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.

TH Emergency Relief Revolving Account

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.

FHWA Closeout

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.
 - <http://www.dot.state.mn.us/safinance/disaster/disaster-guidelines.pdf>
- Excel worksheets used by accountants in prior disasters
 - <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

Checklist (continued)

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.

Checklist (continued)

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
<http://www.dot.state.mn/stateaid/projectdelivery/agreements/agreement-process.pdf>

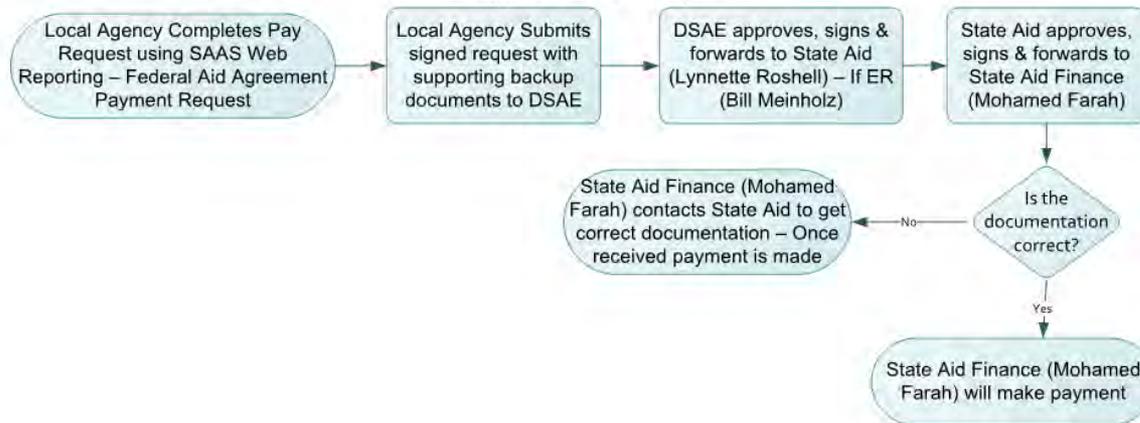
Sample agreement documents may be found here
<http://www.dot.state.mn.us/stateaid/agreements-info.html>

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).

<http://www.dot.state.mn.us/safinance/payment/agency-agreement-payment-request-flowchart.pdf>

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)

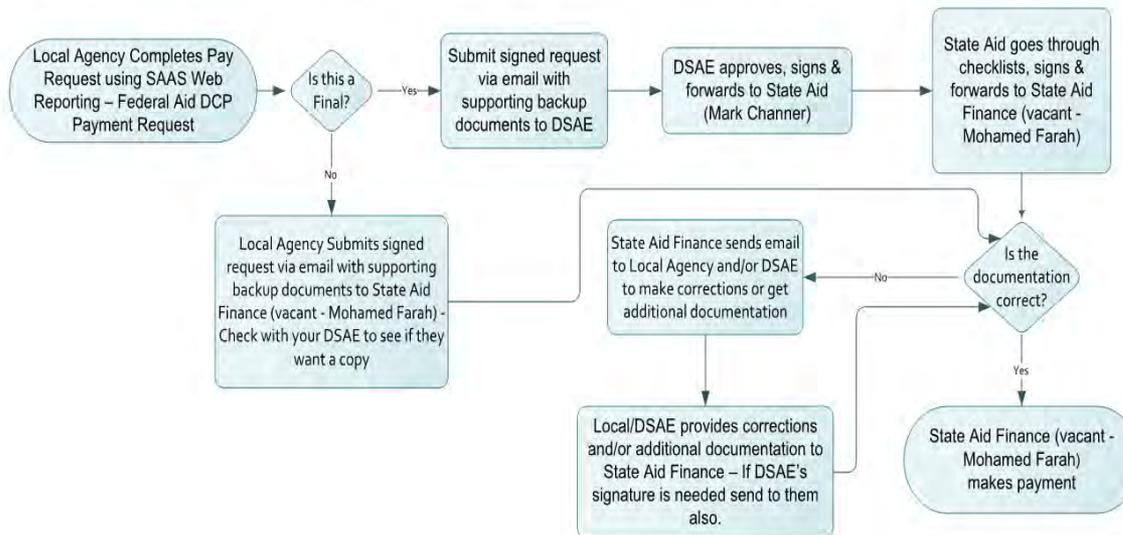
- Follow the DCP Checklist

<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)



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



Case Study

Valerie Svensson | Director, Project Delivery Section



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

m DEPARTMENT OF TRANSPORTATION
Request for Public Interest Finding For Proprietary Item(s)

July 23, 2019

To: Tom Strynick, P.E.
Director
Office of Project Management and Technical Support

From: Ray Gust
District 7 Project Manager

Subject: Request for Public Interest Finding (PIF) for Shortened Advertisement Period

Prime SP: 2515 19 (T.H. 179-324)
Minnesota Project Number: ER JNH18-021
Location: Co. TR 115 A/C/R, RZ
Type of Work: Bituminous Paving
Anticipated Date of Letting: August 1, 2019

Mr. Strynick:

The Minnesota Department of Transportation (MnDOT), District 7, is requesting a Public Interest Finding (PIF) to use an abbreviated advertisement period of 1 week for SP 2515-19 (T.H. 179-324). This project is a federal ER Permanent repair project. A previous emergency repair was completed to reskin and compact the aggregate surface to partially restore access after floodwaters washed a section of the roadway out. The remaining repair to replace the bituminous surface is needed to provide a stable roadway surface for the pending harvest and haul. The truck weights are very high and this route is a primary farm to market haul route. A 1 week advertisement is allowed by Minnesota State Statutes 161.32 Subd. 4 Damaged Trunk Highway and 23 CFR 635.113(b) Abbreviated Plans and Shortened Advertisement Period for Bids.

