Federal Project Management

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Discussion Items

- Federal Grants
 - Road School Survey
 - Overview of Federal Grants
 - Federal Grant Application Process
- Federal Funds Requirements
 - Proper Authorization
 - Period of Performance
- Federal Funds Management
 - Project End Dates and Inactive Projects
- Final Takeaways



Federal Grants



Road School Survey

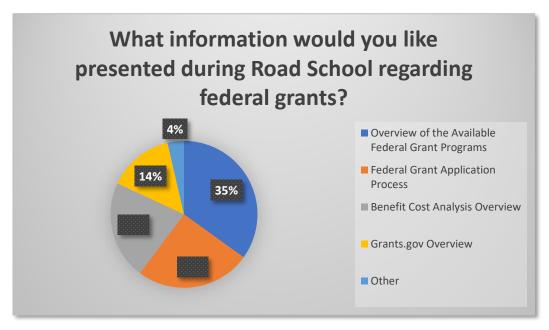
Federal Grants 2023 Road School Survey

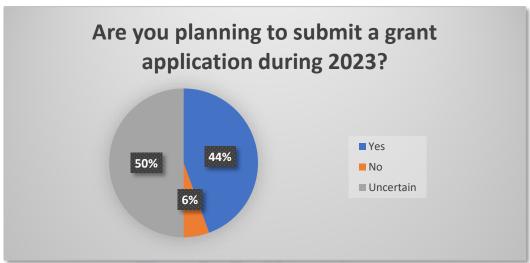
The following survey will support and guide development for the 2023 Road School Federal Grant presentation. Survey Results will be shared during the 2023 Road School presentation. Thank you for your responses.

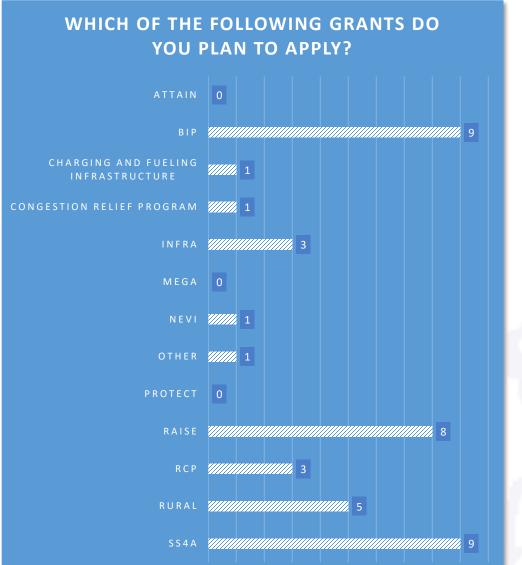
* Required
1. What information would you like presented during Road School regarding federal grants? Please select all that apply. *
Overview of the Available Federal Grant Programs under the Bi-Partisan Infrastructure Law (BIL)
Federal Grant Application Process
Benefit Cost Analysis Overview
Grants,gov Overview Other
2. Are you planning to submit a grant application during 2023? * (Yes
○ No
Uncertain
Submit



Road School Survey









Overview of Federal Grants

- Bipartisan Infrastructure Law (BIL) Competitive Discretionary Grants
- How Many Competitive Grant Programs are Available for <u>Local Road and Infrastructure</u> projects? *
 - 20 + competitive grant programs available under the Federal Highway Administration
- How Much Funding Is Available to Under These Competitive Grant Programs? *
 - There is \$45 billion + in funding up for grabs

* sources:

- https://www.transportation.gov/bipartisan-infrastructure-law/bipartisan-infrastructure-law-grant-programs
- https://www.fhwa.dot.gov/bipartisan-infrastructure-law/grant_programs.cfm
- https://www.whitehouse.gov/build/guidebook/



A GUIDEBOOK TO THE
BIPARTISAN INFRASTRUCTURE LAW
FOR STATE, LOCAL, TRIBAL, AND
TERRITORIAL GOVERNMENTS, AND
OTHER PARTNERS







