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## STIP General Guidance

For the 2021-2024 STIP

Minnesota Department of Transportation  
Office of Transportation System Management

(651) 366-3750

<http://www.dot.state.mn.us/planning/program/stip.html>

*Upon request, this material will be made available in an alternative format such as large print, Braille or audio recording.*

*Printed on recycled paper.*

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## I. Intent and Purpose

This guidance is intended for MnDOT's Central Office STIP Coordinators and District STIP Coordinators who are directly involved in the process of creating the annual STIP. It provides framework and guidance for items related to the development of the STIP. Any questions with regard to the content of this STIP Guidance should be directed to:

*Minnesota Department of Transportation  
Office of Transportation System Management  
Mail Stop 440, Third Floor South  
395 John Ireland Boulevard  
Saint Paul, MN 55155-1899  
651-366-3750*

## II. Federal Requirement for the STIP

The State Transportation Improvement Program (STIP) is a federally mandated document which must include a listing of projects and programs planned with federal participation in the next four fiscal years.

Like its predecessors, FAST Act requires the development of a STIP for all areas of the state. FAST Act is based on the premise that a mature transportation system exists and the emphasis and priority of transportation investments should be on preservation, safety, and operational improvements, as well as on congestion relief in urbanized areas.

- The STIP must include capital and non-capital transportation projects proposed for funding under Title 23 United State Code (USC) (highways) and Title 49 USC (transit).
- The STIP must also contain all regionally significant transportation projects that require an action by the Federal Highway Administration (FHWA) or the Federal Transit Authority (FTA) whether or not funding from either agency is anticipated.
- For information purposes, the STIP should also include all regionally significant projects regardless of jurisdiction, mode, or source of funding.

The STIP will include the final adopted Transportation Improvement Programs (TIPs) forwarded by Minnesota Metropolitan Planning Organizations (MPOs). An MPO's TIP is subject to an air quality conformity determination if the MPO is a non-attainment or maintenance area for ambient air quality standards as identified by the U. S. Environmental Protection Agency (EPA).

The state must certify that a transportation planning process is being carried out in accordance with the applicable requirements. The FHWA and FTA may jointly approve the STIP. The FTA may separately approve operating assistance for specific projects or programs, if necessary.

FAST Act, and before it, requires an opportunity for early and continuous public involvement in the development of the Statewide Transportation Plan and the STIP. Public involvement is also a mandatory component of the

MPO planning and programming processes. Public participation requirements for the Statewide Transportation Plan and the STIP specify that they be published and made available for public review and comment. Similar requirements also apply to MPOs, for TIPs, and transportation plans.

Federal rules also specify that the State must ensure that its STIP development process provides for consultation with non-metropolitan local transportation officials on planning and programming matters. This consultation is a fundamental role of MnDOT's Area Transportation Partnerships (ATPs).

Each ATP is responsible for ensuring that its process for Area Transportation Improvement Program (ATIP) development includes appropriate consultation and public participation opportunities. ATP meeting must be publicized. Review and comment opportunities must be provided for the draft ATIP. For many ATPs, elements of the public involvement process may be somewhat informal, but nevertheless should be well documented. The state must also provide for public comment on existing or proposed procedures for public involvement.

### III. Projects Not Required in the STIP

The STIP shall include capital and non-capital surface transportation projects (or phases of projects) within the boundaries of the State proposed for funding under title 23 U.S.C. and title 49 U.S.C. Chapter 53 (including transportation alternatives and associated transit improvements; Tribal Transportation Program projects, Federal Lands Transportation Program projects, and Federal Lands Access Program projects; HSIP projects; trail projects; and accessible pedestrian walkways and bicycle facilities), except the following that may be included:

- (1) Safety projects funded under 23 U.S.C. 402 and 49 U.S.C. 31102;

*Example: NHTSA non-construction safety projects*

- (2) Metropolitan planning projects funded under 23 U.S.C. 104(d) and 49 U.S.C. 5305(d);

*Example: MPO planning activities in an approved UPWP; example activities- data collection and analysis, asset and other management systems, planning studies, TIP development, public outreach, and long range planning*

- (3) State planning and research projects funded under 23 U.S.C. 505 and 49 U.S.C. 5305(e);

*Example: DOT SP&R Part 1 and 2 - Planning and Research Projects*

- (4) State planning and research projects funded with Surface Transportation Program funds;

*Example: Projects eligible for SP&R funding but funded with other federal funding sources*

