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Issue Number 83, March 2018

# State Aid E-Scene

## Agreement news

By: Lynnette Roshell, Federal Aid Agreement & Special Programs Engineer

Great job! Of the 200 Delegated Contract Process (DCP) Agreements that were sent out on December 1, 2017, 181 were executed on, or before March 1, 2018. We were not anticipating the quick turnaround time that many of you had with your boards and councils, but are happily surprised. 83 county and 98 city agreements have been fully executed. Our goal was not to delay any project awards because the agreement had not been executed, and we may achieve that with your assistance.

For the record, the first county agreement sent back to us was Marshall on December 11, 2017. The first city agreement was Crookston, which was also the second agreement back on December 14, 2017. District two was the first district to execute and return all of their agreements.

The main reason we reissued the DCP Agreements was to insure that we were providing all of the information

we needed to comply with 2 CFR 200. A few of you have gotten dinged by auditors because we had not clearly provided the information that is required in 2 CFR 200 for grantees, we hope this will make the audit process a bit smoother for you. Another reason is that MnDOT has also introduced a new format for all agreements so now State Aid agreements look more like the rest of the agreements made with MnDOT. Lynnette Roshell is working with the MnDOT Chief Council's Office to update and revise all state aid federal agreements. They will all look more like the format of the DCP Agreement. There will be additional detail language, but much of core of the agreement will remain the same. Just more words so we have more pages.

If you have any questions on federal funding agreements contact Lynnette at [lynette.roshell@state.mn.us](mailto:lynette.roshell@state.mn.us) or 651-366-3822.

## If you don't read anything else in this E-Scene, read this!

By: Merry Daher, State Aid Project Delivery Engineer

If you read the E-Scene from beginning to end, you will notice several references to updated DCP steps and linked documents. Please know that there have been quite a few updates since the last construction season. Be sure to follow the online version of the [DCP Checklist](#) to avoid any missteps or rework in the coming construction season. If you have any questions, please call the [federal aid staff](#). Have a great construction season!



# Contract changes in the 2018 Spec Book

By: Rollin Larson, State Aid Construction Specialist

Using the correct form and language for changes to a construction contract has often been a challenge to many local governments through the years. The process using Supplemental Agreements, Change Orders, and Work Orders can be confusing and using the correct document has been frustrating for many to figure out.

This sometimes complex process will change because of language changes to the MnDOT 2018 Standard Specifications for Construction. The State Aid Office is using this as an opportunity to adopt a new system for Contract Changes for locally let projects that will be much simpler and have one document for all changes.

For any projects bid using the 2018 Standard Specifications for Construction, all contract changes will now be completed using a Change Order. This single form will allow you to insert appropriate language for whatever type modification is needed, regardless of the scope of the change or addition.

Since this single format form is now being used, any contract change will have the same set of signature requirements, the contractor, the project engineer, and the DSAE. As with changes on earlier contracts, the contractor and project engineer should

have the form signed before work commences. The DSAE, who signs for funding only, should sign before payment is made.

The updated Change Order form for the 2018 spec book can be found in the Contract Changes section of the [State Aid Construction webpage](#). A detailed description of the Contract Change process is available in Chapter 6, Section IV, part D of the [State Aid Manual](#).

The MnDOT Contract Change Unit is also available for review of language or new contract prices. Their Estimating Unit is an acceptable choice for an independent source for review of prices added to a contract, which is required for federal projects. Questions and documents for their review/concurrence can be emailed to the Contract Change Unit at [ContractChanges-Enc@state.mn.us](mailto:ContractChanges-Enc@state.mn.us).

Hopefully this new, simpler process will make life easier for all involved during the administration of your construction projects. As always, contact the [State Aid construction staff](#) if there is anything we can do to help clarify this information or help you through the process.