SS4A Grant

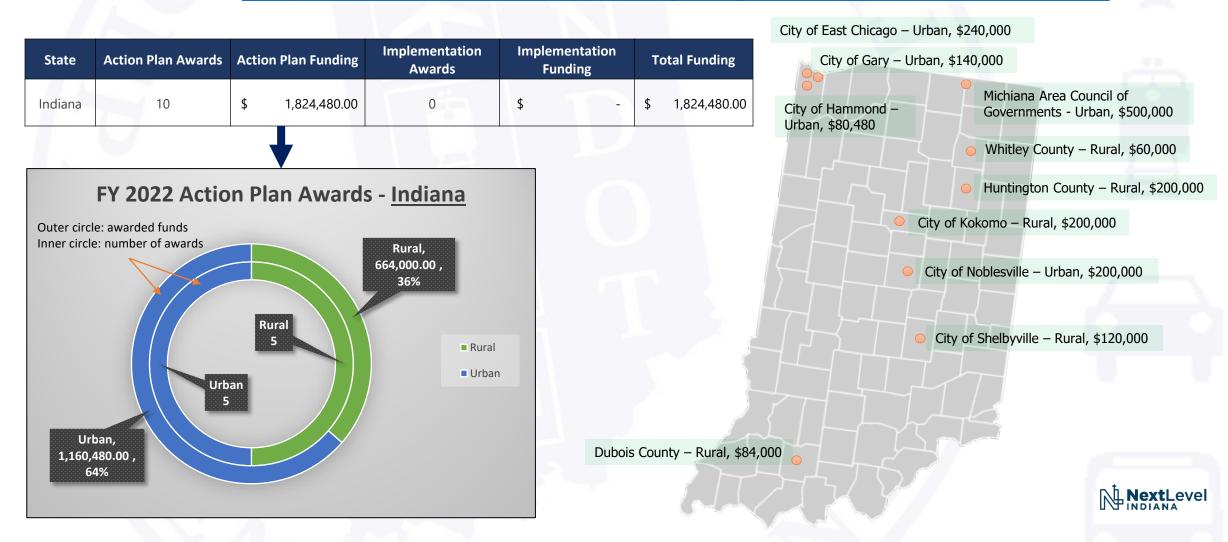
- Grant: Safe Streets and Roads for All (SS4A) Program
 - Funds regional, local, and Tribal initiatives through grants to prevent roadway deaths and serious injuries.
 - DOT announced more than \$800 million to 510 grant recipients in the first round, Fiscal Year (FY) 2022.
 - https://www.transportation.gov/grants/SS4A
- Eligible Applicants:
 - Metropolitan planning organizations;
 - Counties, cities, towns, and transit agencies or other special districts that are subdivisions of a State;
 - Federally recognized Tribal governments; and
 - Multijurisdictional groups of the above entities.
- Eligible Activities:
 - Develop or update a comprehensive safety action plan (Action Plan)
 - Conduct planning, design, and development activities in support of an Action Plan
 - Carry out projects and strategies identified in an Action Plan
- Funding:
 - Total Funding Available: up to \$1 billion per FY for 5 years (FY 2022-2026)
 - \$1 billion per program year no more then 15% awarded to 1 state
 - 40% set aside each FY for planning activities
 - (DOT was unable to award all available funding in FY 2022)
 - Requires 20% non-Federal match
 - No more than 15% may be awarded to any single state in each FY
 - (only California was affected in FY 2022)
- Application:
 - FY2023 NOFO expected to be released in Spring 2023 (April), with applications likely due in summer 2023
 - Implementation grant requires a qualifying Action Plan (see Self-Certification Eligibility Worksheet in FY 2022 NOFO)



