

# Federal Recreational Trail Program Trail and Equipment Grant

## 2024 Program Manual



In Partnership With  
Minnesota Recreational Trail  
Users Association (MRTUA)

# TABLE OF CONTENTS

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- I. PROGRAM INTRODUCTION
- II. IMPORTANT ITEMS YOU NEED TO KNOW
  - A. How to Apply
  - B. Grant Timeline
  - C. Build America Buy America Provision Requirement
  - D. Maintenance Plan
- III. PROJECT ELIGIBILITY, TRAIL & EQUIPMENT FRTP
  - A. Eligible Projects
  - B. Eligible Reimbursement
  - C. Non-Eligible Projects
  - D. Non-Eligible Reimbursement
- IV. MRTUA'S PRIORITIES
- V. TRAIL DESIGN REQUIREMENTS AND ADA
- VI. ENVIRONMENTAL DOCUMENTATION REQUIREMENTS
- VII. FEDERAL PURCHASING REQUIREMENTS-EQUIPMENT
- VIII. LAND ACQUISITION REQUIREMENTS (ROW)
- IX. IN-KIND MATCH REQUIREMENTS
- X. SAMPLE RESOLUTIONS
- XI. OTHER PROGRAM REQUIREMENTS
  - A. Grants and Public Information
  - B. Reporting Requirements
  - C. Records Retention
  - D. Monitoring Requirements
  - E. Conflict of Interest
  - F. Non-Government Organizations
  - G. FHWA Requirements and Federal Regulations FHWA 1273

## APPENDIX 1

# I. PROGRAM INTRODUCTION

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The Recreational Trails Program (RTP) is an assistance program of the U.S. Department of Transportation's Federal Highway Administration (FHWA). The [Bipartisan Infrastructure Law](#) of 2021 reauthorized the Recreational Trails Program (RTP) through Federal fiscal years 2022 through 2026 as a set-aside from the [Transportation Alternatives Set-Aside](#) under the [Surface Transportation Block Grant](#) (STBG).

The Recreational Trails Program provides financial assistance for the development and maintenance of recreational trails and trail-related projects and provides funding from the Federal Highway Trust Fund in acknowledgment of off-road recreational fuel use. FHWA oversees the RTP and has delegated administration of the program to each state. In Minnesota, the Governor has designated the Minnesota Department of Natural Resources (MnDNR) as the agency responsible for administering the RTP. The Division of Parks and Trails, a Division within the Department, has direct oversight of the program. The Minnesota Recreational Trail Users Association (MRTUA) Advisory board assists the Department with developing priorities for each year, evaluating the RTP grant applications and recommending projects for funding. The priorities for the current year are included in section IV of this manual. The eligible project categories are included in section III of this manual.

Grants are awarded for nearly any trail related project, solely located within the state of Minnesota, including purchasing of trail maintenance equipment. The intent is for equipment which is dedicated for trail building and maintenance. This equipment cannot be used for other activities such as law enforcement or non-trail related construction and maintenance.

This program is unique in that, legislatively it is specified that the funds must be expended for projects that are strictly motorized as well as projects that are strictly non-motorized, while at the same time encouraging the development of projects that provide for both. The law specifies that 30 percent of the funds must be used for motorized projects, 30 percent for non-motorized, and 40 percent for projects that can be utilized by both.

Private non-profits and other trail organizations are encouraged to work with Federal, State, and local government agencies to develop applications. The goal of the State and MRTUA is to foster cooperative efforts between these groups for long-term development, enhancement and management of recreational trails in Minnesota.

This program was first funded in 1991 through the Intermodal Surface Transportation Efficiency Act (ISTEA) and was called the National Recreational Trails Fund. Since that time, this program has funded 756 trail projects in Minnesota.

## **Contact Information:**

Minnesota Department of Natural Resources

Division of Parks and Trails

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## II. IMPORTANT ITEMS YOU NEED TO KNOW

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### A. How to Apply

- Funding for 2024 is approximately \$2.4 million.
- **All applications must be received electronically by February 29<sup>th</sup>, 2024.**
- Applications must be submitted electronically in one ‘.pdf’ format by the due date above. To submit the application, email a pdf version of the application and attachments to [Trailgrants.DNR@state.mn.us](mailto:Trailgrants.DNR@state.mn.us). This is the official submittal email box. Submitting to any other email will not be accepted. Format the entire application, including all attachments, as one pdf document with all pages 8 ½” by 11” in dimension. After submission, make sure you have received a confirmation email that your application has arrived in a useable format by the due date. A confirmation email should arrive within one business day after you have submitted your application and after it is reviewed for readability. Each email is opened to insure files are readable and then followed with a confirmation email. Applications submitted in an unusable format will NOT be considered for funding. If there are any questions about submitting the application, please contact program staff.
- There is a Trail Grant application and Equipment Grant application (below).
- Grant awards will be announced by June 2024.
- **Funds will first be available no earlier than mid-October 2024 to start the contracting process.** This means projects funded in this grant round will not have a contract in place before October and thus cannot begin the project prior to this date (see B. Grant Timeline section). **Do not incur any costs that you plan to have reimbursed by the grant or included as part of the required cash match until after a grant contract has been processed for your project.**
- All local units of government (typically cities, counties, and townships) are eligible to apply. Also, user groups and/or trail organizations may apply, but only in coordination with a local unit of government per legislation. **Funding is only available to a local unit of government.**
- Grantees receiving federal funds will now have to provide a Unique Entity Identifier (UEI) created in [SAM.gov](https://sam.gov) (office website of the U.S. government). Entities registered in SAM.gov prior to April 4 already have their UEI viewable in SAM.gov. The following website provides more information regarding the transition from DUNS number to UEI: <https://www.gsa.gov/about-us/organization/federal-acquisition-service/office-of-systems-management/integrated-award-environment-iae/iae-systems-information-kit/unique-entity-identifier-update>. **The UEI number must be provided on application.**
- The maximum permissible request is \$200,000. The minimum is \$2,500.
- The maximum permissible request is \$75,000 per piece of equipment. The minimum is \$2,500.
- Projects require 25% secured or Grant in Aid matching funds.

