# **Bridge Funding Eligibility**

## Introduction

There are more than 16,000 bridge structures (10 feet or greater) on the local system and more than 1,000 of these are eligible for replacement or rehabilitation based on condition ratings. This document describes bridge funding eligibility for the four most common bridge funds that are available to local agencies.

## I. Federal Bridge Funding

Federal bridge funds, designated "BI" (Bridge Improvement), "BR" (Bridge Replacement), and "BROS" (Off System Bridge) in the State Transportation Improvement Program, are available for up to 80 percent of the "abutment to abutment" and grading and surfacing of the approach roadway costs of eligible bridge rehabilitation or reconstruction work on any publicly owned bridge or culvert longer than 20 feet (clear span as measured along the roadway centerline). "Abutment to abutment" costs include the 2 foot granular fill or concrete slab above the top of a culvert and all materials under the fill or slab. Bridges are selected by the Area Transportation Partnerships (ATPs) to received federal funding (BI and BR). Federal offsystem bridges (BROS) are selected annually through an internal process overseen by the State Aid Office. Federal Funds are dependent on the availability of funds and are limited to the amounts indicated in the STIP. The amount of federal funds can sometimes be increased if additional federal funds become available.

Discretionary federal funds may also be available to local agencies through competitive grant solicitations that are administered by the Federal Highway Administration.

## II. State Bridge Funds

State Transportation funds are approved for costs associated with replacement, rehabilitation, or removal of a bridge structure. These costs are typically funded at up to 50 percent for projects on state aid highways/streets, and at up to 100 percent for projects on county highways and municipal streets. Other project related costs such as the engineering, roadway approach work, bridge removal (when part of a replacement project), erosion control, and right of way acquisition generally are not eligible. Statute <u>174.50 Subd. 6b</u> prescribes different allowable uses for cities with populations of 5,000 or less, including 100 percent of bridge construction costs, 100 percent of approach construction costs in excess of \$10,000, and 100 percent of engineering costs in excess of \$10,000.

State bridge funds have traditionally been appropriated by the legislature and can be general obligation bonds, general funds, or both. State bridge funds are also provided through Statute <u>297A.815 Subd. 3</u>. This provides 13 percent of the proceeds from the Motor Vehicle Lease Sales Tax to the state bridge fund. This is also referred to as the MVLST fund.

## **III. Township Bridge Funds**

Township bridge funds can be used for construction of the bridge, approaches, removals, and engineering. Statute <u>161.082 Subd. 2a</u> specifies that town bridge funds can be used for 100 percent of bridge construction costs, 100 percent of approach construction costs in excess of \$10,000, and 100 percent of engineering costs in excess of \$10,000.

Township bridges are funded per Statute <u>161.081 Subd. 1</u>. Funding for town bridges currently includes 16 percent of the 5 percent take-off from the Highway User Tax Distribution Fund. In 2022, this corresponded to approximately \$20.6 million. Of that, 70 percent is allocated to counties, based on the number of town bridges in each county that meet the condition criteria.

## **IV. State Aid Funds**

State Aid funds are distributed to counties and state aid cities as described in the State Aid Manual, Chapters 2 and 3. Local agencies are able to use their construction and maintenance allocations as desired for roadway and bridge and other allowable uses.

## **Eligibility Criteria**

To be eligible for federal, state bridge, and township bridge funds, the bridge project must meet both the Condition Criteria and the Procedural Criteria outlined below. There is no criteria restrictions on the use of state aid funds for bridges. For federal, state bridge, and town bridge funds, typically the Condition Criteria must be met at the time the project is identified and selected for funding, while the Procedural Criteria must be satisfied prior to issuance of a funding letter for a grant agreement and/or before payment of funds.

## **Condition Criteria**

The Local Bridge Planning Index (LPI) eligibility criteria described below was adopted and became effective on January 1, 2020. This followed a multi-year collaborative effort with local agencies to develop the new criteria and extensive efforts to publicize the new eligibility criteria.

