

North Dakota Department of Transportation

Flexible Transportation Fund Program (Flex Fund) FY 2025-2027

Guidance Document for Non-State-Owned Transportation Infrastructure

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BACKGROUND

The following pages provide guidance for applying for the NDDOT's Flexible Transportation Fund (Flex Fund). This fund was created by the 68th Legislative Assembly and restructured by the 69th Legislative Assembly for funding transportation projects on and off the state highway system.

The mission of the Flexible Transportation Fund is to invest in North Dakota's existing infrastructure by funding projects that reduce long-term maintenance and operations costs and improve the connectivity, efficiency, and safety of our transportation network.

The Flex Fund is comprised of the following programs:

- *Grants for Non-Oil Townships* – 13.5%
- *Grants for Non-Oil Counties and Cities* – 19.5%
- *Grants for Bridges* – 17.5%
- Formula Distribution to Counties, Cities, and Townships – 28.5%
- NDDOT State & Local Projects – 21.0%

In addition, *Municipal Infrastructure Funds* and *County and Township Infrastructure Funds* (Prairie Dog Funds) may become available during the biennium to be provided as grants (*Prairie Dog as Grants*) in accordance with provisions of the Flex Fund.

DEFINITIONS

ADA: The Americans with Disabilities Act set minimum requirements for newly designed and constructed or altered State and local government facilities, public accommodations, and commercial facilities to be readily accessible to and usable by individuals with disabilities.

ADT: Average Daily Traffic

Bid Ready: Project design, permitting, etc. is complete and the project is ready to be put out for bid as soon as projects are selected, and agreements are signed with NDDOT.

Bridge: A structure that is classified as a major structure. This structure has a span greater than 20 feet and has a federal structure ID number.

CE: Construction engineering; this includes oversight of the construction process and required documentation.

Economic Generator: A value-added business that is frequented by multiple people, businesses, farmers, etc. that impacts the local economy. Examples include elevators, mills, processing plants, grocery stores, gas plants, cities, etc.

Large City: A city with a population of 5,000 or greater as of the 2020 census.

Local Corridor: A primary route for people and goods. It connects on both ends to larger arterials, county major collectors, state highways, economic generators, or local areas of importance. They should support daily commutes, provide access to essential services, and/or connect local roads to regional routes. A local corridor will look different depending on the type of LPA it is located in.

Local Funding: Funding that the LPA has control over, i.e. general fund, road fund, Flex Fund distribution, Prairie Dog Funds, etc.

LPA: Local Public Agency (i.e. City, County, or Township)

Multimodal: Transportation systems that integrate and utilize multiple modes of transport, such as walking, biking, transit, vehicles, and freight.

Outside Funding: Funding from another grant program or funding from a private business. This does not include any Federal Highway Administration (FHWA) formula funding or State formula funding.

PE: Preliminary Engineering; this includes hydraulic studies, permitting, environmental clearance, design work, bid preparation, and any other work necessary to prepare the project for bid.

Scour POA: Scour Plan of Action; a plan that addresses a schedule for the monitoring, repair, or installation of scour countermeasures before, during, and after flood events. Plans are dependent upon the POA category that a bridge is placed in, based on the characteristics and uses of the bridge.

ROW: Rights of Way

Small City: A city with a population less than 5,000 as of the 2020 census.

Township Road: an improved road, constructed, maintained, graded, and drained by the township, or county in the case of an unorganized township. A sodded road is not a township road. For a section line to be a township road it must be graded and drained and be an improved maintained road.

GRANT PROGRAMS

For questions contact flexfund@nd.gov

General information pertaining to all grant programs:

