

## Internal Memo

**Date:** 10/15/2019

**To:** MnDOT Project Managers

**From:** Ed Idzorek  
Office of Transportation System Management

### RE: Use of Consultant Engineering Funds from SRC (Updated 2019)

The purpose of this memo to provide clarification and assistance in understanding the use of, and eligibility for, State Road Construction {SRC} fund encumbrances for Consultant Contracts.

**This is an update to the original October 2002 Memo.**

**Background:** The MnDOT Budget is passed by the Legislature as a split appropriation. This means that the SRC is a separate appropriation and budget item from the Program Planning & Delivery and Operations & Maintenance Budgets. The Legislature does this to show its intent for the amount of funding to be used for construction purposes. Since the Legislature has indicated its intent in the appropriation language, MnDOT must be careful to use the SRC funds in accordance with this intent.

#### Minnesota Session Laws – 2019, 1<sup>st</sup> Special Session, Chapter 3

##### State Road Construction

This appropriation is for the actual construction, reconstruction, and improvement of trunk highways, including design-build contracts, internal department costs associated with delivering the construction program, consultant usage to support these activities, and the cost of actual payments to landowners for lands acquired for highway rights-of-way, payment to lessees, interest subsidies, and relocation expenses.

With the above in mind, the various uses of Consultant Agreements were studied to determine which would be eligible for the use of SRC funding. The decision was made that only consultant projects that are clearly related to a specific construction project are eligible for funding from the SRC.

**Current legislation allows SRC for internal MnDOT project delivery. The eligible and ineligibility lists below apply to MnDOT internal project delivery as well. Specific appropriations within the SRC Budget have been set up to track MnDOT internal project delivery.**

The following types of work are **eligible** for inclusion in consultant contracts using SRC funds:

- Right-of-way (ROW) and all its related work types are normally included in the SRC budget, some of the related work types:
  - Asbestos Abatement (AB)
  - Demolition
  - ROW Appraisals (AP)
  - ROW Assistance (RW)
  - Land Survey (SR)
  - ROW Land Titles (TI)
  - Soils Testing for Contaminants (TX)
  
- The remaining work types considered to be eligible for SRC funding are those that are closely related to either the design or construction\_oversight of a MnDOT construction project. Included in these work types are:
  - Asbestos Abatement (AB)
  - Architectural Design (AC)
  - Bridge Design (BD)
  - Cultural Resource Investigations that are project specific (CR)
  - Data Recovery that is project specific (DR)
  - Construction Support (CS)
  - Detail Design (DD)
  - Environmental Investigation that is project specific (EI)
  - Geotechnical and Materials Testing (GT)
  - Hydraulic Study that is project specific (HY)
  - Project Inspection (IN)
  - Landscape Architecture (LA)
  - Lighting Design (LD)
  - Preliminary Design (PD)
  - Public Relations for informing the public that is project specific (PR)
  - Sign Design (SD)
  - Signal Design (SG)
  - Site Development (SI)
  - Land Survey (SR)
  - Traffic Evaluation (TE)
  - Wetland Development for Mitigation (WM)
  - Computer Visualization (VI)
  - Aerial Photography (AE)
  - Mapping (MP)

- The following work types are **ineligible** for SRC Consultant Funding:
  - MnDOT Labor that is not project specific
  - Bridge Study (BS)
  - Communications (CM)
  - Computer Services (CP)
  - Corridor Plans & Studies (PS)
  - Cultural Resource Studies that are not project specific (CR)
  - GIS (GI)
  - Junk Yard (JY)
  - Land Use Study (LS)
  - Management Support (MG)
  - Market Research (MR)
  - Marketing Studies (MS)
  - Manual Preparation
  - Public Relations that are not project specific (PR)
  - Planning (PS)
  - Planning Study (PS)
  - Special Study (SS)
  - Sewer Cleaning and Video (SV)
  - Traffic Evaluation that is not project specific (TE)
  - Traffic Study that is not project specific (TS)
  - Training (TR)
  - Wetland Management (WM)

The basic test of eligibility will almost always be, "*is it part of the design or oversight of a specific Trunk Highway construction project?*" If you have any doubts or questions regarding eligibility please call Brian Gage at 651-366-3748.

Thank you for cooperation.