- (5) Emergency relief projects (except those involving substantial functional, locational, or capacity changes);

*Example: Declared emergency resulting in projects that reopen the road to traffic or replacement of roadway in-kind*

- (6) Research, development, demonstration, and deployment projects funded under 49 U.S.C. 5312, and technical assistance and standards development projects funded under 49 U.S.C. 5314;

*Examples: Every Day Counts (EDC), Accelerated Innovation Deployment Demonstrations (AIDD), Technology Transfer (T2), and State Transportation Innovation Council Incentive grants*

- (7) Project management oversight projects funded under 49 U.S.C. 5327; and

*Examples: Project Management Plans, Financial Plans or other Project Management activities*

- (8) State safety oversight programs funded under 49 U.S.C. 5329.

*Examples: Safety data collection and analysis, HSIP development, public and agency outreach, and target setting*

## IV. Project Selection Policy – How MnDOT Selects Projects

The new project selection policy will be implemented with the 2021-2024 State Transportation Improvement Program and 2021-2030 Capital Highway Investment Plan.

In the STIP, projects subject to the policy will need to include the category it was selected under and the score. Projects previously selected in the 2019-2022 STIP are exempt from this requirement.

Projects will only show one category/score (even if they might qualify under more than one category).

For guidance regarding what's covered by the policy, categorical exemptions, scoring criteria, and guidance on what category to list in the STIP, see the Guide to MnDOT Project Selection (to be posted at [www.mndot.gov/projectselection](http://www.mndot.gov/projectselection) in the very near future)

*Below are Project Selection Categories for the STIP.*

- Exempt (in 2019-2022 STIP)
- Categorically exempt
- N/A (i.e. non-MnDOT selection or non-TH project)
- NHS Pavement
- Non-NHS Pavement
- Urban Pavement
- NHS Bridge
- NHS Culvert
- Non-NHS Bridge
- Non-NHS Culvert
- Rail Road Bridge Over State Highway
- Pedestrian Bridge Rehab/Replace
- Non-motorized infrastructure rehab
- HSIP – Greater MN
- HSIP – Metro
- Standalone Safety
- Intelligent Transportation Systems Program
- Railway-Highway Crossings Program
- Safety Rest Area
- Major Capacity Expansion/Mobility
- Standalone Greater MN Mobility
- Standalone Bicycle/Pedestrian
- Corridors of Commerce Program
- Highway Freight Program
- Transportation Economic Development Program
- Local Partnership Program (LPP)
- Historic Roadside Property

- Standalone Noise Barrier
- Weigh Station Capital Improvement

For additional information about Project Selection Policy go to: <http://www.dot.state.mn.us/projectselection/>

## V. Federal Funded Programs

### *Formula Programs*

#### **National Highway Performance Program (NHPP)**

The FAST Act continues the National Highway Performance Program, which was established under MAP-21. The program provides support for the condition and performance of the National Highway System (NHS) and for the construction of new facilities on the NHS. It also ensures that investments of Federal-aid funds support progress toward the achievement of performance targets established in asset management plans for the NHS.

MnDOT created the Statewide Performance Program (SPP) in 2013 to respond to changes in federal requirements. Federal legislation places greater emphasis on National Highway System performance and requires MnDOT to make progress toward national performance goal areas, including those related to condition, safety, and travel time reliability on the NHS. The SPP manages investment and project selection on the NHS to meet performance outcomes listed in the MnSHIP investment direction.

The SPP includes projects that help MnDOT achieve NHS performance outcomes identified in MnSHIP which are interstate pavement project (SPP-Pavement), NHS bridge project (SPP-Bridge), and NHS Mobility (SPP-Mobility/Reliability).

For additional information about the SPP Pavement program go to:

<https://www.dot.state.mn.us/materials/pvmtmgmt.html>

For additional information about the SPP Bridge program go to:

<https://www.dot.state.mn.us/bridge/>

2021-2024 STIP Funding Allocation:

<b>Statewide Performance Program (SPP) Funding Allocation (in Millions)</b>				
<b>Program</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
SPP-Pavement	157	302	255	266
SPP-Bridge	95	53	54	55
SPP-Mobility	57	72	72	59

In addition, MnDOT has allocated a small percentage of NHPP funds, approximately \$3.5M/yr., for pavement preservation on NHS routes that are owned by our local partners. For additional information about Local NHS Pavement program contact MnDOT Metro State Aid Office.