- The Flex Fund is a reimbursement program. Work is only eligible for reimbursement after the date of the award. Only those phases that are indicated as a part of the project in the application, and not marked complete, are eligible for reimbursement. All costs must have NDDOT concurrence prior to the cost being eligible for reimbursement.
- All projects must follow applicable State and Federal laws, permitting requirements, and design standards. This includes but is not limited to culverts to be sized by an engineer; projects of a specific size requiring plan development by an engineer, stream crossing standards, and local and state bidding requirements.
- Purchasing ROW is an eligible expense for reimbursement when that phase is selected in the project application and is not marked as complete. It is recommended when estimating ROW costs that minimum payment policies should not be used when large amounts of ROW need to be acquired.
- Recipients will be required to provide 100% funding for items considered non-transportation related such as water lines, sanitary sewer, ineligible storm sewer costs, and items that exceed reasonable design specifications as determined by NDDOT. Federal or state funds from other state agencies may be used for non-transportation related items, as allowed by those programs.
- Projects located in or impacting NDDOT ROW require a letter from the NDDOT District Engineer to be attached to the application. A template of the NDDOT ROW Letter is located in the **RESOURCES** section of this document and on the [Flex Fund website](#).
- In projects crossing multiple jurisdictions, one LPA will lead the project, a letter should be attached to the application for the other LPAs involved. A template for Multi Jurisdiction Understanding is located in the **RESOURCES** section of this document and on the [Flex Fund website](#).
- Projects due to a particular industry need should seek project support from industry.

Grants for Non-Oil Townships

This program is open to non-oil townships for transportation-related projects. Townships located in non-oil producing counties (all counties except Dunn, McKenzie, Mountrail, and Williams) are eligible to apply.

An estimated \$31.1 million will be available for this program.

Important program information and items to be included in applications:

- *Grants for Non-Oil Townships* and *Grants for Non-Oil Counties and Cities* will use the same application. Applications are submitted at www.dot.nd.gov/flexfund and must be received by the NDDOT by September 19, 2025.
- Townships must work with their respective county to apply. County information will need to be included in the application, agreements will need to be signed by county officials, and reimbursements will be sent to the county.
- The township or county can take the lead on the project. Whoever leads the project will enter into agreements with contractors or engineers and make payments. All reimbursements will first go to the county to be distributed to the township.
- Townships will need to attach a letter from the county auditor stating the county understands and agrees to their responsibilities if the township project is selected. A template for this letter is in the **RESOURCES** section of this document and on the [Flex Fund website](#).

Priorities

Priority will be given to projects that:

- Match funds, such as discretionary grants, FEMA, private funds, etc. Does not consist of FHWA federal formula funds.
- Improve local corridors
- Received PE funding in the previous Flex Fund round
- Organized townships that levy at least 18 mills for general purposes as of December 31, 2025
- Unorganized townships applied for by counties that levy at least 18 mills for unorganized township road and bridge purposes as of December 31, 2025
- Organized townships with less than \$100,000 in their general fund as of December 31, 2025

Example Projects

The focus is on non-maintenance projects that reduce operating costs, improve efficiency, or improve safety.

Example projects include:

- Closes a gap in the transportation network or connects an Economic Generator
- Grade Raises in areas that require routine work due to yearly damage
- Graveling 3" or greater
- Minor structure replacement (>48" to ≤20ft)
- Curve realignment
- Correcting steep inslopes or widening narrow roads
- Address a road issue due to industry
- Converting pavement to gravel

Funding

The minimum project cost is \$250,000. Large projects may need to be split into phases and completed over multiple bienniums. Project timelines expected to take more than two years must show phasing on your project map and cost estimate.

A detailed costs estimate prepared by an engineer, county highway official, contractor, or other person with construction estimating experience will be required for each application. Project costs will be split according to the ratio of Flex Funds to local funding as proposed in the application. The Flex Fund will cover overages on projects exceeding the estimated costs associated with the original scope of work applied for. Costs that significantly increase may require the project to be split into phases and completed over multiple bienniums.

A county can be reimbursed for work done on behalf of the township, i.e. design, project management, construction, etc. and should be included in the scope of work and estimate for the project cost.