- These grants are 75/25 “cash match” reimbursement grants. That means the GRANTEE must complete the project and fully pay for it, produce documentation that shows actual expenditures and proper procurement process has been followed.
  - **Neither this funding source, nor the match can be used for in-house labor services and/or to meet existing payroll (see Section III, D. Non-eligible Reimbursement Costs for additional ineligible costs).**
  - Only contract services, materials, and supplies are reimbursable.
  - If pre-approved, in-kind match including unpaid unskilled volunteer labor at a rate of \$31.80 per hour, or materials, services, or skilled labor donated to the project at no charge are eligible. See in-kind match section of this manual.
- All projects awarded through this grant round must be completed by **June 30, 2026**, and immediately available for use to the general public for no less than 20 years.
- All equipment that are funded through this program must follow Federal Purchasing Requirements (See Section VII); as well as maintained, for no less than twenty years or per disposition requirements and stated in their resolution (see sample attached).
- If land is purchased with these funds, it is required that a “Twenty Year Easement for Recreational Trail Purposes” is attached to the deed. Also, the property must be appraised by a state certified appraiser and in accordance with DNR and Federal requirements. Please see land acquisition and appropriate land appraisal requirements in this manual. Right-of-ways that contain a Section 4(f) resource will not be acquired prior to the issuance of a NEPA decision document (CE, FONSI, ROD) for the respective RTP project.
- Applicants are required to design and construct their trail to meet ADA standards, unless it meets an ADA exemption. The applicant must site the exemption from ADA in the application for it to be considered, otherwise provide details and list design specifics in the ADA question of the application in how the project will meet ADA requirements. **Do not just state the trail project will be ADA compliant; this is an insufficient answer.** The following guidelines will help you design your facilities. **Projects constructed with or without Federal-aid funding by a State or local government, or a private entity, and not located on Federal lands:** The Access Board’s [Final Guidelines for Outdoor Developed Areas](#) and the [Forest Service Trails Accessibility Guidelines \(FSTAG\)](#) and [Accessibility Guidebook on Outdoor Recreation and Trails](#) are practices that State and local governments and private entities may use.
- **Outdoor Developed Areas:** The U.S. Access Board developed standards for Outdoor Developed Areas, see [www.access-board.gov/guidelines-and-standards/recreation-facilities/outdoor-developed-areas](http://www.access-board.gov/guidelines-and-standards/recreation-facilities/outdoor-developed-areas). These standards apply to outdoor facilities (e.g., camping or picnic facilities, or beach access routes) constructed or altered by Federal agencies or by non-Federal entities constructing facilities on Federal land on behalf of Federal agencies pursuant to a concession contract, partnership agreement, or similar arrangement.
- If your project is selected, the project will need to be evaluated for applicability of environmental review under [Minnesota Rules, Chapter 4410](#). The local unit of government

listed in the application is considered the Responsible Governmental Unit (RGU). Mandatory EAW categories are described at Minnesota Rules, 4410.4300. Exemptions from environmental review are described at Minnesota Rules, 4410.4600. **Verify if your project is or is not exempt.**

- If your project is selected, the grantee will need to be evaluated for applicability of pre-award risk assessment under Minn. Stat. §16B.981 [Chapter 62-MN Laws - Article 7, Section 11](#).
- All facilities that are funded through this program also require a commitment from the applicant that the trail will be open and available for use, as well as maintained, for no less than twenty years and should be stated in their resolution.
- Each proposal must specifically and directly address each requirement and criterion to qualify and receive consideration. If one section of the application is not addressed, the application will not be reviewed for consideration.
- All pages and attached maps must be **8 1/2 X 11 inches ONLY** and maps must follow color code system.
- Read each question thoroughly to make sure each part of a question is answered. Do not answer a question inside the same box as the question. Use the blank box associated with each question for the response.
- When identifying recreation use for your project, make sure to only mark the existing or proposed uses of the trail under primary use. Your selections affect if your project will be classified as motorized, non-motorized, or joint motorized/non-motorized.
- Secondary usage to be considered must meet the following criteria:
  - The secondary use needs to be a regular use and **not an incidental use**.
  - It needs to be open to the secondary use for a significant portion of that secondary use's season.
  - It should include a letter of support from the recognized user group indicating that this project would be a sought after project location for their user group.
  - Trail projects should have all the primary and secondary usages identified on trailhead signs, trail signs and trail maps.
- [Federal Recreational Trail Program](#) application OR
- [Federal Recreational Trail Program Equipment Grant](#) application.



## B. Grant Timeline

### Grant Application Timeline

<b>December 2023</b>	→	Grant application materials available on the DNR website
<b>February 9, 2024</b>	→	Draft applications due if grant applicant seeks comments by Grant Coordinator (not required)
<b>February 29, 2024</b>	→	Grant application due date; Applications will <b>NOT</b> be accepted after this date.
<b>February 29 - June 2024</b>	→	Application review and selection process.
<b>June 2024</b>	→	Grant applicants are notified of the results. All grant applicants will be sent a letter if they are awarded a grant or not. Copy of the notification letter will also be sent to the applicant partner, if applicable. Awarded grantees then will follow the timeline below.

### Awarded Grant Timeline

**Selected projects are tentatively awarded in June. The awarded list is sent to FHWA for final approval. These grant funds are based on FFY which starts in October. Funds are not available until after the start of the FFY and after FHWA final approval.**

<b>June 2024</b>	→	Award letter received! Congratulations! Required documentation checklist also included with notification letter.
<b>June - November 2024</b>	→	Grantee must begin work on the required environmental documentation items. All items must be completed in order to receive a grant contract. Documentation includes: <ul style="list-style-type: none"> <li>• Categorical Exclusion Form 23 CFR 771.117 (c)</li> <li>• Threatened/Endangered Species (State and Federal)</li> <li>• Sec 106 MnDOT Cultural Resources Archeological Review determination letter</li> <li>• Water Wetland review</li> <li>• Land Certification</li> <li>• Environmental Quality Board determination letter</li> </ul>
<b>October/November 2024</b>	→	DNR receives authorization through a DNR contract with FHWA approving the awarded grantee projects.
<b>November-December 2024</b>	→	Grantees who have received final DNR approval of their required documentation will have their contract written in October/November after FHWA approval. No work must be done on the project, that the grantee expects reimbursement, until there is a fully signed contract in hand.
<b>December 2024– June 30, 2026</b>	→	Grantee completes required documentation to receive a contract; <b>Grantee must complete the project by 6/30/2026.</b>

### **C. Build America, Buy America Act (BABAA)**

The Bipartisan Infrastructure Law (BIL) established new Buy America Requirements known as the Build America, Buy America Act (BABAA). The Act requires the following Buy America preference:

- All iron and steel used in the project will be produced in the United States. This means all manufacturing processes, from the initial melting stage through the application of coatings, will occur in the United States,
- All manufactured products used in the project will be produced in the United States. This means the manufactured product will be manufactured in the United States, and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States will be greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation, and
- All construction materials will be manufactured in the United States. This means that all manufacturing processes for the construction material will occur in the United States. Construction materials which includes an article, material, or supply that is or consists primarily of: non-ferrous metals; plastic and polymer-based products; glass; lumber ; or drywall. Construction materials excludes cement and cementitious materials, aggregates such as stone, sand, or gravel or aggregate binding agents or additives.

