



County Road Association  
OF MICHIGAN

# County Road Association of Michigan Updates

County Engineers Workshop

February 8, 2022

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Denise Donohue | Steve Puuri, PE





# Local road system-wide permitting

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A 30-year effort that  
leads the region







# CRA work on standardized permits



- **1990s – First standardized permits**
  - **Right-of-way permit (1)**
  - **Transportation permits (12)**
- **2015**
  - **Updated transportation, ROW permits**
  - **Added small cell permits (2)**
  - **Made all permits PDF fillable**
- **2018**
  - **Recommended standardized fees**

# CRA introduced E-permitting to Michigan

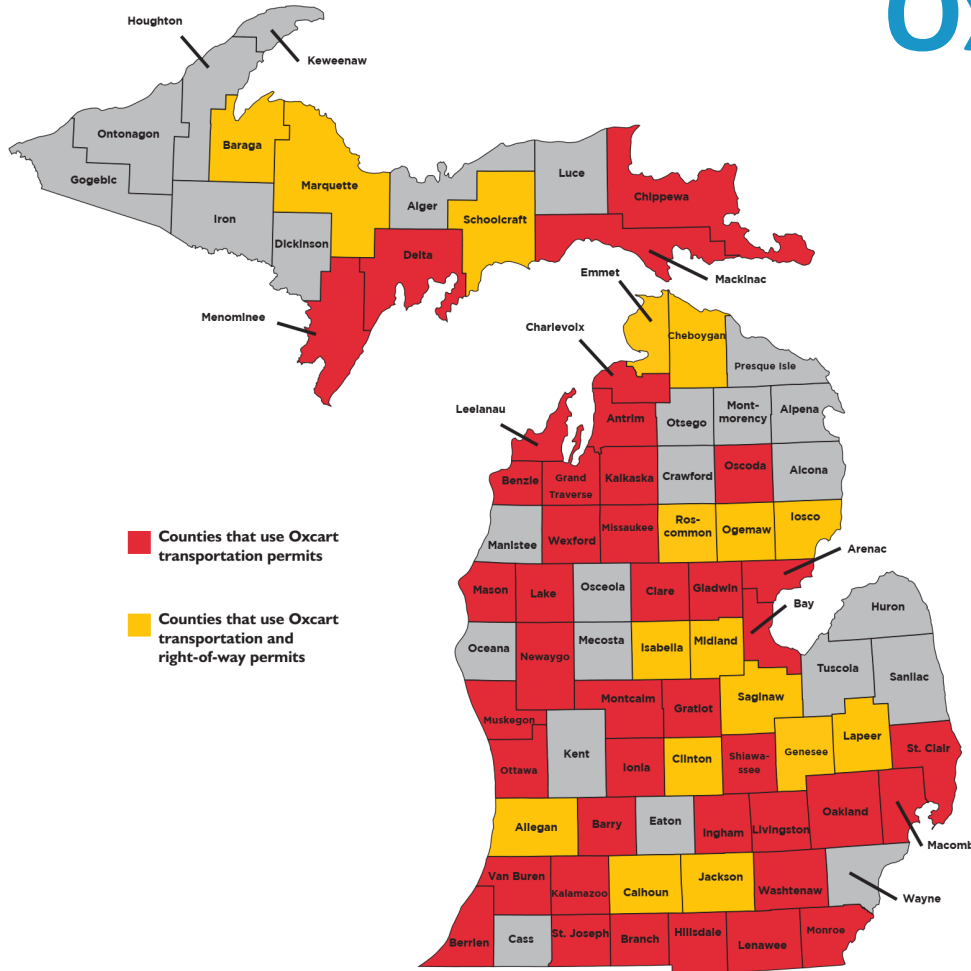


In 2018 CRA launched a pilot test of in-cloud permit system

- 24/7, 365 e-access in “cloud.”
- E-pay, e-signature, e-permit.
- Oxcart System (Michigan, Illinois).
- User-paid fees
- **NEW!** Regional adoption underway.
- **NEW!** Work in the right-of-way permit in rollout.



# Oxcart permitting



**59 counties currently use Oxcart.**  
**18 counties using Right-of-Way.**

- Often 24-hour turnaround.
- Strategic weight limit enforcement.
- **New!** CRA Work in the Right-of-Way permit.
- **New!** E-permit now integrated into CRA's new Seasonal Weight Restrictions App!