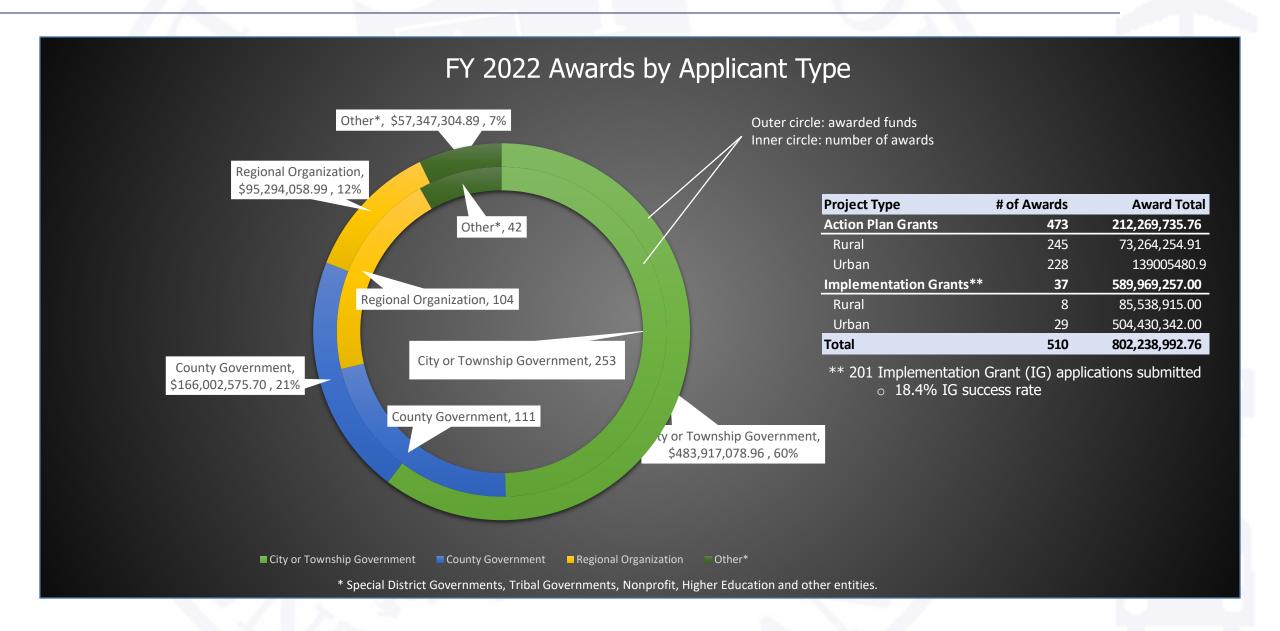


SS4A FY 2022 Awards

• Award Details: https://www.transportation.gov/grants/ss4a/2022-awards

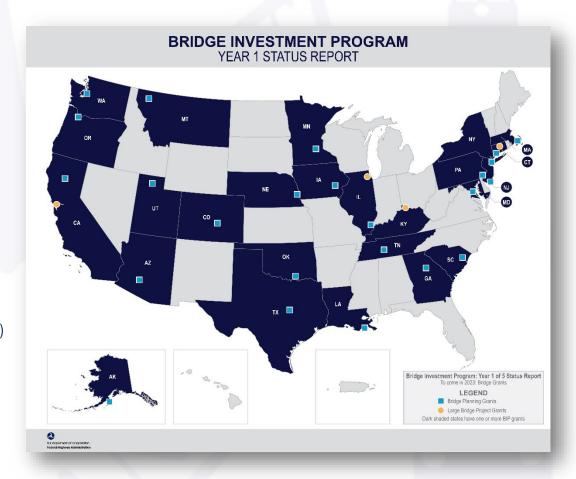


SS4A FY 2022 Awards



BIP Grant

- Grant: Bridge Investment Program (BIP)
 - https://www.fhwa.dot.gov/bridge/bip/index.cfm
- Eligible Applicants:
 - State or Territory, MPO with population over 200,000, Unit of Local Government or Groups of Local Governments, political subdivision of a State or local government, Special purpose district, Federal land management agency, Tribal government, Multi-State or Multijurisdictional group.
- Eligible Projects:
 - 3 funding categories within BIP:
 - 1) Large Bridge and Culvert Projects, including bundles, over \$100 million
 - 2) Other than Large Bridge and Culvert Projects, including bundles, under \$100 million
 - 3) Planning Grants
- Award:
 - Total Funding Available 2023: \$2.487 billion
 - Planning: \$20 million, No minimum or maximum award
 - Large Bridge: Minimum award of \$50 million
 - Other then Large: Minimum award of \$2.5 million
 - Cost share:
 - Planning: 100%
 - Large Bridge: 50/50 (total federal cannot exceed 90% for off-system bridges)
 - Other then Large: 80/20 (total federal cannot exceed 90% for off-system bridges)
- Application:
 - NOFO expected to be released in Summer 2023
 - Capital projects require a benefit cost analysis



RAISE Grant

- Grant: Rebuilding American Infrastructure with Sustainability and Equity (RAISE) previously BUILD, TIGER
 - https://www.transportation.gov/RAISEgrants
- Eligible Applicants:
 - State or Territory, Unit of Local Government, Public Agency, Special Purpose District, Tribe, Transit Agency, Multi-State or Multijurisdictional group
- Eligible Projects:
 - Capital or Planning projects: Highway, Bridge or other Road Project; Public Transportation Project; Passenger and Freight Rail Project; Port Infrastructure Project; Surface transportation components of an airport project; Intermodal project; Culvert Project.
- Award:
 - Total Funding Available 2023: \$2.3 billion (\$1.5B under BIL, \$800M under FY23 Appropriations Act)
 - Grant Awards Minimum: \$5 million (urban area) and \$1 million (rural area)
 - Grant Award Maximum: \$25 million per project and \$225 million per State
 - \$45 million per project under FY23 Appropriations Act
 - Not more than 50% of funding will be awarded to projects located in urban and rural areas, respectively
 - Cost share:
 - 80/20 (urban area)
 - 100% (rural area, or area of persistent poverty or historically disadvantaged)
- Application:
 - FY23 Applications were due 2/28/2023
 - Capital projects require a benefit cost analysis

FY 2022 Award Summary

Project Type	# of Awards	Award Total
Capital	121	2,082,455,047.00
Rural	63	1,042,226,496.00
Urban	58	1,040,228,551.00
Planning	45	162,544,953.00
Rural	28	80,273,504.00
Urban	17	82,271,449.00
Total	166	2,245,000,000.00

- 936 eligible applications submitted o 17.7% success rate
- 30% increase in applications submitted since 2020



Other Competitive Grant Opportunities

- Grant Funding Matrix:
 - www.fhwa.dot.gov/bipartisan-infrastructure-law/grant programs.cfm

Grant Program	Program Description	Metropolitan Planning Organization (MPO)	Local Government or agency
Nationally Significant Multimodal Freight and Highway Projects (INFRA)	Provides grants for multimodal freight and highway projects of national or regional significance.	Yes (with a population over 200,000)	Yes
National Infrastructure Project Assistance Program (MEGA)	Provides grants to surface transportation infrastructure that are too large or complex for traditional funding programs that will have a significant national or regional impact.	Yes	Yes
Rural Surface Transportation Grant Program	Provides grants for projects to improve and expand the surface transportation infrastructure in rural areas to increase connectivity, improve the safety and reliability of the movement of people and freight, and generate regional economic growth and improve quality of life.		Yes
Reconnecting Communities Pilot Program — Planning Grants	Provides grants for feasibility studies and other planning activities for projects to restore community connectivity by removing, retrofitting, or mitigating highways or other transportation facilities that create barriers to community connectivity, including to mobility, access, or economic development.	Yes	Yes
Reconnecting Communities Pilot Program — Capital Construction Grants	Provides grants for projects to restore community connectivity by removing, retrofitting, or mitigating highways or other transportation facilities that create barriers to community connectivity, including to mobility, access, or economic development.	Yes (The applicant must be the owner of the system. Others may partner with the owner.)	Yes (The applicant must be the owner of the system. Others may partner with the owner.)