Since the RTP is funded with federal funding all projects are subject to the above BABAA.

These provisions apply to all materials and equipment permanently incorporated into the project, regardless of whether the items are acquired and paid for with matching funds or donated to the project sponsor as part of the RTP match. Examples of materials that must comply with BABAA include steel bridge girders, steel railings, steel structures, steel trailers, steel structural elements of trailhead facilities, and steel tools and equipment (such as a groomers). Steel tools or incidental materials that do not comply with Buy America must be tracked and the total may not exceed \$2,500.

FHWA's BABAA laws are different from other Buy American and Made in America laws that might apply to other agencies and programs. Ensure that vendors are aware that RTP funds fall under FHWA's BABAA requirements: [Buy America Field Compliance](#). Please review the "[Side-by-Side Comparison Information Sheet](#)" and [Buy America Questions and Answers](#).

#### **UPDATE REVISION AS OF 08/23/2023**

FHWA published the [Waiver of Buy America Requirements for De Minimis Costs and Small Grants](#). This notice *is* the waiver. There is no need for waiver applications for projects that meet the criteria of this waiver.



The waiver is applicable only to awards that are obligated or subawards that are made on or after the effective date of the waiver, August 16, 2023. The waiver is applicable to subawards only if the subawards are made by a pass-through entity for a specific project.

DOT finds that it is in the public interest to issue a waiver of BABA's domestic preferences for iron and steel, manufactured products, and construction materials used in projects funded under DOT-Administered financial assistance programs for iron, steel, manufactured products and construction materials under a single financial assistance for which:

The total value of the non-compliant products is more no more than the lesser of \$1,000,000 or 5% of total applicable costs for the project; or

The total amount of the Federal financial assistance applied to the project, through awards or subawards, is below \$500,000.

If the total amount of the Federal financial assistance award is below \$500,000, the Buy America requirements for iron, steel, manufactured product, and construction materials is waived. If the total amount of the project is over \$500,000, the allowable threshold for noncompliant products is the lesser of \$1,000,000 or 5% of total applicable costs for the project. However, if the noncompliant products include iron, steel, manufactured products, the FHWA's threshold amount of 0.1% of the total contract amount or \$2,500 applies.

**D. Maintenance Plan: FHWA require plan with each application.**

Each project requires a Maintenance Plan to assure that projects are managed in a safe and appropriate manner. Maintenance Plans are turned in as part of the grant application. Outline how this project will be maintained after the grant is completed. How often will maintenance occur? What funding sources will be used to ensure that this project is available for public use for the next 20 years? How will equipment purchased with this funding be maintained, by whom?

### III. PROJECT ELIGIBILITY, TRAIL & EQUIPMENT FRTP

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#### A. Eligible Program Projects

- Construction of trails on federal (with limitations), state (with limitations), county, municipal or private lands where a twenty year easement for the purpose of the project can be obtained.
- Development of urban trail linkages near homes and workplaces.
- Contracted maintenance and restoration of existing recreational trails.
- Development of permanent trailside and trailhead facilities (e.g., drainage, crossings, stabilization, parking, signage, controls, open-sided shelters, water, and sanitary facilities).
- Provision of features that facilitate access and use of trails by persons with disabilities.
- Land acquisition from willing sellers, where value is established by a licensed and certified federal appraiser (and whose conclusions of value are certified by the State), and only if twenty-year easements for recreation trail purposes is conveyed to the state. See land acquisition and appraisal section.
- Purchase of equipment (e.g., trail groomers). See the equipment grant application

#### B. Eligible Reimbursement Costs

- Advertising costs solely for (1) Recruitment of personnel; (2) Solicitation of bids; and (3) Disposal of scrap materials.
- Capital and labor expenditures for facilities, equipment and other capital assets.
- Materials and/or supplies.
- Freight transportation expenses.
- Professional services and Project administration costs provided that they do not exceed 20 percent of the total cost of the project.
- In-kind match, including unpaid skilled volunteer labor at a rate of \$31.80 per hour (for trail grants), or materials, services, or skilled labor donated to the project at no charge. **These are only eligible for in-kind match and not for reimbursement.**
- Any cost not defined as an eligible cost or not included in the approved Application shall not be paid from funds committed to the project unless the Department has provided written authorization.

### **C. Non-eligible Projects**

Non-eligible projects include but are not limited to the following:

- Condemnation of any kind, including costs associated with, or reimbursement for projects associated to condemnation.
- Construction of trails within federally designated wilderness areas (with some exceptions).
- Upgrading, expanding, or otherwise facilitating motorized use or access to trails predominantly used by non-motorized trail users on which motorized use is either prohibited or has not occurred.
- Trail feasibility studies
- Roads or construction of ordinary sidewalks.
- Trail planning projects that are preliminary to construction of any trail projects.
- Improvements on highways or other roadways, including but not limited to, lighting, striping, and shoulder work.
- For projects located on **School Trust Lands**, contact Grant Administrator.

### **D. Non-eligible Reimbursement Costs**

Including all costs not defined as eligible costs, but not limited to the following:

- Any expenditure that occurs before the effective date of this agreement.
- Fund raising.
- Taxes, except sales tax on goods and services.
- Insurance, except title insurance.
- Attorney fees.
- Loans, grants, or subsidies to persons or entities for development.
- Bad debts, late payment fees, finance charges or contingency funds.
- Interest, investment management fees.
- Lobbyists.
- Political contributions.
- Wages and expenses of Sub grantee's employees.
- Fringe benefit costs of Sub grantee's employees.
- Land appraisals.
- Entertainment, gifts and prizes, food and refreshments.
- Purchase of phones, computers, tablets or audiovisual equipment.
- Memberships (including subscriptions and dues), publications, periodicals and other subscription fees.
- Agency advertising and marketing expenses.
- Office Rental Fees, and Overhead and Indirect Expenses (including, but not limited to office or storage space rental, utility expenses, copier rental, phone bills, office materials and supplies).

## IV. MRTUA'S PRIORITIES

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The Minnesota Department of Natural Resources (DNR) has been designated by the Governor to oversee distribution of these funds. The DNR is advised in the distribution of these funds by the state's trail advisory board, the *Minnesota Recreational Trail Users Association (MRTUA)*.