# Weight restriction communications



## New weight restrictions app Feb. 2021.

- Updated **color-coded map**.
- List of **all-season roads**, not just restricted.
- The ability to jump right to **pull permit**.
- Subscribe to be **alerted** when counties change seasonal road status.
- **FREE** for users!



**Developed by:** County Road Association of Michigan

**Sponsored by:** Michigan Infrastructure and Transportation Association and the Great Lakes Timber Professionals Association



# Innovation in wetland mitigation

## MiWB – Michigan Wetland Board

The idea came from JATC, similar to MDOT program.

- CRA staff attended national conference.
- Bill introduced, passed in 2016.
- \$2 M/year with \$5 M cap.
- Board created.
- Hired Wetland Program Manager.
- MDOT, EGLE participation.

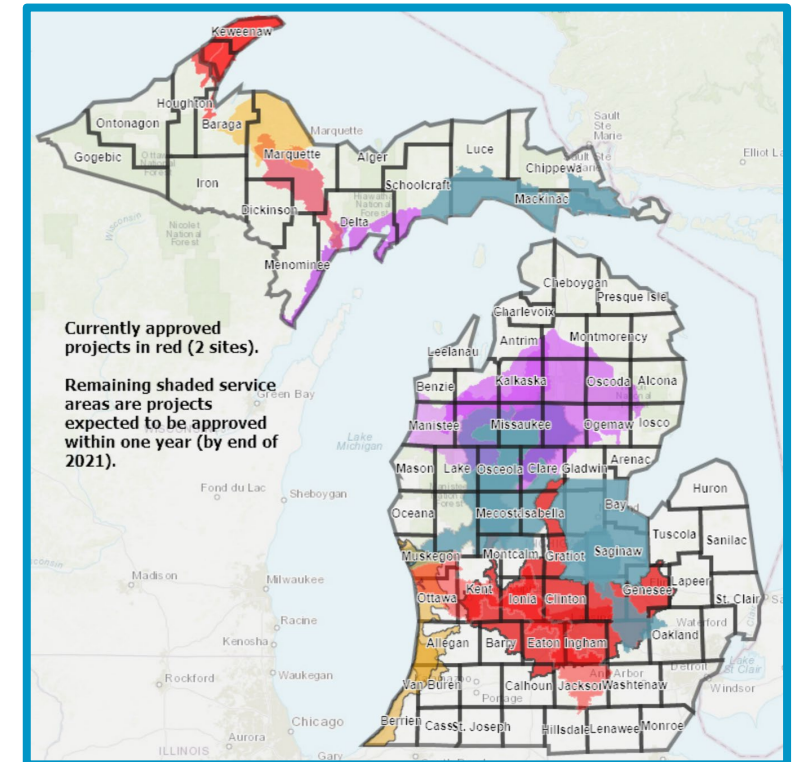


**Michigan Wetland Board**  
for Local Transportation Agencies

# Innovation in wetland mitigation

## Very time and \$ efficient for road agencies

- CRA District Councils  
MiWB Steering Boards.
- Credits exchanged with MMWA and MDOT.
- Local conservancy partners get endowments for future wetland needs.
- Bottom Line cost to road agency:
  - Private industry cost per acre: \$100,000+
  - MiWB cost per acre: \$0





# Innovation in wetland mitigation



Usage as of January 2022

- Shiawassee: **4 acres** of credits for **37 projects**
- Keweenaw: **2 acres** of credits for **20 projects**
- Kalkaska: **1 acre** of credits for **12 projects**

Program continues to receive ongoing **legislative support**.

# Bridge Bundling to resolve big local problem



## CRA partnered with MDOT on Bridge Bundling proposal.

- Mobilized 83 county bridge champions.
  - 2018 – evaluated all critical bridges in county, contributed to report to Governor.

## CRA has lobbied for additional funding

- **Bundle #1:** \$23 million HIP for pilot.
- **Bundle #2:** \$196 M HIP/CRRSAA
- *CRA still lobbying for this \$900 M problem.*



# MiWB + Bridge Bundling



Better together!