## District Risk Management Program (DRMP)

Whereas the SPP focuses funding on addressing key performance targets on the NHS, the DRMP focuses funding on non-NHS highway as well as other non-performance-based needs on all state highways. The majority of the program supports pavement and bridge rehabilitation or replacement projects. The DRMP project selection process is structured to give districts the flexibility to address their greatest regional and local risks. Districts are also able to make additional investments on the NHS if the proposed project is in response to a high risk.

MnDOT created a resource distribution formula for the purpose of distributing funds that are in the DRMP program among the eight districts. The funds each district receives in order to program its DRMP projects are determined through this target formula.

2021-2024 STIP Funding Allocation:

<b>District Risk Management Program (DRMP)</b> <b>(in Millions)</b>			
<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
448	443	365	364

## National Highway Freight Program (NHFP)

FAST Act created a new funding program that provides money to make improvements to our highway system that benefit freight movement. All public roads, including county and city roads, are eligible for this money. In order to select projects that will be funded with freight funding, MnDOT has created the Minnesota Highway Freight Program (MHFP). MHFP goals include infrastructure and operational improvements to US highways, and improving safety, security, efficiency and resiliency of freight transport. Solicitations are being done annually and selected projects are included in the STIP.

For additional information about the NHFP program go to: <http://www.dot.state.mn.us/ofrw/mhfp/>

2021-2024 STIP Funding Allocation:

<b>National Highway Freight Program (NHFP)</b> <b>(in Millions)</b>			
<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
28	34	28	28

## Surface Transportation Block Grant Program (STBGP)

FAST Act converts the long-standing Surface Transportation Program into the Surface Transportation Block Grant Program (STBGP) acknowledging that this program has the most flexible eligibilities among all Federal-aid highway programs and aligning the program's name with how FHWA has historically administered it. The STBGP promotes flexibility in State and local transportation decisions and provides flexible funding to best address State and local transportation needs.

2021-2024 STIP Funding Allocation:

<b>Surface Transportation Block Grant Program (STBGP)</b> <b>(in Millions)</b>			
<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
95	95	98	103

## **Surface Transportation Block Grant - Transportation Alternatives Program (STBGAP)**

The Surface Transportation Block Grant for Transportation Alternatives Program includes all projects and activities that were previously eligible under the MAP-21 Transportation Alternatives Program (TAP), encompassing a variety of smaller-scale transportation projects such as pedestrian and bicycle facilities, recreational trails, scenic byways, safe routes to school projects, community improvements such as historic preservation and vegetation management, and environmental mitigation related to storm water and habitat connectivity.

For additional information about the STBGAP go to: <http://www.dot.state.mn.us/ta/index.html>

2021-2024 STIP Funding Allocation: \$13.4M/Yr.

## **Highway Safety Improvement Program (HSIP)**

HSIP aims to achieve a significant reduction of traffic fatalities and serious injuries on all public roads. The HSIP requires a Strategic Highway Safety Plan that identifies and analyzes safety problems and opportunities in order to use HSIP fund for eligible activities under 23 USC code. HSIP funds may be used for projects on any public road or publicly owned bicycle and pedestrian pathway or trail.

For additional information about HSIP program go to:  
<https://www.dot.state.mn.us/trafficeng/safety/hsip.html>

2021-2024 STIP Funding Allocation:

Local HSIP: \$23M/Yr.

MnDOT HSIP: \$15M/Yr.

## **Railway-Highway Crossings Program**

Title 23 of United States Code (USC) Section 130 provides federal funding to States annually for the elimination of hazards at railway-highway crossings. Section 130 Program has been correlated with a significant decrease in fatalities at railway-highway grade crossings since the program inception in 1987. The overall reductions in fatalities come despite an increase in the vehicle miles traveled on roadways and an increase in the passenger and the freight traffic on the railways.

The prioritized statewide list of rail grade crossing safety improvement projects is based on the following criteria:

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

For clarification, Rail Highway Safety projects are funded with their own Railway-Highway Crossings apportionments. They are not part of Highway Safety Improvement Program (HSIP) funds.

For additional information about Rail Grade Crossing Safety Program go to:

<https://www.dot.state.mn.us/ofrw/railroad/safety.html>

2021-2024 STIP Funding Allocation: \$6.1M/Yr.