The Board is made up of thirty members. There are three representatives from each of the ten identified trail user groups (hiking, bicycling, mountain bicycling, in-line skating, horseback riding, cross-country skiing, snowmobiling, off-highway motorcycling, all-terrain vehicle riding, four-wheel drive truck driving). The Board meets three times annually to discuss project funding, updates to existing grants, priorities for future grant rounds, and other relevant trail issues.

This year's priorities for funding are as follows:

- Projects that accommodate both motorized and non-motorized uses, including same-season access corridors.
- Projects that involve youth corps workers such as Conservation Corps Minnesota & Iowa will be given special consideration.
- For all-terrain vehicle, off-highway motorcycle, off-road 4x4 vehicle, and snowmobile projects, priority will be given to trail acquisition and purchase of permanent easements, to trail development and trail linkages to existing systems over equipment purchases.
- For all horse, in-line skate, cross-country ski, hike, and bicycle, priority will be given to trail linkages and restoration to existing trail systems, necessary trail facilities, trail signage to improve safety, and trail maintenance equipment.
- For mountain bicycle projects, the development of new single track trail systems, located in areas of high user demand, in partnership with city, county, and state land managers will be given priority.
- Projects that provide recreational opportunities in underserved areas.

**For more information visit the MRTUA website at: <https://www.mrtua.org/>**

## V. TRAIL DESIGN REQUIREMENTS AND ADA

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Applicants are encouraged to use industry guidelines or standards when constructing new trails. The resources listed below are recommended to assist project sponsors in implementing well planned and well-constructed trails. All paved multi-use bicycle/pedestrian trails must be 10 feet in width to be considered for funding through this program. Very short distance exceptions might be allowed on a case by case basis and limited in distance (i.e., 20-30 feet for example). Do not submit a trail project with the intention that there will be an exception. Make sure your whole paved trail can be 10 feet wide before applying.

With regards to bicycle trails, applicants will be required to conform to recommendations contained within the 2023 [“Federal Highway Administration Guidance: Bicycle and Pedestrian Planning, Program, and Project Development”](#) developed by the Minnesota Department of Transportation, with the exception that all paved bicycle trails must be 10 feet wide versus the minimum 8 feet wide mentioned in this manual.

For other uses, applicants must follow the *“Trail Planning, Design, and Development Guidelines”* developed by the Minnesota Department of Natural Resources – Parks and Trails Division. The guidelines are available at [Parks and Trails publications](#).

Applicants are also encouraged to follow recommendations made in *“Designing Sidewalks and Trails for Access, Part II of II: Best Practices Design Guide”*.

When developing natural surface trails, applicants are encouraged to follow principles outlined in “Guidelines for a Quality Trail Experience”.

### American with Disabilities Act (ADA)

Applicants **are required** to address the American with Disabilities Act under the Evaluation Criteria Section of the application. The *ADA Accessibility Guidelines for Outdoor Developed Areas*, and the *ADA and ABA Accessibility Guidelines for Buildings and Facilities* can be found on the [Federal Access Board website](#). Successful applicants are required to design and construct their trail to meet ADA standards.

- The following guidelines will help you design your facilities. Copies can be ordered from the [U.S. Access Board](#) at (800) 872-2253 or downloaded from their website. Below are links directly to specific guidelines:
- [ADA Standards](#) and [ABA Guidelines and Standards](#) (For buildings and certain recreation facilities including playgrounds, recreational boating facilities, and fishing piers).
- The Access Board’s [Final Guidelines for Outdoor Developed Areas](#) and the [Forest Service Trails Accessibility Guidelines \(FSTAG\)](#) and [Accessibility Guidebook on Outdoor Recreation and Trails](#) are practices that State and local governments and private entities may use.

## VI. ENVIRONMENTAL DOCUMENTATION REQUIREMENTS (SEE ALSO: [TPDP ENVIRONMENTAL REVIEW](#))

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All projects must document compliance with State and Federal regulations. When applying for Trail grant or an Equipment grant, documentation of compliance with National Environmental Policy Act (NEPA) and other Federal Environmental laws, regulations, and Executive Orders must be provided as part of an authorized project under RTP.

Compliance with NEPA is required regardless of where a project is located (federal, state, county, city, private land, etc.) because RTP is federally funded. FHWA will not approve funds for individual projects until NEPA requirements have been met. Many RTP projects will qualify as Categorical Exclusions (CatEx or CE) under NEPA ([23 CFR 771.117](#)), However, **all projects (equipment and trail)** must be reviewed to assure that it does not have a significant impact on the environment and project applicants will need to assess the project in relation to [23 CFR 771.177\(c\)](#) and [23 CFR 771.117\(d\)](#).

Environmental reviews include, but is not limited to:

National Environmental Policy Act (NEPA)

National Historic Preservation Act Section 106 review (Cultural, historical and/or archaeological)

Endangered Species Act (ESA) Section 7 (Federal Threatened and Endangered Species)

State Threatened and Endangered Species (Natural Heritage Information System-NHIS)

Wetlands and Streams; Water Quality; Floodplains; Air Quality; Farmlands, etc.

Project sponsors are encouraged to begin considering early in the conceptual and design stages how to best mitigate for or avoid impacts to these resources. MNDOT provides guidance on project development and outlines steps a project manager, environmental document writer, and designer must take to bring a project to completion. While TPDP (transportation project development process) has been developed for transportation projects, the site provides guidance documents applicable for trail development projects and should be referenced for additional information and guidance for completion of the environmental documentation. **The [TPDP process](#) should be reviewed prior to the submittal of an application and adopted to the maximum extent practicable for you project.**

These state and federal reviews/assessments, as part of the NEPA process, will result in concurrence letters, mitigation requirements, actions and commitments and must be included and submitted with CE [23 CFR 771.117c](#) and/or [23 CFR 771.117 \(d\)](#) forms. Guidance for completing these forms is provided at: <https://www.dnr.state.mn.us/grants/recreation/grantee.html> and in Appendix 1.

The Categorical Exclusions (CatEx or CE) form

([https://files.dnr.state.mn.us/assistance/grants/recreation/grantee\\_forms/ce\\_form.pdf](https://files.dnr.state.mn.us/assistance/grants/recreation/grantee_forms/ce_form.pdf))

will need to be completed and submitted to grant coordinator prior to entering a contract with DNR.