#### LPI Condition Criteria – Effective 1/1/2020

Following are the main eligibility criteria:

- 1. The in-place structure is 10 feet or longer in length for state fund eligibility (20 feet for federal fund eligibility)
- 2. One of the following two conditions met:
  - a. Local Bridge Planning Index (LPI) is less than 60
  - b. National Bridge Inventory (NBI) appraisal rating ≤ 3 for one or more of the following: Deck Geometry, Approach Roadway, or Waterway Adequacy.

Bridge projects can also be eligible for state bridge funds if one of the following criteria are met:

- 1. The in-place structure is less than 10 feet long but a hydrological survey indicates that the replacement structure must be 10 feet or longer in length. The hydrological survey must be developed in cooperation with, and be approved by the District State Aid Engineer and the State Aid Bridge Hydraulics Engineer.
- 2. A roadway is being constructed that will eliminate a bridge meeting the main eligibility criteria. This often referred to as a "road in lieu" project. This includes installation of a less than 10 foot culvert in place of an existing bridge that meets the main criteria\*
- 3. An in-place structure meeting the main eligibility criteria is being removed or abandoned\*
- 4. An in-place structure does not meet the main eligibility criteria, but it is load posted to a level that significantly restricts passage of farm to market traffic and other truck traffic, and alternate detour routes are deemed significant for the highway users

\* State bridge fund participation is limited to the estimated cost of a replacement structure

Reports can be created <u>here</u> that will display a list of bridges in a particular county or city, including key parameters such as LPI, NBI ratings, state funding eligibility, and whether the bridge meets the federal length requirement.

## Grandfathered Condition Criteria – Available through 12/31/2024

State Aid recognizes that the new LPI eligibility criteria and the old criteria prior to January 1, 2020 may have resulted in some bridges being eligible under one set of criteria, but not the other. Accordingly, through December 31, 2024, we will consider bridges to be eligible under the old rules if both of the following are true. The request for a funding letter from the District State Aid Engineer (DSAE) must have been received by December 31, 2024.

- 1. The bridge was identified as a priority for replacement on a county board or city council resolution prior to January 1, 2020, and
- 2. The bridge met the previous condition eligibility criteria (note that township bridges only need to satisfy condition 'a' below):
  - a. As of January 1, 2020, the Sufficiency Rating was less than 80, and
  - b. As of January 1, 2020, the bridge was considered structurally deficient and/or functionally obsolete.

If your agency has a bridge it is advancing for replacement that does not meet the current LPI condition criteria, but is eligible under the grandfathered condition criteria identified above, please contact the State Aid Programs Manager to discuss further.

## **Procedural Criteria**

The following procedural criteria must be satisfied prior to issuance of a funding letter for a grant agreement and/or before payment of funds:

 Must Appear on a Bridge Replacement Priority Resolution. More specific guidance and a resolution template are included on the <u>Bridge Replacement Priority List Resolution webpage</u>. Only bridges that are planned for replacement or major rehabilitation should appear on the list. A new resolution should be adopted every year or two.

- 2. Approved State Bridge Funding Application. A state bridge funding application must be complete and signed by the applicant and DSAE. The most current version of the Bridge Funding Application Template (PDF).
- 3. Plans Complete. Plans must be complete, reviewed and approved by State Aid Bridge and/or the DSAE, and be ready for final signatures. Standard culvert bridge plans typically are reviewed and approved by the DSAE, while plans for more traditional bridges must be reviewed by the State Aid Bridge Engineer and approved by the MnDOT State Bridge Engineer. For more information, see the submittal and acceptance process for bridge projects on the Bridge State Aid Resources webpage. Federal plans must also be approved by Metro District (for metro projects) or the Federal Aid group in Central Office State Aid (for Greater Minnesota projects).

## For More Information

See *Bridge Funding Eligibility Chart* in <u>Chapter 4, III. F. of the State Aid Manual</u> for more information on specific pay item eligibility, which can vary between federal, state bridge, town bridge, and state aid funding.

Contact Marc Briese, State Aid Programs Manager at <u>marc.briese@state.mn.us</u> or 651-366-3802.

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