### **Congestion Mitigation and Air Quality Improvement Program (CMAQ)**

CMAQ directs funding toward transportation projects and programs in air quality non-attainment areas and maintenance areas for ozone, carbon monoxide, and particulate matter which reduce transportation related emissions. Only the Twin Cities is eligible for the utilization of CMAQ funds since this area is air quality maintenance area.

2021-2024 STIP Funding Allocation: \$31.6M/Yr.

### **Bridge Off-System Program (BROS)**

MnDOT's State Aid Office oversees the local bridge replacement program. They manage the processing of the bridge project plans, develop, implement, and determine policy for eligibility, participation, distribute funds and perform studies to provide information on state aid systems and programs.

For additional information about Off-System Bridge Program go to:

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

2021-2024 STIP Funding Allocation: \$6M/Yr.

### **Statewide Americans with Disabilities (ADA) Program**

MnDOT is committed to providing accessible transportation facilities and communications. MnDOT's ADA Unit provides department support for the design and construction of accessible facilities in MnDOT's right of way and policy direction for MnDOT on how to implement the America's with Disabilities Act. The ADA Unit is also the primary contact for individuals who need accommodations to access MnDOT services or are encountering accessibility barriers with MnDOT.

For additional information about ADA Program go to: <https://www.dot.state.mn.us/ada/>

2021-2024 STIP Funding Allocation: \$10M/Yr.

## **Safety Rest Area Program**

MnDOT's Safety Rest Area Program provides motorists in Minnesota with a coordinated system of rest areas and waysides. It helps motorists travel safer, smarter and more efficiently. MnDOT designates rest areas that meet the following criteria as Safety Rest Areas:

- Eliminate an unsafe highway shoulder stop
- Occur at a critical location for commercial trucks
- Occur at a strategic location for promoting the state and state tourism
- Provide another safety function
- Are situated at the desired spacing on the Rest Area Service Network to address safety issues

For additional information about Safety Rest Area program to:

<https://www.dot.state.mn.us/restareas/about.html>

2021-2024 STIP Funding Allocation: Approximately \$4.7M/Yr.

## **Intelligent Transportation System Program (ITS)**

Intelligent Transportation Systems (ITS) is the application of advanced technology to solve transportation problems. It supports the movement of people, goods, and services and improves transportation safety and mobility and enhances productivity through the use of advanced information and communications technologies. ITS projects encompass a broad range of wireless and wire line communications based information and electronics technologies.

For additional information about ITS program go to: <https://www.dot.state.mn.us/its/design.html>

2021-2024 STIP Funding Allocation: \$1.8M/Yr.

## ***Discretionary Program***

The FHWA administers discretionary programs through its various offices. These discretionary programs represent special funding categories where FHWA solicits for candidates and selects projects for funding based on applications received. Each program has its own eligibility and selection criteria that are established by law, by regulation, or administratively.

## **Accelerated Innovation Deployment Program (AID)**

The Accelerated Innovation Deployment (AID) Grant is one program under the multi-faceted Technology and Innovation Deployment Program (TIDP) offered by the Federal Highway Administration (FHWA) to provide funding to offset risk as an incentive to accelerate the implementation and adoption of innovation in highway transportation. Projects eligible for funding shall include proven innovative practices or technologies such as those in the "Every Day Counts" initiative (EDC). Innovations may include infrastructure and non-infrastructure strategies or activities that are a significant improvement over the applicant's conventional practice.

FHWA made \$15M available in FFY 2014 and the program is offered on a rolling basis. Minnesota is eligible to receive up to two grants -- one for MnDOT, and another for a MPO, local government or tribal government. Awards are capped at \$1M and subject to Federal matching requirements. Projects must be ready to initiate within 6 months of applying for AID funds.

AID projects are required to be amended into the currently approved STIP once selected. Contact the Office Transportation System Management for guidance on how to submit a formal STIP amendment.

As of September 7, 2018, MnDOT was awarded \$1M to improve roadway safety by creating a signalized “restricted crossing U-turn” (RCUT) intersection on Trunk Highway 65.

For additional information about AID programs go to: <https://www.fhwa.dot.gov/innovation/grants/>

### **Federal Lands Highway Program (FLH)**

The Federal Lands Highway Program is managed by FHWA and there is limited state authority over this category of funding. The program includes the following categories of roads:

- Indian Reservation Roads
- Parkways and Park Roads
- Public Lands Highways, which includes the former Forest Highways category and Refuge Roads

For additional information about Federal Lands Highway Program contact MnDOT’s State Aid Office.