**In addition to the environmental requirements**, applicants must ensure the following are completed:

A Resolution and/or [legal Certification](#) from your governing Authority



Evidence of compliance with Minnesota Environmental Review Rules (EQB). Projects need to be evaluated for applicability of environmental review under Minnesota Rules, [Chapter 4410](#). Mandatory EAW categories are described at Minnesota Rules, [4410.4300](#). Exemptions from environmental review are described at Minnesota Rules, [4410.4600](#). Review requirements and submit letter making determination and identifying which exemption(s), how determination was made, and how your project qualifies for exemption.

Disadvantaged Business Enterprise (DBE) Per Federal Regulations your grant is subject to DBE special provisions as defined in Title 49 C.F.R. Part 26, which seek to create a level playing field on which DBEs can compete fairly for DOT-assisted contracts financed in whole or in part with federal funds. Guidance for completing this is provided at: <https://www.dnr.state.mn.us/grants/recreation/grantee.html>

## VII. FEDERAL PURCHASING REQUIREMENTS-EQUIPMENT

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Please read through the following requirements, which mandate policy for the Federal Highway Administration when purchasing equipment for federal funds. **Especially take note of the Disposition Section, which outlines what will occur, in the event that the grantee's organization decides to ultimately sell or trade the piece of equipment at some point in the future.**

Acquisition: If equipment is acquired with RTP funding, a completed Materials Management Inventory Form must be submitted. The initial record form can be submitted as an attachment to the Reimbursement Request form once purchased, or via email to the RTP Grant Coordinator.

Annual Reporting: Project Sponsors that purchase equipment with RTP funds must conduct a physical inventory of the property and submit an updated Materials Management Inventory Form once a year (due annually by December 31st of each year) until the equipment is valued at less than \$5,000 or is disposed of. Email the form to the RTP Grant Coordinator. Notify the grant coordinator when the equipment is valued less than \$5,000 or has been disposed of. Equipment purchased with RTP funds must be used as described in the project agreement through the equipment's useful life and in accordance with [2 CFR 200.313](#).

Insurance: Non-federal Project Sponsors purchasing equipment with RTP funds must provide insurance as required by [2 CFR 200.310](#).

Disposition: For equipment valued at \$5,000 or more, the Project Sponsor may not dispose of or sell the equipment without prior written approval. Send a request to the Grant Coordinator with a description of the equipment and reason for sale or disposal. MNDNR will then request disposition approval from FHWA. Equipment with a current fair market value of \$5,000 or less may be sold or otherwise disposed of with no further obligation to FHWA. Notify the RTP grant coordinator when equipment valued at less than \$5,000 has been disposed of.

**DO NOT SELL THE EQUIPMENT PURCHASED THROUGH THIS GRANT. ONLY TRADE IN OR DISPOSITION ALLOWED PER DNR AGREEMENT WITH FHWA.**

**IF CONSIDERING TRADING IN EQUIPMENT PURCHASED THROUGH THIS GRANT CONTACT THE GRANT COORDINATOR**

## VIII. LAND ACQUISITION OR EASEMENT REQUIREMENTS

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When applying for a grant for land acquisition or easement, the application requires a reasonable market estimate. A full appraisal is not required to apply for a grant. If your **application is approved for funding** to purchase land or an easement, a full appraisal will then be required and must meet the [Uniform Standards of Professional Appraisal Practice](#) (USPAP) and Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act) , DNR and UASFLA standards and pre-approved prior to purchase in order for the purchase to be eligible for reimbursement. Easements must include a term of no less than 20 years in the purchase agreement. This length of time is not negotiable. Any time length less than 20 years will not be reimbursable.

### **The following is done only if your trail project is awarded a grant and is approved for acquisition or easement purchase:**

Prior to contacting and hiring a licensed appraiser to conduct an appraisal of the property, you must contact the DNR Appraisal Management Unit [https://www.dnr.state.mn.us/lands\\_minerals/appraisal\\_mgmt.html](https://www.dnr.state.mn.us/lands_minerals/appraisal_mgmt.html) to provide assistance. The appraisal will need to be completed to meet USPAP, DNR and UASFLA appraisal standards and the DNR must be named as an intended user of the report. If you are acquiring an easement, the appraiser will also need to be provided a final copy of the easement language you plan to acquire. A State Certified General Real Property Appraiser competent to appraise property to Federal Standards must conduct the appraisal. There are a limited number of appraisers that are certified to conduct appraisals to meet the federal standards. The DNR Appraisal Management Unit can provide you a list of appraisers that have indicated that they are competent to complete these appraisals. The requirements are also located on the [DNR Appraisal Management](#) website.

Once you have received a completed a land appraisal, it must be submitted to the DNR for appraisal review and approval before the land can be purchased with grant funds. The costs associated with a land appraisal are not eligible for reimbursement through the grant program. Therefore, it is important that the land appraisal be done correctly and with a qualified appraiser, to avoid the additional charges that would result if the appraisal were rejected by the DNR. The DNR review of land appraisals are done at no cost to the grantee. Once the DNR has approved the appraisal, grant funds can be reimbursed towards the cost of the land purchased.

Upon the purchase of land, it is required to have a “Twenty-Year Easement for Recreational Trail Purposes” or Notice of Limitation of Use at a minimum that must be attached to the deed (this easement must be the same as the easement provided to the appraiser) for the land and submitted deed documentation to be approved for reimbursement. This protects the property for public outdoor recreation use. A 20 year commitment is required if the project is located on public or private lands that includes an easement or lease.

**Right-of-Way (ROW)**

The majority of projects involving RTP funds do not require the acquisition of right-of-way. Most projects are on land that is already publicly owned or are in permanent easement situations. If ROW is included there must be certification that the sponsor has the legal right to construct, maintain and operate the recreational trail for its intended use. It is the sponsor's responsibility to provide proof of these property rights and demonstrate that all proposed work will occur within the project limits.

Proof of adequate property rights may be provided in various forms. Professionally prepared plan sheets with boundary lines depicted will detail the work limits shown respective to the parcel boundaries. Existing property rights (ownership, easements, access rights, etc.) should be prominently displayed on the plan sheets referencing the liber and page of the recorded document. In the event plan sheets are not prepared for the RTP project, the proposed work areas may be superimposed on a professionally prepared boundary map or survey of the project property. These documents should include all appropriate identifying information. The source of title recorded liber and page or the law granting the right to the property must be provided. Where work limits are close to a boundary, a legible scale should be provided to clearly demonstrate that the work is clearly within the boundary. Tax maps are not acceptable as proof of ownership.

Right of way that contains a section 4(F) resource will not be acquired prior to the issuance of a NEPA decision document for the respective project.

## **IX. IN-KIND MATCH REQUIREMENTS**

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In-kind match is allowed to count toward the grant project's total cost if properly documented and pre-approved. Eligible in-kind match includes unpaid unskilled volunteer labor or materials, services, or skilled labor donated to the project at no charge.