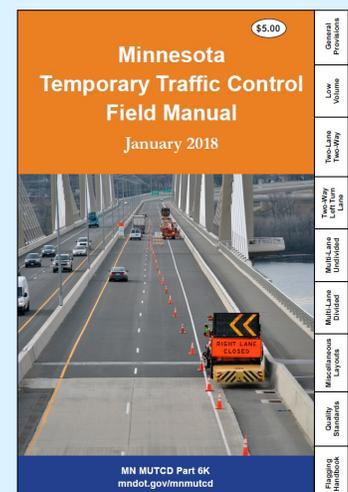


# New Minnesota Temporary Traffic Control Field Manual and training

By: Sara Pflaum, Program Support Engineer

The [2018 Minnesota Temporary Traffic Control Field Manual](#) has been published. State Aid and the Office of Traffic, Safety and Technology have sent two copies to each county, state aid city, and district. The new manual contains significant changes, **every layout has changed**. A Commissioner's Order has made the new manual the official document to use when controlling traffic for work of three days or less on any road open to the public in Minnesota. As such, please no longer use the 2014 manual and archive it.

Additionally, State Aid will be posting information and training from the new manual on the website. An email notification will be sent out once this is available on the website. The Minnesota LTAP will also be conducting several trainings on the new manual. You can find more information on the trainings on the [LTAP Work-Zone Training Control Seminar webpage](#).



# Reinforcing contractors' closeout responsibilities

By: Merry Daher, State Aid Project Delivery Engineer

For as long as I have been working in State Aid, there has been an emphasis on finaling contracts ASAP after a project is complete. Recent years have brought an increased urgency as competition for federal and state funds for transportation projects exceeds revenue, raising questions from legislators about the need for more funds when the books show ample fund balances. Many of you are painfully aware of the federal inactive project tracking that has been brought to our attention in recent years adding to the urgency. In a recent workshop with the FHWA on project closeouts, one issue was cited by MnDOT (as well as local agencies) as a frustrating hurdle to getting a project finalized. That hurdle is getting necessary paperwork, such as IC134's, from contractors after they have received the bulk of contract payment. Until now, there has not been an effective mechanism to entice contractors to tie up loose ends after they have moved on to another project. This article is being written to show a possible mechanism to prevent such delays on future contracts.

MnDOT's standard specification **1516.2 PROJECT ACCEPTANCE** states:

*After completing the work, the contractor shall notify the engineer and request a final inspection. If the engineer determines that the project is **complete**, the inspection will constitute the final inspection and the engineer will promptly provide written notice of project acceptance effective on the date of the final inspection. The notice of project acceptance relieves the contractor of further responsibility for the work.*

*If the engineer finds unacceptable or incomplete work, the contractor shall immediately correct the deficiencies as directed by the engineer. After correcting the deficiencies, the contractor shall again request a final inspection.*

*Acceptance of the project does not relieve the contractor of financial liabilities imposed on the contractor by statute and does not constitute final acceptance of the contract.*

And **1516.3 COMPLETION OF WORK** states:

The department will consider the work in all things **complete** when the contractor has completed and submitted required documents, certifications, and affidavits including, but not limited to the following:

- (1) MN IC-134 Withholding Affidavit, certified by Minnesota Department of Revenue, demonstrating compliance with MN Statute § 290.92,
- (2) Material certifications and warranties,
- (3) Written department confirmation that known outstanding prevailing wage complaints have been resolved as approved by the department,
- (4) Final Clearance Letter for DBE participation, TGB participation, or Veteran's participation,
- (5) Payment of moneys owed to the department, if applicable,
- (6) Termination of NPDES permit, if applicable, and
- (7) All other forms required by the contract.

Below states what can be done to assure the contractor sends the documents required for finaling a project:

**Under the 1806 special provision, make the following change for completion date projects (make similar change to Working Day language):**

S-1.1 Contractor must complete all work to meet the requirements of

1516.2 (Project Acceptance) under this contract before **(date)**.

**Under the 1806 special provision, add the following for interim completion date when you'd like to include a monetary deduction prior to the Project Acceptance date:**

S-1.2 In addition to the other contract time requirements, the contractor must complete all work required to have traffic on the planned permanent configuration, safety devices installed, i.e. guard-rail, lighting, signing, striping and **(fill in project specific requirements)** ("in no more than [x] working days", "in no more than [x] calendar days", or "before [a completion date]")

Under the 1806 special provision, add the following to match timeline for the semi-final requirements:

**Under the 1806 special provision, add the following to match timeline for the semi-final requirements:**

S-1.3 Contractor must complete all work to meet the requirements of 1516.3 (completion of the work) under this contract within 90 calendar days of receipt of the Semi-Final Estimate in accordance with 1908.2.