Justification:

The justification for this request is to provide a letting date as early as possible to allow for paving of this section before the heavy haul season that generally begins on Oct 1. This will allow the permanent repair of the roadway section and minimize additional damage to the roadway section. The current aggregate roadway section is not adequate for the heavy haul truck loads. This serves the public by reducing delays and impacts to farm to market haul, provides a safe roadway section, reduces additional damage to the current roadway section, and minimizes other potential maintenance needs.

Because of the above stated information, it would be in the best interest of the public to allow for the use of an abbreviated advertisement period of 1 week. Your concurrence is requested.

Sincerely,

Ray Gust
Ray Gust
District 7

cc: *Tom Strynick, P.E., Director*, 7/23/2019
Office of Project Management and Technical Support

m DEPARTMENT OF TRANSPORTATION
Request for Public Interest Finding For Proprietary Item(s)

August 16, 2019

To: Peter Harff, P.E.
Director
Office of Project Management and Technical Support

From: Matt Young
District 7 Project Manager

Subject: Request for Public Interest Finding (PIF) for Shortened Advertisement Period

Prime SP: 6780-123 (T.H. 90-90)
Minnesota Project Number: State Funds
Location: Co. TR 80 A/RP 3.3
Type of Work: Sediment Removal
Anticipated Date of Letting: September 12, 2019

Mr. Harff:

The Minnesota Department of Transportation (MnDOT), District 7, is requesting a Public Interest Finding (PIF) to use an abbreviated advertisement period of 1 week for SP 6780-123 (T.H. 90-90). This project is a 2018 damaged trunk highway repair project.

A previous emergency repair was completed in 2018 to repair erosion around Culvert Bridge #01332. During that event, significant sediment has been deposited within the culvert and at the inlet. This sediment is blocking water from the culverts raising the risk of Beaver Creek backing up and overtopping Interstate 90, as is what happened in June 2018. MnDOT crews have been working on the cleanup of the site and erosion repair but need a contractor to come in and clear out the significant amount of sediment. The contractor will remove sediment in the culvert and around the inlet which impedes water flow through the culvert. The sediment removal is necessary to prevent additional erosion at the culvert and reduce the risk of flooding overtopping and closing interstate 90. A 1 week advertisement is allowed by Minnesota State Statutes 161.32 Subd. 4 Damaged Trunk Highway and 23 CFR 635.113(b) Abbreviated Plans and Shortened Advertisement Period for Bids.

Justification:

The justification for this request is to provide a letting date as early as possible to allow the water flow to continue unimpeded during the spring of 2020 and must occur before freezing in October/November 2019. Delay to this letting would potentially push it into freezing weather and possibly snow which could be hazardous to the contractor and the driving public. This serves the public by minimizing future damage to the infrastructure and disruption to the transportation of goods and services along interstate 90 which is a high traffic corridor through southern Minnesota. Because of the above stated information, it would be in the best interest of the public to allow for the use of an abbreviated advertisement period of 1 week. Your concurrence is requested.

Sincerely,

Matt Young
Matt Young
District 7

cc: *Peter Harff, P.E., Director*, _____ Date
Office of Project Management and Technical Support

Process Overview for Federal and State Projects

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.

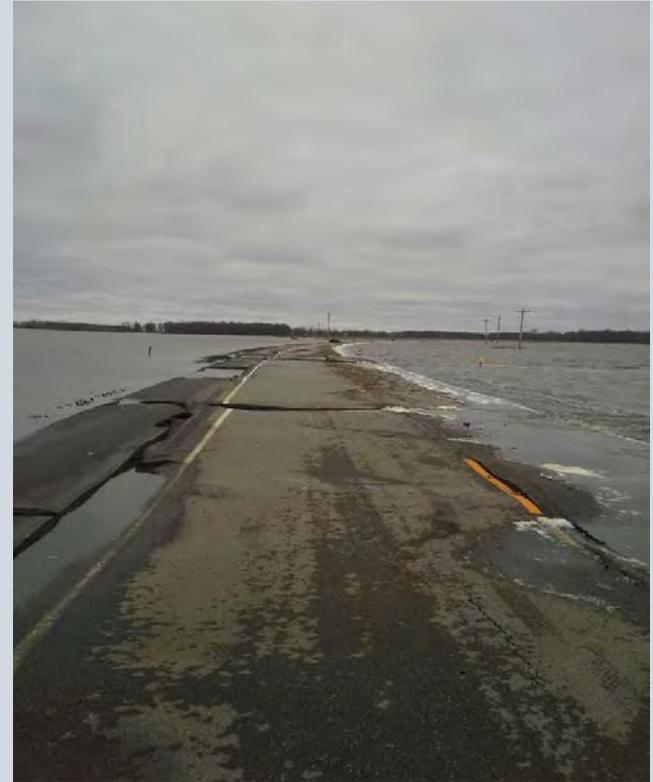
* Note Change in Citation number –Reg Changes

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