### **In-Kind Volunteer Labor Match**

In-kind volunteer unskilled labor may be used as a match to the project at an hourly rate of \$31.80. Each volunteer must complete and sign the Volunteer Labor Record Form. In this form, the volunteer must record the date, description of work, hours worked, and total value at the \$31.80 hourly rate. If crews are used, the crew leader can complete a single worksheet for the entire crew but must include a list of each crewmember. In addition, the Volunteer Labor Summary Form must be completed and is used to summarize the Volunteer Labor Record Forms.

If non-professional unskilled labor is paid, the maximum reimbursement hourly rate is also \$31.80. Non-professional unskilled labor is any person being paid that has not been hired through an official company to complete work. This includes club members, volunteers, non-youth corps groups, etc. that are being paid to do trail work.

### **In-Kind Materials, Services, and Skilled Labor Match**

Individuals, organizations, or businesses may contribute goods or services to complete the grant project that are an eligible in-kind match toward the grant. To receive credit for this type of donation, the donor must provide an invoice for the material or service with a notation on the invoice identifying the value of the donation. Donations of services or skilled labor should be valued at rates typically charged for such work in the area. Each donation invoice must be recorded on the Billing Data Sheet and a copy of the invoice must be included with each reimbursement request.

**X. A) SAMPLE RESOLUTION-TRAIL PROJECT**

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WHEREAS the City of Sunnybrook supports the grant application made to the Minnesota Department of Natural Resources for the Federal Recreational Trail Program. The application is to construct five (5) miles of paved trail for the Sunnybrook Recreational Trail System. The trail system is located within 30 acres of Sunnybrook Park, and

WHEREAS the City of Sunnybrook recognizes the twenty-five (25) percent match requirement for the Federal Recreational Trail Program, and has secured the matching funds

NOW, THEREFORE, BE IT RESOLVED, if the City of Sunnybrook is awarded a grant by the Minnesota Department of Natural resources, the City of Sunnybrook agrees to accept the grant award and may enter into an agreement with the State of Minnesota for the above referenced project. The City of Sunnybrook will comply with all applicable laws, environmental requirements and regulations as stated in the grant agreement, and

BE IT FURTHER RESOLVED that the applicant has read the Conflict-of-Interest Policy contained in the Trail Program Grant Manual and certifies it will report any actual, potential, or organizational conflicts of interest upon discovery to the state related to the application or grant award.

BE IT FURTHER RESOLVED, the City Council of the City of Sunnybrook names the fiscal agent for the City of Sunnybrook for this project as:

Name  
Director of Finance/Treasurer  
City of Sunnybrook  
1111 Happy Trails Avenue  
Sunnybrook, MN 59985

BE IT FURTHER RESOLVED, the City of Sunnybrook hereby assures the Sunnybrook Recreational Trail will be maintained for a period of no less than 20 years as required by the Federal Recreational Trail Grant Program.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SUNNYBROOK THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2024.

\_\_\_\_\_  
Name - MAYOR

ATTEST:

\_\_\_\_\_  
Name - CITY CLERK



**X. B) SAMPLE RESOLUTION-EQUIPMENT**

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WHEREAS the City of Sunnybrook supports the grant application made to the Minnesota Department of Natural Resources for the Federal Recreational Trail Program. The application is to purchase snowmobile grooming equipment for the Sunnybrook Recreational Trail System. The trail system is located within 30 acres of Sunnybrook Park, and

WHEREAS the City of Sunnybrook recognizes the twenty-five (25) percent match requirement for the Federal Recreational Trail Program, and has secured the matching funds

NOW, THEREFORE, BE IT RESOLVED, if the City of Sunnybrook is awarded a grant by the Minnesota Department of Natural resources, the City of Sunnybrook agrees to accept the grant award and may enter into an agreement with the State of Minnesota for the above referenced project. The City of Sunnybrook will comply with all applicable laws, environmental requirements and regulations as stated in the grant agreement, and

BE IT FURTHER RESOLVED that the applicant has read the Conflict-of-Interest Policy contained in the Equipment Grant Manual and certifies it will report any actual, potential, or organizational conflicts of interest upon discovery to the state related to the application or grant award.

BE IT FURTHER RESOLVED, the City Council of the City of Sunnybrook names the fiscal agent for the City of Sunnybrook for this project as:

Name  
Director of Finance/Treasurer  
City of Sunnybrook  
1111 Happy Trails Avenue  
Sunnybrook, MN 59985

BE IT FURTHER RESOLVED, the City of Sunnybrook hereby assures the equipment acquired through this grant will be maintained for no less than twenty (20) years as required by the Federal Recreational Trail Grant Program or until such time as appropriate disposition actions are approved by the Minnesota Department of Natural Resources.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SUNNYBROOK THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2024.

\_\_\_\_\_  
Name - MAYOR

ATTEST:

\_\_\_\_\_  
Name - CITY CLERK

## **XI. OTHER PROGRAM REQUIREMENTS**

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### **A. Grants and Public Information**

Under [MN Statute 13.599](#), responses to a request for proposal are nonpublic until the application deadline is reached. At that time, the name and address of the grantee, and the amount requested becomes public.

After the application evaluation process is completed, data (except trade secret data) becomes public. Data created during the evaluation process is nonpublic until the negotiation of the grant agreement with the selected grantee(s) is completed, which includes the selected grantee(s) application.

[MN Statute 13.44](#) categorizes estimated or appraised value of real property prior to purchase and sale as confidential data on individuals or protected nonpublic data. See also Minnesota Government Data Privacy Act for more information. This information, along with corresponding budget information, will be redacted from the applications before making them public.

### **B. Reporting Requirements**

It is the policy of the State of Minnesota to monitor progress on state grants by requiring grantees to submit written progress reports at least annually until all grant funds have been expended and all of the terms in the grant agreement have been met. A progress report form will be provided by program staff. Grant payments shall not be made on grants with past due progress reports unless program staff have given the grantee a written extension. Upon completion of project Grantee submits completed 'Project Completion Certification Form (PCC) to the MNDNR Grants Specialist Coordinator.

### **C. Records Retention**

Under [Minn. Stat. §16B.98, subd. 8](#) and [2 CFR 200.331](#), the Grantee the Grantee's books, records, documents, and accounting procedures and practices of the Grantee or other party relevant to this grant contract or transaction are subject to examination by the Commissioner, the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this grant contract, receipt and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

Federal requirement: Financial records, supporting documents, statistical records and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three years from the date of submission of the final expenditure report. Refer to 2 C.F.R. §200.333 and [FHWA Order 1324.1B](#)

### **D. Monitoring Requirements**

It is the policy of the State of Minnesota to conduct at least one monitoring visit per grant period on all state grants of over \$50,000 and to conduct at least annual monitoring visits on grants of over \$250,000.