1807

**Under the 1807.1 spec, supplement with the following:**

S-2.1 The department will deduct liquidated damages from money due the contractor for each calendar day that the work remains incomplete after expiration of the contract time, according to the completion requirements of 1516.2 (Project Acceptance). The engineer will deduct liquidated damages based on the original contract amount and table 1807-1.

*(continue on page 4)*

# ...continued, Reinforcing contractors' closeout responsibilities

**Add the following to the 1807 special provision for failure to complete work by the interim completion date (Road User Costs required to be on file to justify monetary deduction amount):**

S-2.2 The department will assess the contractor a monetary deduction in an amount equal to \$\_\_\_\_ for each Calendar Day that any of the work specified in Section S-1806.\_\_(DETERMINATION

AND EXTENSION OF CONTRACT TIME) of these special provisions remains incomplete after the expiration of the working period provided therefore.

**Add the following to the 1807 special provision for failure to complete contract work once semi-final estimate is produced:**

S-2.3 The department will assess the contractor a monetary deduction in an

amount equal to **\$50- \$300** for each calendar day that any work specified under 1516.3 (completion of the work) are not met after the expiration of the 90 day period of the Semi-Final Estimate requirements.

The [Electronic Proposal Tool webpage](#) has been updated to reflect this for 2016 and 2018 specs.

## What's different in the 2018 specifications?

*By: Ron Dahlquist, Federal Plans Specialist*

Perhaps the biggest noticeable change to the 2018 Spec Book is the conversion of all the Spec Book pay items to a standardized trail number (the three digits after the "dot", e.g., 2105.507). Those trail numbers will all now relate to a particular unit description. For instance, all standard pay items with a **.501** trail number will have a unit description of Lump Sum and all pay items with a **.507** trail number will have a unit description of Cubic Yard. Pay items requiring a special provision will correspond with a **.6XX** trail number, such as **.601** for Lump Sum and **.607** for Cubic Yard. Please see the [table](#) (PDF) for the complete list of unit descriptions and trail numbers. Most pay item descriptions did not change even if the trail number did. To find the 2018 TRNS\*PORT list, visit the [AASHTOWare Project Item List webpage](#).

Any change to the actual verbiage within a particular spec in the 2018 Spec Book is denoted by a vertical line in the margins next to the paragraph that has been changed. Please look for those changes in the General Requirements in Division I of the Spec Book for contract administration. Look in the Construction Details and

Materials in Divisions II and III when you have an item covered by that spec. The Division I changes affect the formation of the contract and your designers and inspectors should be aware of any changes in Divisions II and III. Details on which sections of the 2018 spec book have been revised can be found in the [2018 Spec Book modifications table](#) (Word).

Although not a part of the standard Specification Book, the special provisions available in the MnDOT "boilerplate" has been updated as well. Many local agencies find that special provisions in Construction Details and Materials in Divisions II and III boilerplate can be helpful for situations not covered by a standard spec. As always, be wary of using MnDOT boilerplate for anything from Division I since those

provisions do not always apply to local agencies. Changes to the MnDOT boilerplate can be found in the [2018 special provisions modification table](#) (Word).

Until next summer there will still be an option to use either the 2016 or the 2018 Spec Book for your project. When assembling your proposal, please use the [State Aid Electronic Document Table](#) that corresponds to the year of the spec book that will govern your project. There are significant differences between the two and it is important to use the appropriate one. Please do NOT use the MnDOT proposal sequence.

If you have any questions or concerns on these subjects please contact Ron Dahlquist at [ron.dahlquist@state.mn.us](mailto:ron.dahlquist@state.mn.us) or 651-366-3823.



# Tips for a smoother reimbursement on a federal funded project

Follow the [Delegated Contract Process](#).

Suggestion: Engineers and Accountants are encouraged to discuss the funding needs early, prior to setting up in their own financial database, so categories match the Participation Distribution form and original Bid (Engineers) Estimate.