Other Competitive Grant Opportunities

Continued

Grant Program	Program Description	Metropolitan Planning Organization (MPO)	Local Government or agency
Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation (PROTECT) Discretionary Grants	Provides grants for activities that enable communities to address vulnerabilities to current and future weather events, natural disasters, and changing conditions, including sea level rise, and plan transportation improvements and emergency response strategies to address those vulnerabilities.	Yes	Yes
National Electric Vehicle Infrastructure (NEVI) Set-aside Discretionary Grant	10 percent set-aside each fiscal year to provide grants to provide additional assistance to strategically deploy EV charging infrastructure.		Yes
Charging and Fueling Infrastructure Grants Program (Community Charging)	Provides grants for projects to develop electric vehicle charging and hydrogen, propane, and natural gas fueling infrastructure access along alternative fuel corridors throughout the country, including in rural areas, low- and moderate-income neighborhoods, and communities with a low ratio of private parking spaces to households or a high ratio of multiunit dwellings to single family homes.	Yes	Yes
Charging and Fueling Infrastructure Grants Program (Corridor Charging)	Deploys publicly accessible EV charging infrastructure and hydrogen, propane, and natural gas fueling infrastructure along designated Alternative Fuel Corridors.	Yes	Yes
Nationally Significant Federal Lands and Tribal Projects (NSFLTP) Program	Provides grants to Tribes and Federal land management agencies to complete projects that will provide substantial benefits to their communities or parklands.	Yes (if sponsored by an FLMA or Tribe)	Yes (if sponsored by an FLMA or Tribe)
Congestion Relief Program	Provides grants to advance innovative, integrated, and multimodal solutions to reduce congestion and the related economic and environmental costs in the most congested metropolitan areas with an urbanized area population of at least 1 million.	Yes	Yes (city or municipality)



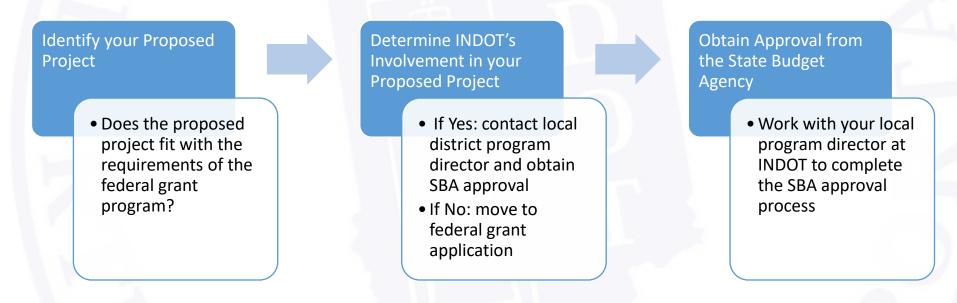
Other Competitive Grant Opportunities

Continued

Grant Program	Program Description	Metropolitan Planning Organization (MPO)	Local Government or agency
Wildlife Crossings Safety Pilot Program	Provides grants to support projects that seek to reduce the number of wildlife-vehicle collisions, and in carrying out that purpose, improve habitat connectivity for terrestrial and aquatic species.	Yes	Yes
National Culvert Removal, Replacement, and Restoration Grants	Provides grants to fund projects for the replacement, removal, and repair of culvert or weirs that would meaningfully improve or restore fish passage for anadromous fish.		Yes
Advanced Transportation Technologies and Innovative Mobility Deployment (also known as Advanced Transportation Technology and Innovation (ATTAIN) Program)	Provides grants to deploy, install, and operate advanced transportation technologies to improve safety, mobility, efficiency, system performance, intermodal connectivity, and infrastructure return on investment.	Yes	Yes
Accelerated Innovation Deployment (AID) Demonstration Program	Provides grants to support the pilot/demonstration of innovations on projects, in areas such as planning, financing, operations, pavements, structures, materials, environment, and construction.	Yes (population over 200,000 - must apply through the State DOT as a subrecipient)	Yes (must apply through the State DOT as a subrecipient)
Strategic Innovation for Revenue Collection	Provides funds to test the feasibility of a road usage fee and other user- based alternative revenue mechanisms to help maintain the long-term solvency of the Highway Trust Fund.	Yes	Yes
Prioritization Process Pilot Program	Supports data-driven approaches to planning that can be evaluated for public benefit.	Yes (serving an urban area with a population over 200,000)	