## **E. Conflict of Interest**

It is the policy of the State of Minnesota to work to deliberately avoid actual and potential conflict of interests related to grant making at both the individual and organizational levels.

A conflict of interest occurs when a person has actual or apparent duty or loyalty to more than one organization and the competing duties or loyalties may result in actions which are adverse to one or both parties. A conflict of interest exists even if no unethical, improper or illegal act results from it.

### **Actual Conflict of Interest:**

An actual conflict of interest occurs when a person's decision or action would compromise a duty to a party without taking immediate appropriate action to eliminate the conflict. Examples include, but are not limited to:

- One party uses his or her position to obtain special advantage, benefit, or access to the other party's time, services, facilities, equipment, supplies, badge, uniform, prestige, or influence.
- One party receives or accepts money (or anything else of value) from another party or has equity or a financial interest in or partial or whole ownership of the other party's organization.
- One party is an employee, board member or family member of the other party.

### **Potential Conflict of Interest:**

A potential conflict of interest may exist if a person has a relationship, affiliation, or other interest that could create an inappropriate influence if the person is called on to make a decision or recommendation that would affect one or more of those relationships, affiliations, or interests. For example, when one party serves in a volunteer capacity for another party, it has the potential to, but does not necessarily, create a conflict of interest, depending on the nature of the relationship between the two parties. A disclosed potential conflict of interest warrants additional discussion in order to identify the nature of the relationship, affiliation, or other interest and take action to mitigate any potential conflicts.

### **Organizational Conflict of Interest:**

A conflict of interest can also occur with an organization that is a grant applicant in a *competitive grant* process or grantee of a state agency.

Organizational conflicts of interest occur when:

- A grantee's objectivity in carrying out the grant is impaired or compromised due to competing duties or loyalties
- A grantee, potential grantee or grant applicant has an unfair competitive advantage through being furnished unauthorized proprietary information or source selection information that is not available to all competitors.

The Grantee, by signing a grant contract with the State, must certify it has read and understands the Office of Grants Management [Conflict of Interest Policy 08-01](#), will maintain an adequate Conflict of Interest Policy and, throughout the term of the contract, monitor and report any actual, potential, or perceived conflicts of interest to the State.

## **F. Non-Government Organizations**

[Grants Management Policy 08-06 Financial Review of Nongovernmental Organizations](#) is the policy of the State of Minnesota to make grants to nongovernmental organizations that are financially stable enough to carry out the purpose of the grant. Before awarding a grant of over \$25,000 to a nongovernmental organization, Minnesota state agencies must assess a recent financial statement from that organization. Items of significant concern must be discussed with the grant applicant and resolved to the satisfaction of state agency staff before a grant is awarded. A state agency staff must review at least one of the following documents before awarding a grant: an internal financial statement, an IRS Form 990, or a certified financial audit.

## **G. FHWA Requirements and Federal Regulations FHWA 1273**

All RTP construction contracts and sub-contracts **must include** the [RTP Federal Construction Contract Requirements](#).

Federal funded projects require engineering contracts have separation from design and construction engineering were any contract/construction changes are run through the owner staff and not the consultant construction representatives. In cases where a consultant completes the design work AND the construction oversight, the consultant does not make construction contract change decisions. More info can be found at [Procurement, Management, and Administration of Engineering and Design Related Services - Questions and Answers \(dot.gov\)](#)

## **APPENDIX 1 National Environmental Policy Act (NEPA) and Environmental Review (to be completed if project is selected for funding)**

Many RTP projects will qualify as Categorical Exclusions (CE) under NEPA (23 CFR 771.117). However, all projects (**both trail grant and equipment grant projects**) must be reviewed to assure that it does not have a significant impact on the environment and project applicants will need to assess the project in relation to 23 CFR 771.117 (c) and/or 23 CFR 771.117 (d). There are number of state and federal reviews/assessments part of the NEPA process that will need to be completed **if selected for funding** and prior to issuing a contract for the project. This environmental assessment includes completion and submittal of the following:

- [Categorical Exclusion \(CATEX\) for 23 CFR 771.117c \(DOC\)](#) (CE Form) | [CE form guidance \(DOC\)](#)

This form is required for **all grant projects** and is a checklist of environmental impacts as well as a certification of concurrence from the grantee and governmental jurisdictions that the project impacts.

- [Cultural, Noise, T & E Request \(DOC\)](#)

This form is required for **all grant projects** and is to request review for Section 106 of the National Historic Preservation Act of 1966. This review is required for all projects funded through the Federal Recreational Trail Program. This review also encompasses **Federal Threatened and Endangered species, Migratory Birds, Bald and Golden Eagles, Noise** for trail projects.

Equipment projects: Provide a map of the trail the equipment will be used on and describe the equipment to be purchased.

Trail projects will require detail about the trail construction. For example, amount and depth of ground disturbance, level of clearing (approx. quantities of trees), timing of project, etc. and/or design to at least 30% and a map (KMZ or GIS) of the construction limits of the trail.

- The Natural Heritage Information System (NHIS) data request form is submitted through the [Minnesota Conservation Explorer](#). This review/assessment is required for trail projects and used to request environmental review by DNR for impact on STATE endangered species.
- Wetlands: State and federal impacts on wetlands. This review/assessment **is required for trail projects** and provides evidence of compliance with water and wetland regulations.
  - A) Wetland Impact Assessment is required. Complete the [two tier evaluation](#) opens in a new browser tab. Provide documentation if project has impact to wetlands.  
AND
  - B) [DNR water permits](#). The link will take you to an online joint application process when DNR, Board of Water and Soil Resources and U.S. Army Corp of Engineer or provide letter from county Soil and Water Conservation District (SWCD). Provide wetland determination.