Information about the FLH is also available at: <https://flh.fhwa.dot.gov/>

### **Federal Lands Access Program (FLAP)**

The Federal Lands Access Program (Access Program) was established in 23 U.S.C. 204 to improve transportation facilities that provide access to, are adjacent to, or are located within Federal lands. The Program provides flexibility for a wide range of transportation projects and it also supplements State and local resources for public roads, transit systems and other transportation facilities with emphasis on high-use recreation sites and economic generators.

For additional information about the program go to: <https://flh.fhwa.dot.gov/programs/flap/>

### **Highway Safety Improvement - Section 164 Sanction Program**

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

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

MnDOT's Office of Traffic Safety and Technology (OTST) solicits and manages the program statewide.

For additional information about the program go to:

<https://www.dot.state.mn.us/trafficeng/safety/hsip.html>

2021-2024 STIP Funding Allocation: \$16M/Yr.

## ***Transit Programs***

A portion of the federal gas tax is placed in the Mass Transit Account of the Federal Highway Trust Fund. These funds, and general fund appropriations, are reserved for transit purposes and are managed by the FTA. Transit funding authorized by FAST Act is managed in several ways. The largest amount is distributed to the states by formula. Other program funds are discretionary and some are earmarked for specific projects. FTA transit allocations may be administered by a state or granted directly to a transit agency.

Transit Grants Programs include:

- Public Transit Urbanized Area Formula Program (Section 5307)
- Capital Program (5309)
- Elderly Persons and Persons with Disabilities Program (Section 5310)
- Public Transit Non-Urbanized Area Program (Section 5311)
- State of Good Repair Program (Section 5337)
- Bus and Bus Facilities Program (Section 5339)

## **VI. State Funded Programs**

### **Corridors of Commerce Program (COC)**

The 2013 Minnesota Legislature created the Corridors of Commerce program, authorizing the sale of new trunk highway bonds for the construction, reconstruction and improvement of trunk highways for projects not already in the State Transportation Improvement Program. This was to further two major goals: (1) provide additional highway capacity on segments where there are currently bottlenecks in the system and (2) improve the movement of freight and reduce barriers to commerce.

For additional information about Corridors of Commerce program go to:

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

### **Clean Transportation Funding Pilot Program (Sustainability)**

The clean Transportation Funding Pilot Program is managed by MnDOT Sustainable Transportation Advisory Council (STAC). The goal of the program is to help the agency reduce carbon pollution through transportation activities meeting MnDOT's statutory goals outlined in Minnesota Statute.

For additional information about the Clean Transportation Pilot Program go to:

<http://www.dot.state.mn.us/sustainability/advisory-council.html>

2021-2024 STIP Funding Allocation: \$2M/Yr. for FY 2021 through FY 2023

## **Districtwide State Fund Setaside**

The Districts are responsible to identify the funding source and show as setasides for each year of the STIP. These funds are being setaside for items such as right of way acquisition, use of consultants for design or inspection services, signing, lighting, signaling, detours, preventative maintenance, and other low cost items that are beneficial to the trunk highway system. While these items improve the system and generally are awarded through a competitive bid process, they most often are not thought of as a construction project. It is estimated that approximately 8 percent of the construction budget is used for system support items each year. Districts are responsible for tracking and managing the eligibility constraints of these funds in the state road construction program.

State Fund Setasides are limited to the following categories:

- 880X-CA-XX: External Consultant
- 880X-RX-XX: Bridge and Road Construction (BARC)
- 880X-RW-XX: Right of Way
- 880X-PM-XX: Preventative Maintenance
- 880X-SA-XX: Supplemental Agreement and Cost Overruns
- 880X-PD-XX: Internal Program Delivery
- 880X-AM-XX: Municipal Agreement
- 880X-LP-XX: Landscaping Partnership
- 880X-LPP-XX: Local Partnership Program
- 880M-MO-XX: Metro/Twin Cities Mobility
- 880X-GR-XX: Guardrail
- 880X-SS-XX: System Support (one setaside per district/per year required)

## **Greater MN Standalone Noise Barrier Program**

The Greater Minnesota Standalone Noise Barrier Program was recommended by the Office of the Legislative Auditor who stated that “MnDOT should create a pathway for communities outside of the metropolitan area to become eligible for state-funded noise barrier projects.” MnDOT Office of

Environmental Stewardship (OES) will assist the Districts in conducting preliminary noise analysis and develop a solicitation and scoring system based on needs, cost effectiveness and noise level.