- **Bridge Bundle #1:** 19 bridges, *15 required mitigation.*
- **Bridge Bundle #2:** 72 bridges.
- **MiWB** cleared all 15 from Bundle #1 **in a matter of hours.**



# Local Agency Project Administration Tool



**NEW!** An agreement to replace Field Manager!

- **Modern, mobile, cloud-based** project administration suite.
- Contract for \$399,000.
- “Off the top” to LTAP/CTT.
- Licensed from Mich. Tech to CRA
- Use subscription fees to fund R&D.
- CRA/MML steering committee
- Product to debut Jan. 2024.

A large, multi-pointed yellow starburst graphic is positioned on the right side of the slide. Inside the starburst, the words "Project" and "Hub" are written in a large, bold, orange sans-serif font, stacked vertically.

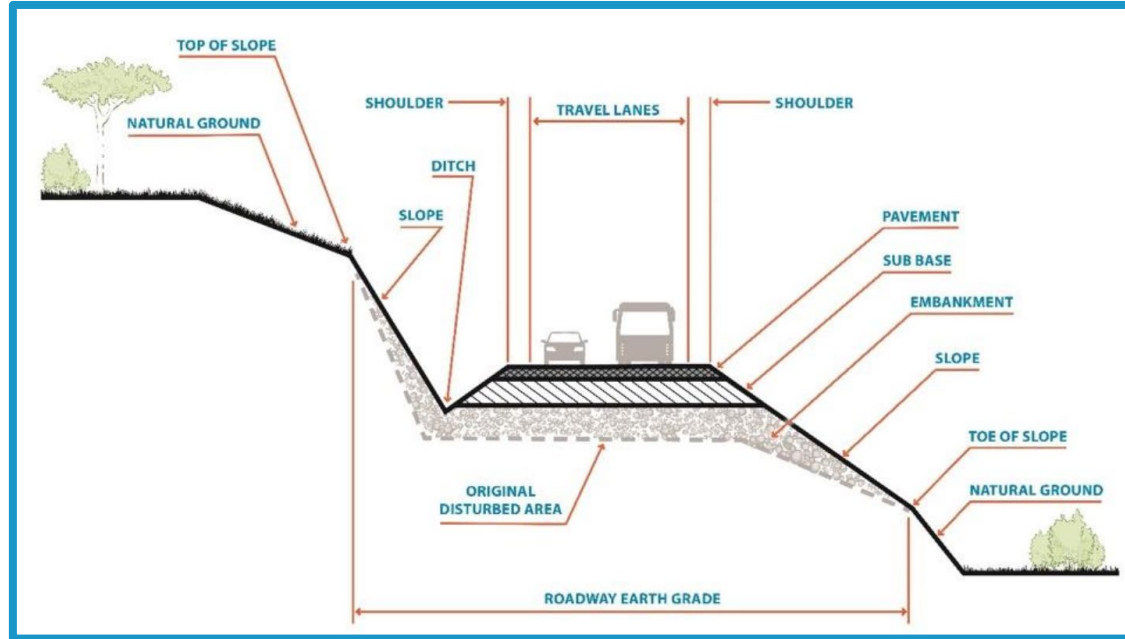
**Project  
Hub**



# MDOT SHPO/ County Road Agencies



Collaborating to solve delays in local federal aid projects.