Requirement highlights:

- Partial and final payments must have a breakdown of costs by category in the format of the original bid estimate, copy of the contractor's voucher that matches the Total Certified to Date on the DCP request, and any corresponding change orders, supplemental agreements, work orders etc.
- Final payment requests require additional documentation in addition to the above, please see the DCP final "Required Docs" list. Note: the "Final DBE Clearance Letter is

required from Civil Rights before the final payment can be made.

- Incentives/Disincentives backsheet items need the calculation and backup documentation and split out by category.
- Use the DCP Payment Request form through the [SAAS Reports website](#).
- Please send partial DCP requests to Dan Taylor at [dan-iel.c.taylor@state.mn.us](mailto:dan-iel.c.taylor@state.mn.us). Check with your DSAE if he would like to be copied.
- Please send final DCP requests to your DSAE.
- Payment requests are processed in the following priority: projects with expiring End Dates, FHWA Select projects, and Inactive projects.

## 2017 LRIP awarded projects

By: Sara Pflaum, Program Support Engineer

Last month, State Aid awarded 36 projects funding assistance through the Local Road Improvement Program (LRIP) solicitation. The LRIP provides funding to cities, counties and townships for the construction and reconstruction of local roads with regional significance and with safety improvements to reduce fatal and serious injury crashes.

During the 2017 regular session the legislature appropriated \$25.36 million from general obligation bonds to the LRIP for projects selected through an open solicitation process administered by State Aid with assistance and direction provided by the LRIP Advisory Committee. More than 200 applications

were submitted for projects, totaling over \$584 million.

The selection criteria considered: geographical distribution, eligibility, safety, regional significance, local agency support, availability of other funding sources, useful life, impact, and construction readiness. Selected projects comprise of roadway reconstruction or reconditioning projects including: adding roundabouts, improving or adding sidewalk and pedestrian ramps, widening roadways, replacing culverts and other drainage improvements, and installing traffic signals. A list of projects funded can be found on the [LRIP webpage](#).

## Proprietary items - PIFs and Certificates

By: Gary Reihl, Federal Aid Project Development

New Information about using PROPRIETARY PRODUCTS.

As you know, proprietary items are those items where a specific supplier or part is cited in the plan or specifications. In the past this was allowed if three manufacturers or suppliers were listed. Late last year this requirement was changed so only two identified manufacturers or suppliers are necessary. What this means is, **if you have two identified manufacturers or suppliers of a product you DO NOT need a Public Interest Finding (PIF) or certification for proprietary products.**

Whenever a single proprietary item is specified, the project manager or local engineer will write a request for a certification or a PIF to the State Aid Engineer, Mitch Rasmussen, requesting approval to use the proprietary item.

The Certification for Synchronization for proprietary items is a statement by the local engineer certifying the need is for synchronization. Reasons may include; matching an existing system or design constraints or that no other product exists for the described purpose.

The PIF for proprietary items is a description or explanation stating why it is in the public's best interest to use the proprietary items. This decision should be supported by both a cost evaluation and an engineering analysis of the issues that may include environmental, life-cycle cost, safety, and operational considerations.

# DBE Final Clearance Letters

By: Merry Daher, State Aid Project Delivery Engineer

All federal contracts require a DBE Final Clearance Letter from the MnDOT Office of Civil Rights (OCR) before making final payment to your contractor, **even Race Gender Neutral Contracts**. This has long been a requirement, since OCR must report DBE participation in federal contracts annually. Minnesota gets credit for ALL DBE participation – even when a contractor utilizes DBE's on a RGN contract. The report illustrates Minnesota's efforts contributing to reaching the statewide goal that is established based on demographics.

The DBE Final Clearance letter has been added to the DCP Checklist along with some clarification of other requirements

on federal contracts. Please refer to it as your project progresses from the bidding to final payment.

To ensure the letter is issued in a timely manner, remind the contractor they need to submit a [DBE Total Payment Affidavit](#) (PDF) and [Contractor Payment Form](#) (PDF) to OCR. The Local Agency then needs to email OCR to request the DBE Final Clearance letter. Attach any signed Exhibit A's not previously submitted.

Documentation should be submitted to [ocrformsubmissions.dot@state.mn.us](mailto:ocrformsubmissions.dot@state.mn.us).

OCR will review the documentation and if acceptable, send you the notification letter stating final payment can be made.