For additional information about the Greater Minnesota Standalone Noise Barrier program go to: <https://www.dot.state.mn.us/environment/noise/greater-mn-program.html>

2021-2024 STIP Funding Allocation: \$2M/Yr.

### **Historic Roadside Properties Program**

The purpose of this program is to preserve roadside properties that are registered as the National Register of Historic Places. Many of these properties are state, regional, or local landmarks and are important to regional tourism services. They include features such as scenic overlook walls, wayside parks, stone picnic tables and fireplaces, interpretive markers, and small bridges.

For additional information about the Historic Roadside Properties Program go to: <https://www.dot.state.mn.us/roadsides/historic/index.html>

2021-2024 STIP Funding Allocation: \$2.3M for FY 2021; \$1.3M/Yr. for FY 2022-FY 2024

### **Local Partnership Program (LPP)**

The Local Partnership Program (LPP) is a new program developed by MnDOT to enhance the opportunity to partner with local agencies with projects on the trunk highway system. The goal of the program is to focus on the development of long term and sustainable partnerships, the collaboration of transportation system needs, leveraging of agency investments, and minimization of project delivery times and costs.

For additional information go to: <https://www.dot.state.mn.us/stateaid/lpp.html>

2021-2024 STIP Funding Allocation: Approximate \$11.7M/Yr. (pending on TPIC approval)

### **Transportation Economic Development Program (TED) (Ongoing Appropriation)**

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

DEED administers a parallel Transportation Economic Development Infrastructure (TEDI) program that funds projects on local roads and for other types of transportation. Projects may combine funding from both programs.

Selected TED projects are required to be included and smart coded in the STIP. Refer to "Centrally Funded Programs" guidance for coding the ATIP template.

For additional information about the program go to:

<http://www.dot.state.mn.us/funding/ted/index.html>

2021-2024 STIP Funding Allocation: \$10M/Yr.

## **Weigh Station Program**

The Weigh Station Capital Improvement Program funds the installation, repair and replacement of the physical infrastructure necessary for the enforcement of state and federal weight and size commercial motor carrier laws. MnDOT is responsible for the physical infrastructure used to perform enforcement. The Minnesota State Patrol, a division of the Minnesota Department of Public Safety, is responsible for operations and carrying out of enforcement of the laws. The two units of government coordinate closely to identify operational and capital improvements.

Projects are solicited through MnDOT District offices and through input from the Weight Enforcement Unit of the State Patrol. MnDOT and the State Patrol are developing a 10 year Weight Enforcement Investment Plan that will identify and prioritize needs throughout the state. The plan will be the basis for project identification and selection.

For additional information about weigh station program go to:

<https://www.dot.state.mn.us/projectselection/lists/weigh-stations.html>

2021-2024 STIP Funding Allocation: \$2M/Yr.

## **VII. Type of Project in the STIP**

### **Advance Construction (AC) and AC Payback Project**

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

For example:

*A 2020 project that will take three construction seasons to construct uses a total of \$30 million in federal funds. This project will use \$10 million in 2020, \$15 million in 2021 and \$5 million in 2022. Without the use of AC, the full \$30 million in federal funds is tied up in 2020 even though the project will span three construction seasons. With the use of AC, the project will be shown as using \$10 million in federal funds in 2020 and \$20 million in AC funds. This way the federal funds can be used throughout the life of the project. The project is now considered a 2020 AC project with paybacks (AC conversions) in 2021 and 2022. The \$10 million, \$15 million and \$5 million will go against the federal targets in 2020, 2021 and 2022 respectively.*

The advantage of not tying up the full amount of federal funds in the first year of a project is that the District can fund other projects in that year. Another advantage is having the ability to finance a high

cost project that may cost beyond what is available in federal target for one year. AC Paybacks shown in the STIP are referred to as “Planned AC.”

Any changes in AC Payback should go through Brad Cornelius or Pheng Yang, MnDOT Office of Financial Management.

### **Alternate Bid Project**

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

- The project total should be the LOWER of the two project totals for all years of the ATIP.
- To minimize potential STIP modifications or amendments, the project description should not be too specific in describing the fix (e.g., 3” mill and 3.5” bituminous overlay”); it should be more generic so that it would cover either alternative. The description should be smart coded as **\*\*AB\*\***.

### **Associated Project**

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

- It includes a local federal share on MnDOT let projects; or
- It uses another federal fund type that is different than the federal fund type used on the Prime SP.