- Prepare for your federal grant application
 - Indiana Code requires approval from the Indiana State Budget Agency (SBA) before Participating in Federal Assistance Opportunities for Projects Managed by INDOT



- State Budget Agency Federal Assistance Process:
 - https://www.in.gov/indot/doing-business-with-indot/local-public-agency-programs/Federal-Discretionary-Grant-Information/



- Understand the Selection Criteria and Align Prospective Projects
- Example: SS4A
 - Action Plans Evaluators Assess:
 - A. Quantitative Data,
 - B. Additional Safety Considerations, and
 - C. Budget
 - Implementation Projects Evaluators Assess:
 - A. Selection Criteria:
 - 1) Safety Impact,
 - 2) Equity, Engagement, and Collaboration;
 - 3) Effective Practices and Strategies; and
 - 4) Climate Change and Economic Competitiveness
 - B. Project Readiness
 - C. Funds to Underserved Communities



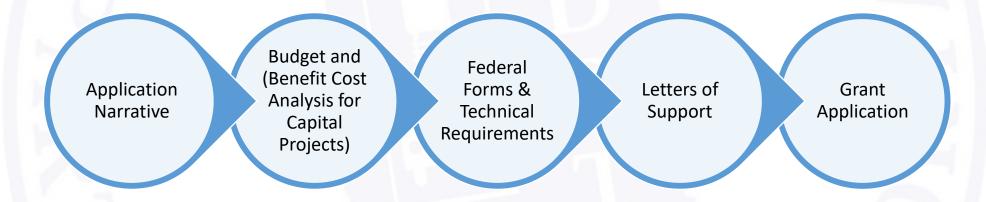
SS4A Implementation Project Application Assessment

Note: Applications rated as "Highly Recommended" or "Recommended" based on the Selection Criteria #1 through #4 will move forward and be reviewed for Project Readiness and Funds to Underserved Communities

Overall Rating	Project (1)	Project (2)	Project (3)
Selection Criteria			
Safety	Medium	Highly Rated	Non-Responsive
Average #2 thru #4	Low	Highly Rated	Medium
Project Readiness	Likely	Very Likely	Likely
Funds to Underserved Communities	Likely	Likely	Likely



- The Notice of Funding Opportunity (NOFO) will define the specific requirements for each discretionary grant opportunity.
 - Typical Application will include the following:



Grant Application Resources:

https://www.transportation.gov/grants/dot-navigator/applying-usdot-grants



- Application Narrative
 - The primary purpose of the Narrative is for the applicant to state their case for meeting the merit criteria laid out in the NOFO.
 - Typically, the NOFO will define that the narrative should not exceed a certain number of pages (for example: 20 pages for Capital Construction Grants) and that it should be in a specific format such as PDF, with font size of no less than 12-point Times New Roman, single- spaced, minimum 1-inch margins on all sides, and page numbers. Supplemental information, such as a Benefit Cost Analysis usually does not count against the narrative page limit.