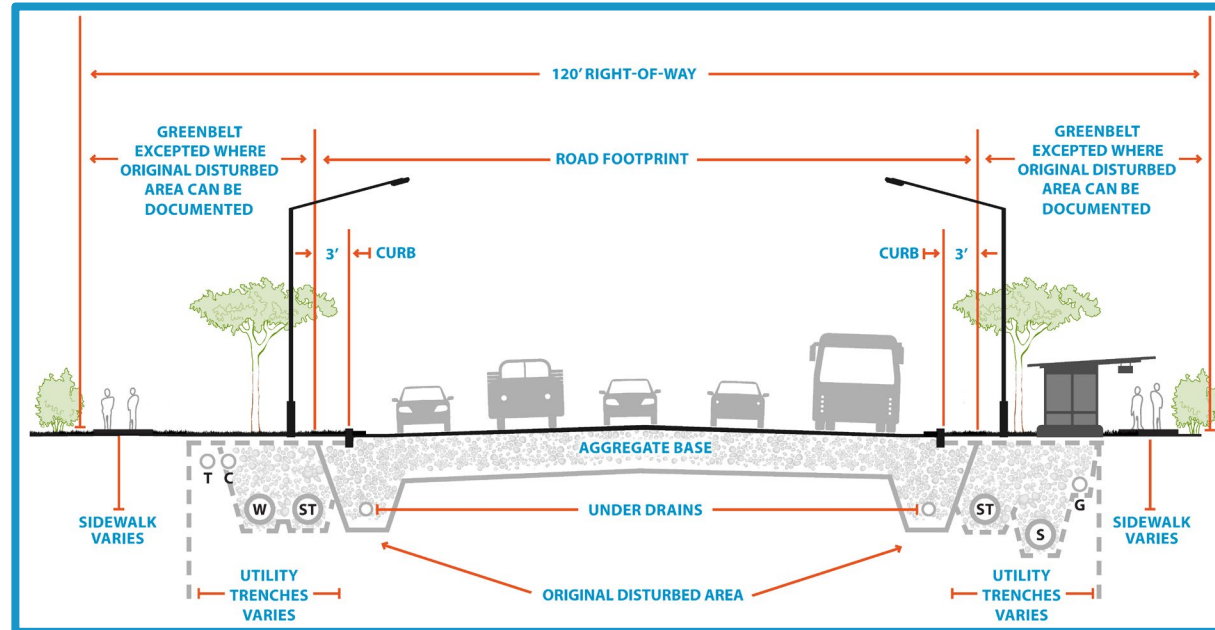


- Streamline SPHO clearance for archaeological and historic properties.
- Section 106 Agreement revision in process, exceptions.

# MDOT SHPO/ County Road Agencies



Collaborating to solve delays in local federal aid projects.



- MDOT cultural resources to clear local projects for efficiency.
- Win-win-win for all.



# Federal fund exchange

## CRA pushed Local Federal Fund Exchange in Michigan.

- Other states were doing this to promote efficiency, notably Kansas.
- Michigan is county-to-county.
- Usually urban to rural.
- Documented MDOT reports: 20-25% efficiency.



# Federal fund exchange



## CRA seeks MDOT federal fund exchange

- 15 states running similar program.
- 4 states for over 20 years.
- Reduces MDOT federal aid risk.
- *“...fund exchange at 100% is a good value for both the state DOT and the local agency.”*

-APWA Reporter, July 2021



### Stretch your transportation dollars by exchanging your federal funds

John T. Davis, P.E., PSM, PWLF, Co-Chair of the Federal Transportation Subcommittee of the APWA Transportation Committee

For or several years now, APWA's Transportation Committee, the National Association of County Engineers (NACE), and the Federal Highway Administration (FHWA) have been working together to streamline implementation of local agency federal-aid transportation projects. These efforts have resulted in FHWA's on-line "Federal-aid Essentials for Local Public Agencies" training videos (great tools, available at [www.fhwa.dot.gov/federal-aid/essentials/](http://www.fhwa.dot.gov/federal-aid/essentials/)), FHWA's "Locally Administered Federal-Aid Projects: Stakeholder Partnering Program" (where FHWA Division Offices, state departments of transportation (DOTs), and local agencies within a state partner to work to streamline the federal-aid project implementation process within their state), and APWA's and NACE's efforts with Congress to add streamlining capabilities to federal transportation legislation.

All of these efforts have worked to some extent. However, the federal-aid process is still very complex to local agencies that only implement federal-aid projects on occasion (once or twice every few years); never mind the small local agencies that rarely implement federal-aid projects. The federal-aid project is still a very high-risk area for FHWA, state DOTs, and local agencies.

Wouldn't it be GREAT if (as Tony the Tiger would say) if a local agency could use the federal funding, but only have to follow state and local requirements (the requirements they are used to following) to implement the project? Well, enter the "Federal Fund Exchange/Swap/Purchase (or whatever a state calls it) Program." Under this program, a state allows its DOT to exchange state funding for the local agency's federal funding (usually at a discounted rate, e.g., \$0.90 state funding to \$1.00 federal funding). The local agency can then utilize state funding with requirements to follow only state and local laws and regulations. And, the state DOT (that regularly follows federal requirements on most, if not all of its projects every day) can utilize the federal funding on other state projects which already have federal funding and requirements—a win-win situation!