Do not show associated SPs in the STIP description unless it meets one or more of the requirements above.

### **Early Let Late Award (ELLA) Project**

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

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

The advantage of ELLAs are that it allows the project to be let and awarded in advance of funding availability so that work can begin as soon as the next SFY begins. Under the regular project letting process, a project is advertised, let and awarded in the year that funding is available. This process is not available beyond MnDOT as MnDOT’s Trunk Highway fund cash flows the project until Federal funds are available and the Trunk Highway fund cannot cash flow non-Trunk Highway projects.

For questions regarding ELLAs, contact MnDOT Office of Financial Management (OFM).

## **Flexible Project**

Flexible projects are those that have funding either committed in the STIP or identified in the CHIP and have an assigned letting date which correlates to when that funding is available. Construction documents (plans, special provisions, permits, etc.) will be completed on a more aggressive schedule determined by the District so that the letting date can be advanced a minimum of a year if additional funding is available. All flexible projects must be listed in the STIP in the year they are funded, not the year they can be flexed for delivery. This also means these projects should have the inflation rate applied to them for the year they are funded in the STIP or CHIP. Likewise, CHIMES should show a let date for the project which corresponds to the funding year in the STIP or CHIP. CHIMES also provides a checkbox for FLEX and an early let date.

## **Indefinite Delivery Indefinite Quantity (IDIQ) Project**

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

### *Funding for IDIQ Project*

All IDIQ projects should be included in the STIP for tracking purposes. At this time, state trunk highway funds may be used to fund IDIQ projects without approval. If using federal funds, Brian Gage and Kevin Kosobud need to approve the project before programming the project in the STIP. All IDIQ projects should be entered into CHIMES using the standard CHIMES procedure.

### *IDIQ Project in the STIP*

- Project Descriptions: IDIQ projects should include the project description, minimum and maximum amount of the contract, and expiration date of the contract.
- Example: DISTRICTWIDE SEALCOAT, IDIQ MINIMUM \$500,000, MAXIMUM \$1M, CONTRACT EXPIRATION DATE: 06/30/2019
- Project Financing: The project should be funded at the minimum contract amount in the STIP.
- IDIQ must be selected as the project delivery type drop down. This replaces the IDIQ smart coding in the project description.

For more information about IDIQ, contact MnDOT Office of Financial Management.

## **Public Safety and National Highway Traffic Safety Administration Project**

Projects that are partially or fully funded with Department of Public Safety (DPS) and/or NHTSA funds (from SAFETEA-LU) should be treated as a federal project and must follow all federal rules and

regulations. However, if those funds are part of a MnDOT federal project, they would be considered as “state funds” when authorizing, but DPS and/or NHTSA funds are still considered as federal funds and cannot be used as a match on any MnDOT federal project.

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

## **VIII. Other STIP Related Guidance**

### **Bridge Eligibility**

Bridges on the National Highway System (NHS) are eligible for National Highway Performance Program (NHPP) funds. Bridges on any other federal aid system are eligible for STBGP funds. Bridges off the federal aid system are eligible for Off-System Bridge funds. At this time, Bridge Sufficiency Rating is not part of the criteria for a bridge to receive federal funding; however, it is required for a bridge replacement project which uses off-system federal funds and must have a sufficiency rating of 50 or less.

### **Cost Split on Project**

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

#### *Bridges/Culverts*

Federal Regulations require the reporting of bridge/culvert data on projects using Federal funds. Quantities for bridges must be broken out regardless of the type of Federal funds used. This is also the case for bridges being replaced by culverts and culverts being replaced by culverts. Both the old and new bridge numbers from structure being replaced should be reported. Approach work from touchdown point to touchdown point is an eligible bridge replacement cost on projects using Federal bridge funds and should also be reported separately if possible. This ensures that Minnesota is maximizing the use of its bridge apportionments. Each bridge type should have a separate column of quantities.

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

#### *Highway Safety Improvement Program (HSIP)*

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

### *Surface Transportation Block Grant - Transportation Alternatives Program (STBGAP)*

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

### *Congestion Mitigation and Air Quality (CMAQ)*

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

### *Multiple System Types*

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

### *Multiple Federal Fund Types*

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

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

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

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

Remember to:

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

## Federal Fund Eligibility

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

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

Transit STBGP:

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

## Federal Share

Most federally funded projects provide an 80% or 90% share requiring a 20% or 10% non-federal match. MnDOT projects are required to maximize federal funding unless approved by OTSM. For State Aid projects, a minimum 30% federal share is required on all federally funded projects. Table 1 shows two examples of fully funded federal projects with an 80/20 split.