Example Narrative Structure:

Application Type	Required Section
Planning & Capital Construction	Overview
Planning & Capital Construction	Location & Map
Planning & Capital Construction	Response to Merit Criteria
Capital Construction Grants Only	Project Readiness: Environmental Risk
Capital Construction Grants Only	Benefit Cost Analysis

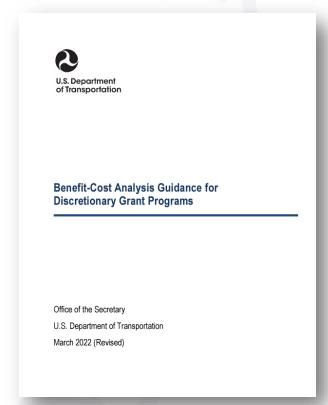


- Benefit Cost Analysis (BCA):
 - BCA is a systematic process for identifying, quantifying, and comparing expected economic benefits and costs of a proposed infrastructure project.
- BCAs are required for most competitive grant programs funding capital projects
 - Planning projects do not require BCAs
- BCA Submission Format
 - Methodology description
 - Calculations workbook
 - Results summary



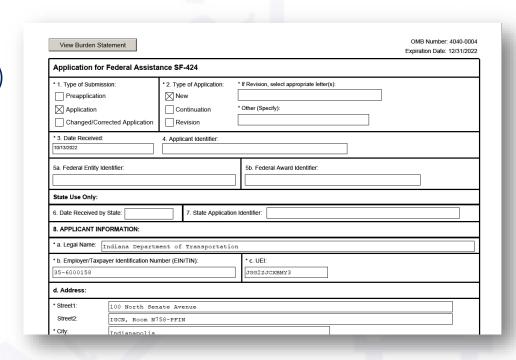
- Understanding a BCA
 - Benefit cost analysis determines the value of a project by dividing the benefits related to a project by the costs of that project.
 - The result is called the Benefit/Cost Ratio and is either expressed as a ratio (2:1) or a value (2). For example:
 - A project producing \$150,000 in benefits and costing \$100,000 would result in a B/C ratio of 1.5:1, or a value of 1.5 (\$150,000 benefits/\$100,000 costs).
 - Projects with B/C ratios greater than one are said to be Efficient investments; in that, each dollar invested in the project returns more than \$1.00 in benefits.
 - Projects with a B/C ratio less than one are Inefficient investments since the costs of the project are greater than incremental benefits created by the project.
 - Projects with a B/C ratio of exactly one benefits are determined to be the same as costs are said to be At Cost Efficiency

- Framing of the BCA
 - "Costs" and "benefits" of a proposed project are measured by comparing two states of the world for the grant application:
 - A. Baseline alternative, where the proposed project is not implemented (often called the "no-build scenario")
 - B. "Build scenario", where the project is implemented
 - Common Benefit Types
 - Travel time savings
 - Operating cost savings
 - Reduced injuries, fatalities, and property damage
 - Reduced emissions
- Discounting and Assumptions
 - BCA assumptions should follow those set by USDOT in their BCA guidebook
 - Federal guidance recommends using a discount rate of 7% for capital projects





- Standard Forms (located on grants.gov)
- All applicants must submit the following Standard Forms (SF):
 - Applicants typically must submit the Application for Federal Assistance (SF-424)
 - Planning Grants typically submit:
 - Budget Information for Non-Construction Programs (SF-424A)
 - Assurances for Non-Construction Programs (SF-424B)
 - Capital Construction Grants typically submit:
 - Budget Information for Construction Programs (SF-424C)
 - Assurances for Construction Programs (SF-424D)



Federal Funds Requirements



Proper Authorization

 Project is properly identified in the STIP/TIP



- Clearly defined <u>project title</u>, <u>description</u> and <u>scope of work</u> for the applicable phase (PE, ROW, CONS)
- Project End Date (PED) is identified (Period of performance or PoP)
- Federal Share is established
- Authorized before work starts or advertised (project agreement)



Proper Authorization Cont.