Based on a survey by the FHWA Local Public Agency Office in 2019:

- Fifteen states had an established fund exchange program: Arizona, California, Colorado, Connecticut, Idaho, Indiana, Iowa, Kansas, Nebraska, New Jersey, Ohio, Oregon, South Dakota, Utah, and Wisconsin.
- Four of those states had their programs for more than 20 years: Utah, California, Idaho, and Oregon.

Five additional states had expressed an interest in establishing a fund exchange program: Alabama, Illinois, Michigan, Minnesota, and Nevada.

The primary reason most often given for having a fund exchange program was to "Improve Delivery Time/Reduce Cost."

Nine states conducted fund exchanges on a "project-by-project" basis, while six states performed exchanges on a "program" basis.

Exchange rates (state dollars to federal dollars) varied by state from 60% to 100%, with most states' rates being 75-90%. California and Iowa exchanged at 100%.

Anecdotal information indicates federally funded projects cost 20-30% more than non-federally funded projects. So, at first glance, it appears an exchange rate reduction of 20-30% might be appropriate. (A GAO Report [14-111, January 2014] entitled "Federal Highway Administration Could Further Mitigate Locally Administered Project Risks," reported a locally funded sidewalk project was completed in 30% of the time and at 45% of the cost of a similar sized federally funded sidewalk project by the same local agency.) However, if a state DOT simply takes local agency project federal funding and places it on a state project which already has federal funds and is already "encumbered" by federal regulations, isn't the state DOT getting the same "hang for its buck" that it was before swapping for more federal funds on the project? Of course, there are some administrative costs to the state DOT for the fund exchange. But how valuable is the reduction in risk to the state DOT from the local agency not having to follow federal requirements? That reduction in risk is very valuable to the state DOT, since FHWA will hold all local agency violations of federal requirements against the sponsoring state DOT and may even require the state DOT to refund the federal funds on a local agency project, if the violations are severe enough. So, maybe fund exchange at 100% is a good value for both the state DOT and the local agency.

Arguments have been made by labor unions that swapping federal dollars for state dollars eliminates the wage protections provided by federal wage rate requirements. However, in the states that I have been privileged to live in, the local prevailing wage rates to hire roadway construction operators and laborers were very similar to the federal wage rates for the areas. If that is a real problem for a particular area, the problem could be solved by enacting state wage rates or requiring federal wage rates for the affected projects, with a validation system less onerous than federal requirements.

I don't have any experience with the Federal Fund Exchange programs, but, of all of the available federal-aid project streamlining tools, they sure seem like one of the best and easiest win-win tools available to FHWA, state DOTs, and local agencies; not to mention the local taxpayers (citizens, who would get their local transportation projects faster and at less total cost. If you have experience with a state Federal Fund Exchange Program (good or bad), I would appreciate hearing about your program experiences. And, if you would like to learn more about these types of Fund Exchange programs, join us at a similarly titled educational session at APWA's PWX 2021 in St. Louis in late August.

John T. Davis is the Co-Chair of the Federal Transportation Subcommittee of the APWA Transportation Committee, and former member of APWA's Project of the Year, Transportation, Government Affairs, and Leadership and Management Committees. He can be reached at [JDavis@gsaonline.com](mailto:JDavis@gsaonline.com).



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**CRA working  
on two  
STIC grants**





Houghton County Road Commission

STIC Grant funded!

# NEW! Crisis fiscal recovery playbook



Tools to assist in fiscal recovery after natural disaster on roads.

- Interviews completed (*CRCs, city, gov't agencies*).
- Government round table (2022).
- Project complete this fall.
- Outcomes: Video overview of resources, training, financial templates for use in crisis.

*Bipartisan bills introduced (Rep. Cambensy) for grants to match federal aid. **CRA Legislative Priority.***



STIC Grant funded!

# Local Road Research Program Peer Exchange



*The Local Roads Research Board Peer Exchange event October 2021.*

## Is this right for Michigan road agencies?

- A way to bring field trials of innovative materials, procedures into mainstream and federal aid acceptance.
- Peer Exchange met October 13.
- Indiana, Iowa, Minnesota, Ohio.
- 32 CRA participants.
- CRA Board discussion upon final report for next steps.





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# Thank you!

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