These reviews/assessments will result in concurrence letters, mitigation requirements, actions and commitments from the environmental reviews and must be included and submitted with CE 23 CFR 771.117c and/or 23 CFR 771.117 (d) forms. Guidance for completing these forms is provided at: <https://www.dnr.state.mn.us/grants/recreation/grantee.html>

State reviews/assessments include:

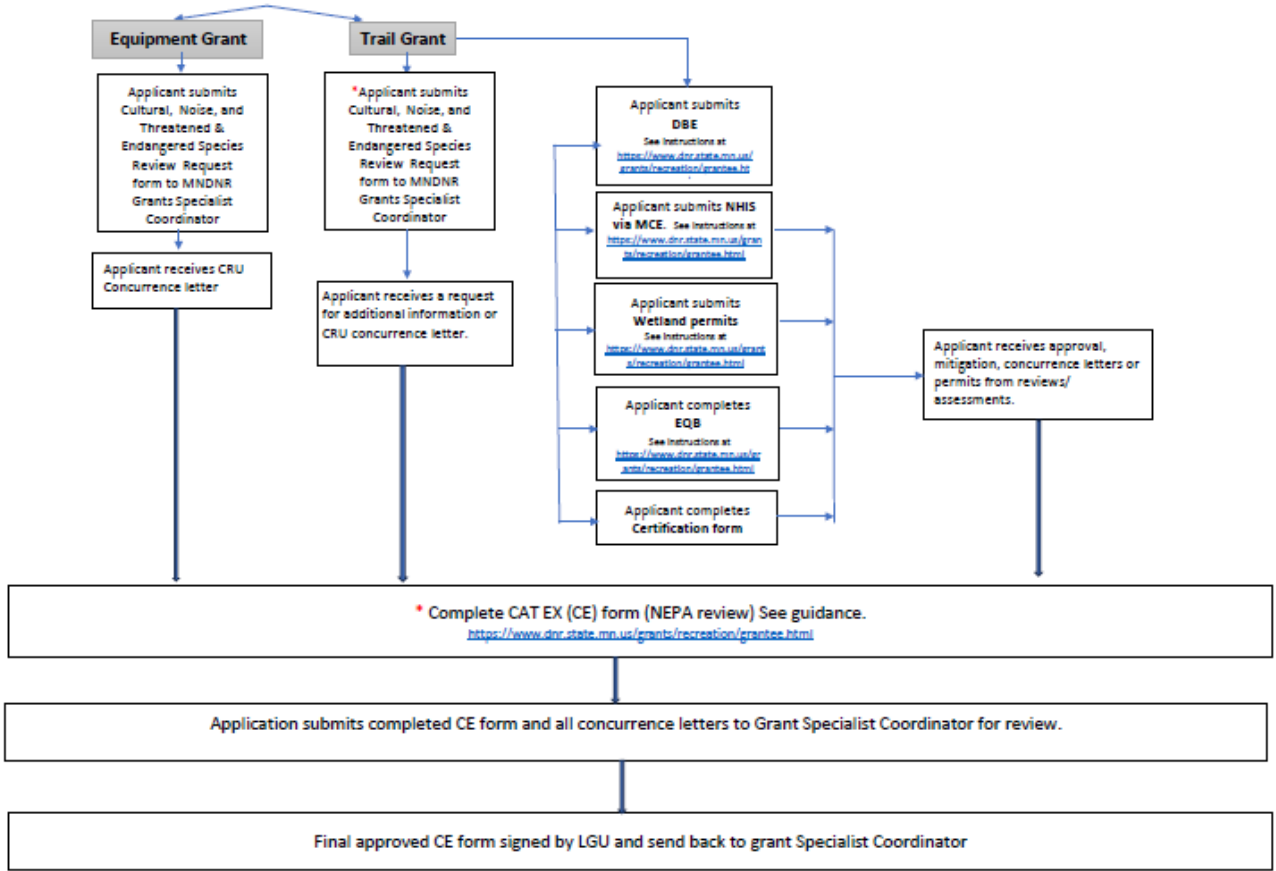
- Resolution and/or legal Certification from your governing Authority
- [Guidance document for Minnesota Environmental Quality Board \(EQB\) review rules \(PDF\)](#)  
Information on the EQB review rules for compliance **for trail projects**. Evidence if

compliance with Minnesota Environmental Review Rules (EQB). Projects need to be evaluated for applicability of environmental review under Minnesota Rules, Chapter 4410. Mandatory EAW categories are described at Minnesota Rules, 4410.4300. Provide a letter from the local RGU - the local unit of government - officially making the determination that your project can proceed and is in compliance with all EQB rules.

- [Required certification form \(DOC\)](#)  
This form must be signed by all administrators of public land crossed or utilized by the trail project.
- This review/assessment is required **for trail projects**: [DBE special provisions](#) consolidated for both race/gender neutral and numerical goals are at [Disadvantaged Business Enterprise \(DBE\) forms](#). Per Federal Regulations your grant is subject to DBE special provisions as defined in Title 49 C.F.R. Part 26, which seek to create a level playing field on which DBEs can compete fairly for DOT-assisted contracts financed in whole or in part with federal funds.



MN Federal Recreational Trails Program (FRTP) Environmental review/assessment process overview



*Important Notes
1. Review Forms must be at least 30% design and/or KMZ of the trail complete when submitting with the cultural, Noise, and Threatened and Endangered Species Review Request form.
2. The Grants Specialist Coordinator reviews for completeness and 1) recontacts the applicant for additional information or 2) Forwards to CRU
3. Applicant must submit all approved mitigation, concurrence letters, and permits along with the CAT EX (CE) form.
4. MNDNR executes project site visit (s) during the duration of the construction phase to determine adherence with environmental requirements, NEPA, plus any appropriate project-specific corrective actions. Documentation of project file

Important Grant Process dates	
February	Application Due Date
February- June	Applications reviewed, scored, and selected
June	Announcements circulated for the selected successful grant recipients Provide successful grant recipients with guidance docs and forms
June through October and beyond	Successful grant recipients work on obtaining review and permit documents
October through the end of the federal contract	The grant specialist Coordinator will obtain a fully executed contract with the successful grant recipient only after completion of and review of environmental assessment documents.
During the grant performance period	MNDNR executes project site visits during the duration of the construction phase to determine adherence with environmental requirements, NEPA, plus any appropriate project-specific corrective actions—documentation to project file.

Abbreviations:	
BABA	Build America, Buy America provision
CAT EX or CE	Categorical Exclusion
CRU	Cultural Resource Unit
DBE	Disadvantaged Business Enterprise
EQB	Environmental Quality Board
FHWA	Federal Highway Administration
FRTP	Federal Recreational Trails Programs
KMZ	Keyhole Markup Language Zipped: Stores map locations viewable in various geographic information systems (GIS) applications, most notably Google Earth.
LGU	Local Government Units
MCE	Minnesota Conservation Explorer
MNDNR	Minnesota Department of Natural Resources
NHIS	Natural Heritage Information System
SHPO	State Historic Preservation Office
SWCD	Soil and Water Conservation District