Funding must be supported by a documented accurate and current cost estimate

Non-participating cost should be identified

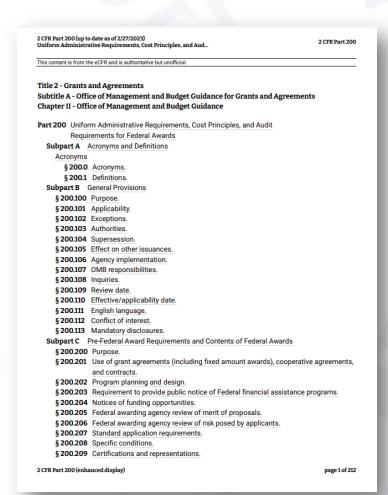
Only authorized "ready to proceed" phases/projects

 Notice to Proceed (NTP) <u>cannot</u> be given until the project funds have been approved through INDOT and by FHWA in the financial systems. This means you must have a Purchase Order prior to NTP



Period of Performance - 2 CFR 200

- Agreement Start Date
 - Date when FHWA authorizes project to begin incurring costs
 - Each phase is authorized <u>only when phase is</u> ready to proceed
 - Authorization is not provided until applicable requirements are met (e.g. NEPA, ROW)
- Project End Date
 - Work performed after end date is not allowable





Federal Funds Management



Project End Dates

- The BIL Act continues Project End Date requirements
 - All phases that are currently in progress will no longer be able to utilize federal funds for expenses after the Project End Date lapses
 - Any phase not yet authorized will set up a new end date and will be covered but previous phases will no longer be eligible for federal funds.
- If Project End date needs to be adjusted, IMMEDIATELY contact your District office. This must be at least 60 days prior to expiration.
- Federal Grants are more stringent with Project End Dates. An amendment will likely be needed to the Grant Agreement in order to extend the Project End Date



Additional Resources:

- Project Funds Management Guide for State Grants: https://www.fhwa.dot.gov/cfo/projfundsmgt.cfm
- Federal-aid Essentials for Local Public Agencies: https://www.fhwa.dot.gov/federal-aidessentials/index.cfm



Inactive Projects

- The BIL act continues Inactive Project requirements.
 - Projects without a Federal reimbursement request within 9 months or greater of initial authorization are deemed Inactive and subject to FHWA review.
- Inactive projects require INDOT to justify continued Federal funding via providing FHWA answers to the following:
 - Specific and justifiable reason(s) for the project going inactive and the delay in payments
 - Estimated date of payment submission
 - Detailed justification and information regarding the need for the funds
- PLEASE RESPOND QUICKLY when you are questioned by the district office about your projects.

Project End Dates and Inactive Projects

- OPEN POs are not the driving force behind project end dates and inactive projects. An expiring end date or inactive project trumps an open purchase order.
- State funds CAN NOT be used on local projects if a Project End Date lapses or if federal funds are removed due to inactivity.

 No response to Project End Date and inactive project requests may negatively impact scoring for LPA call



Final Takeaways

- Federal Grants
 - Align prospective projects with merit criteria
 - Demonstrate clear, direct, significant, impacts relative to merit criteria
- Notice to Proceed (NTP) cannot be given until the project funds have been approved through INDOT and by FHWA.
- LPAs with federal awards are <u>required</u> to attend quarterly project development meetings and submit quarterly tracking reports to INDOT.
- Information about Project End Dates and Inactive Projects is available on the INDOT LPA website.
 - https://www.in.gov/indot/2390.htm
 - Downloads to an Excel spreadsheet with two tabs: PED, Inactive

Project End Dates & Inactive Projects

INDOT must follow Federal mandate by tracking all Purchase Order (PO) Project End Dates (PED) and all Inactive Projects. Visit this LPA Project End Dates (PED) & Inactive Projects link for resources to keep your POs active like:

- Project End Dates Karen Hicks Federal Funding Changes
 Presentation
- Project End Dates Determining Preliminary Engineering PED
- LPA Project End Dates (PED) and Inactive Projects (02/01/23)
- Close an Inactive PO Form Letter
- Close an Inactive Contract Form Letter
- Request to Change a Project End Date (PED) Form Letter
- Federal Funding Changes



- Federal Funding Changes
- Request to Change a Project End Date (PED) Form Letter

Questions?