The DBE Final Clearance letter has also been added to the list of required documents on the SALT Finance Final Pay Request Form generated by SAAS, as a reminder.

To ensure the letter is issued in a timely manner, remind the contractor they need to submit a [DBE Total Payment Affidavit](#) (PDF) and [Contractor Payment Form](#) (PDF) to OCR. The Local Agency then needs to email OCR to request the DBE Final Clearance letter. Attach any signed Exhibit A's not previously submitted.

## Employee News

State Aid is excited to “officially” announce the worst kept secret ever. Kristine Elwood has been named State Aid's new Deputy State Aid Engineer and will begin on April 9th. Kristine comes to us from Dakota County where she was the Transit and Multi-Modal Programs Manager, a position she's held for four years. Before that she held several other positions throughout her career: Transit Engineer, Transportation Program Manager, Cedar Avenue BRT Project Manager and Project Engineer. She brings over 23 years of county (Dakota) and city (Minneapolis) to State Aid.

With Kristine filling the Deputy State Aid Engineer, State Aid has now posted the newly created State Aid Operations Engineer position. This position will provide overall leadership and managerial direction for the department, including: statewide turnback program, cooperative agreement program, business operations, and training and education for locals.

Those interested can apply at <http://mn.gov/mmb/careers/> and search for job posting number 18279. The deadline for applying is March 20th.

We are pleased to welcome Bill Meinholz, our new Assistant Project Development Engineer. This position provides support to both the emergency relief and federal aid programs. This existing position was left vacant when Sulmaan Khan become the support role for traffic safety. Before coming to MnDOT, Bill worked for a variety of companies in the private sector. Most recently, he worked for American Engineering Testing, Inc. where he managed construction testing on transportation and roadway projects. Bill graduated from the University of Minnesota in 2008 with a bachelors in Civil Engineering. Bill is originally from Madison, Wisconsin but has called the metro home for the last 13 years.

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## New URLs for eAdvert

By: Ron Dahlquist, Federal Plans Specialist

For the many of you who use eAdvert (aka Minnesota Construction eAdvertising) there is important news for you. The location where this resource is hosted has been moved, so the links you used previously will no longer work. Some of you (or your contractors) may have created a “shortcut” or may have bookmarked eAdvert in your favorites. Those ways to reach eAdvert will no longer function. eAdvert will still look and function the same as before, but you will need to visit the [eAdvert webpage](#) and to get the new addresses. Should you need any assistance [contact us](#). We thank you for your patience in dealing with this transition.



## ...continued, Employee news

The State Aid Finance Unit has had some changes taking place. Please see the outlined changes below and see [Contact Us webpage](#) for an up-to-date roster.

Sandra Martinez has accepted a new position with the MnDOT Aeronautics Office, effective 3/6/18. We wish her well on her new endeavor.

Ann McLellan has accepted a three month mobility opportunity in the MnDOT Maintenance Office, effective 2/7/18. During her mobility assignment, Candy Harding will be acting supervisor.

Amie Wunderlich has accepted a three month mobility opportunity within the MnDOT Office of Financial Management, Safeguarding Unit as the

State Program Administrative Coordinator, effective 3/6/18.

Dan Taylor has accepted the three month mobility as the State Aid Federal Program Administrator. This is a work out of class promotion for Dan, he has worked for MnDOT in the Program Accounting Unit for over 14 years. In the past Dan has worked on closing state aid federal projects in the Program Accounting Unit, so he has some familiarity with the projects.

## Federal FAIN number, know this for the auditors!

*By: Merry Daher, State Aid Project Delivery Engineer*

At the March 14th meeting with the FHWA, Lynnette Roshell presented how State Aid addresses requirements laid out in the 2 Code of Federal Regulations 200. Many are addressed in the newly issued DCP Agreement as well as through the DCP process documents but one item that remains, is the Federal Award Identification Number (FAIN). After discussing this with the FHWA, who says for all intents and purposes, the federal project number can be used as the FAIN number, it was decided to note this on the Participation Distribution forms as we do the Catalog of Federal Domestic Assistance (CFDA) number, so our local partners would have it readily available when the auditor comes to visit.



### State Aid for Local Transportation

395 John Ireland Blvd MS500

St. Paul, MN 55155

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