**Table 1: Examples for Maximizing Federal Funding**

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

## Funding Split

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

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

If a Transit project is using FTA and FHWA for proposed funds, split the funding in the District Comments column for Fund 1 and Fund 2. Fund 1 (higher dollar amount) and Fund 2 (the lower dollar amount) should be STBGP/FTA or FTA/STBGP. For example, Fund 1 STP 40,000 and Fund 2 FTA 20,000. In the District Comments column, the description should read: STP 80/20, \$10,000 SM, FTA 50/50, and \$20,000 LM.

### **In-Kind Match for Federally Funded Project**

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

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

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

Donated land or right-of-way is appraised at fair market value.

Table 2 shows different examples of in-kind match for federal projects. The examples assume 80/20 participation. In Examples A and B, no local or state match is required as 80% is equal to or greater than the total project cost. Federal funds used would be \$100,000. Example C illustrates that a local or state match would be required as 80% is less than the contract amount. Federal funds used would equal \$96,000 requiring a match of \$4,000.

**Table 2: Examples of In-Kind Match for Federal Projects**

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

## **Maximizing the Federal Funds**

State projects using Federal Funds should be shown in the STIP with the maximum amount of federal/state split, typically 80/20 or 90/10 or 100/0 depending on federal funding type. Some projects including projects using bonds may result in a project not meeting the maximum split. The Districts should contact OTSM if they want to include state projects with federal funds when the federal funds are not maximized.

## **State Road Construction (SRC) Eligibility**

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

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

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

## IX. Program Contacts

Program Name	MnDOT Office	Contact
Advance Construction (AC)	Office of Financial Management	Brad Cornelius
Americans with Disabilities Program (ADA)	Office of Operations Division Administration	Todd Grugel
Bridge Off System Program (BROS)	Office of State Aid for Local Transportation	Sara Pflaum
Clean Transportation Funding Pilot Program	Office of Sustainability & Public Health	Timothy Sexton
Corridors of Commerce Program (COC)	Office of Transportation System Management	Patrick Weidemann
Early Let Late Award (ELLA)	Office of Financial Management	Thanh Vo
Federal Lands Highways Program	Office of State Aid for Local Transportation	Lynnette Roshell
Greater MN Standalone Noise Barrier Program	Office of Environmental Stewardship	Peter Wasko
Highway Safety Improvement Program (HSIP)	Office of Traffic Engineering	Eric DeVoe
Highway Safety Improvement - Section 164 Sanction	Office of Traffic Engineering	Eric DeVoe
Historic Roadside Properties Program	Office of Project Management & Tech Support	Andrea Weber
Indefinite Delivery Indefinite Quantity (IDIQ)	Office of Financial Management	Brad Cornelius
Intelligent Transportation Systems Program (ITS)	Office of Traffic Engineering	Sue Sheehan
Local NHS Program	Office of Metro State Aid for Local Transportation	Dan Erickson
Local Partnership Program (LPP)	Office of State Aid for Local Transportation	Mark Vizecky
Project Selection Policy	Office of Transportation System Management	Karen Scheffing
Railway-Highway Crossings Program	Office of Freight & Commercial Vehicle Operations	Amy Johnson
Safety Rest Areas Program	Office of Project Management & Tech Support	Robert Williams
Statewide Performance Bridge Program (SPP-Bridge)	Office of Bridge	Nicole, Bartelt
Statewide Performance Freight Program (SPP-Freight)	Office of Freight & Commercial Vehicle Operations	Andrew Andrusko

<b>Program Name</b>	<b>MnDOT Office</b>	<b>Contact</b>
Statewide Performance Pavement Program (SPP-Pavement)	Office of Materials & Road Research	Dave Janisch
Statewide Performance Program Mobility (SPP-Mobility)	Metro District-Planning, Program Management & Transit	Molly McCartney
Transit Program	Office of Transit and Active Transportation	Deborah Ellis
Transportation Alternatives Program (STBGP-TAP)	Office of Transportation System Management	Zue Vu
Transportation Economic Development (TED)	Office of Financial Management	Ken Buckeye
Transportation Revolving Loan Fund (TRLF)	Office of Financial Management	Pheng Yang
Weigh Stations Program	Freight & Commercial Vehicle Operations	Patrick Osborn