Project Scoring

Each project will be scored accordingly, some items below do not have direct application questions and should be addressed in the Project Need section:

Scoring Area	High	Medium	Low
<i>Mill Levy</i>	More than 18 mills	17-18 mills	Less than 17 mills
<i>General Fund (organized townships only)</i>	Less than \$100,000 in general fund	-	Greater than \$100,000 in general fund
<i>PE funded in previous Flex Fund round</i>	Yes	-	No
<i>Roadway Network*</i>	Closes a gap in the existing network	Reduces gap in the existing network	No improvements, or expansion of the existing network
<i>Safety*</i>	Removes hazard or roadway limitation (load limit, height restriction, single lane, etc.)	Widens roads or reduces ditch inslopes	No changes in existing road characteristics
<i>LPA Coordination</i>	Coordination or partnership with adjacent LPA	-	No coordination with adjacent LPA
<i>Reduces need for maintenance costs*</i>	Removes ongoing issues that require extensive resources regularly	Reduces personnel time (snow removal, blading, patching, etc.)	No change in maintenance cost or an increased maintenance cost
<i>Bid Ready</i>	Yes	-	No
<i>Outside Funding</i>	Outside funding > 50% of project costs	Outside funding < 50% of project cost	No outside funding
<i>Local Funding</i>	Local funding >50% of project costs	Local funding <50% of project costs	No local funding
<i>Local Corridor*</i>	Yes	-	No
<i>*Should be addressed in the Project Need section of the application</i>			

Project Selection

After projects are preliminarily scored by NDDOT staff, the Flex Fund Committee will review NDDOT scoring and project applications, then provide recommendations for funding to the

NDDOT director. The NDDOT director will consider the recommendations and will make final approval of all funded projects.

Additional projects will be selected for the *Prairie Dog as Grants* program with this solicitation and will be awarded funds when *County and Township Infrastructure Funds* (Prairie Dog Funds) become available.

Grants for Non-Oil Counties and Cities

This program is open to non-oil counties and cities for transportation related projects. Non-oil producing counties (all counties except Dunn, McKenzie, Mountrail, and Williams) and cities not in oil producing counties are eligible to apply.

An estimated \$44.85 million will be available for this program. Approximately 50% will be awarded to non-oil counties, 25% to small cities, and 25% to large cities.

Important program information and items to be included in applications:

- *Grants for Non-Oil Townships* and *Grants for Non-Oil Counties and Cities* will use the same application. Applications are submitted at www.dot.nd.gov/flexfund and must be received by the NDDOT by September 19, 2025.

Priorities

Priority will be given to projects that:

- Match funds, such as discretionary grants, FEMA, private funds, etc. Does not consist of FHWA federal formula funds.
- Improve local corridors
- Received PE funding in the previous Flex Fund round

Example Projects

The focus is on non-maintenance projects that reduce operating costs and/or improve efficiency or improve safety.

Example projects include:

- Closes a gap in the transportation network or connects an Economic Generator
- Grade Raises in areas that require routine work due to yearly damage
- Minor structure replacement (>48" to ≤20ft)
- Curve realignment, correcting steep inslopes or widening narrow roads
- Surface upgrades on high traffic routes or converting pavement to gravel on low traffic routes
- Address a road issue due to industry
- ADA improvements or multimodal projects
- Expanding a project being funded by another grant program

Funding

The minimum project cost is \$250,000. Large projects may need to be split into phases and completed over multiple bienniums. Project timelines expected to take more than two years must show phasing on your project map and cost estimate.

For non-oil counties and small cities, the Flex Fund will cover overages on projects exceeding the estimated costs associated with the original scope of work applied for. Costs that significantly increase may require the project to be split into phases and completed over multiple bienniums.

Large cities will be capped at the amount requested in their application.

A detailed costs estimate prepared by an engineer, city or county highway official, contractor, or other person with construction estimating experience will be required for each application. Project costs will be split according to the ratio of Flex Funds to local funding as proposed in the application with the Flex Fund amount being capped at the amounts listed in the previous paragraphs.

Project Scoring

Each project will be scored accordingly, some items below do not have direct application questions and should be addressed in the Project Need section:

Scoring Area	High	Medium	Low
<i>PE funded in previous Flex Fund round</i>	Yes	-	No
<i>Roadway Network*</i>	Closes a gap in the existing network	Reduces gap in the existing network	No improvements, or expands the existing network
<i>Safety*</i>	Removes hazard or roadway limitation (load limit, height restriction, single lane, etc.)	Widens roads or reduces ditch inslopes	No changes in existing road characteristics
<i>ADA Improvements*</i>	Required ADA improvements are being completed	-	Required ADA improvements are not being completed
<i>Multimodal Project*</i>	Added mode along existing network (adding sidewalk or bike lane)	Expansion of existing modes along existing network (sidewalk expanded to shared use path)	No changes to multimodal transportation
<i>LPA Coordination</i>	Coordination or partnership with adjacent LPA	-	No coordination with adjacent LPA
<i>Reduces need for maintenance costs*</i>	Removes ongoing issues that require extensive resources regularly	Reduces personnel time (snow removal, blading, patching, etc.)	No change in maintenance cost or an increased maintenance cost
<i>Bid Ready</i>	Yes	-	No
<i>Project Expansion of projects receiving outside funding*</i>	Adds road reconstruction to a project receiving funding for the replacement of other infrastructure (water mains, or sewer, etc.)	Expands project receiving outside funding to additional streets, or additional length to the project	Would not increase project size or scope.
<i>Outside Funding</i>	Outside funding > 50% of project costs	Outside funding < 50% of project cost	No outside funding
<i>Local Funding</i>	Local funding >50% of project costs	Local funding <50% of project costs	No local funding
<i>Local Corridor*</i>	Yes	-	No
<i>*Should be addressed in the Project Need section of the application</i>			

Project Selection

After projects are preliminarily scored by NDDOT staff, the Flex Fund Committee will review NDDOT scoring and project applications, then provide recommendations for funding to the NDDOT Director. The NDDOT Director will consider the recommendations and will make final approval of all funded projects.

Additional projects will be selected for the *Prairie Dog as Grants* program with this solicitation and will be awarded funds when the *Municipal Infrastructure Fund* and *County and Township Infrastructure Fund* (Prairie Dog Funds) become available.

Grants for Bridges

This program is open to counties for bridge projects. All counties are eligible for the program.

An estimated \$40.25 million will be available for this program. Approximately 10% will be spent on bridge removal projects and 90% on bridge rehabilitation and reconstruction projects.

Information specific to this program:

- Only construction and construction engineering costs will be eligible for reimbursement.

Example Projects

The focus is to reduce the number of non-state bridges in poor condition and/or improve bridges on local corridors. Bridges that are or may be eligible to be listed in the National Register of Historic Places will not be prioritized.

- Removal of a closed bridge
- Rehabilitation of a bridge
- Reconstruction of a bridge

Funding

Counties will be responsible for covering the PE portion of the project. The Flex Fund will cover construction and CE phases of the project. The Flex Fund will cover overages on projects exceeding the estimated costs associated with the original scope of work applied for. Costs that significantly increase may require the project to be split into phases and completed over multiple bienniums.

Project Scoring

Each rehabilitation/reconstruction project will be scored accordingly:

Scoring Area	High	Low
Road System	CMC	Rural Local
Bridge Condition (Worst rating of Deck, Superstructure, and Substructure)	0 - Failed	9 - Excellent
Load Rating	0 - > 39.9% below legal load	5 - Equal to or above legal loads
Scour POA Category	Category A	No requirements
County % of statewide bridges	>10%	<1%
County Priority	1 st Priority	Unranked priority

Each removal project will be scored accordingly:

Scoring Area	High	Low
Road System	Rural Local	CMC
Open or Closed	Closed	Open - No Postings
Bridge Condition (Worst rating of Deck, Superstructure, and Substructure)	0 - Failed	9 - Excellent
Deck Area (sf)	>1500	<500
County % of statewide bridges	10%	<1%
County Priority	1 st Priority	Unranked priority

Project Selection

Each county will receive a spreadsheet listing their bridges. Counties will select their top five bridges for rehabilitation or reconstruction and their top bridges for removal. When counties select their priorities they should consider things like ADT, detour length, significant and critical findings, or any other pertinent information. Once priorities are set, spreadsheets are returned to NDDOT.

Bridges will be scored as shown in the section above; NDDOT will compile all scores and select semi-finalist projects. Counties with projects that reach this phase will be asked to prepare cost estimates and a short write-up about why the project should be selected. A detailed costs estimate must be prepared by an engineer, county highway official, contractor, or other person with construction estimating experience.

The NDDOT director will make the final selection of projects to be funded.

Prairie Dog as Grants

The first \$40 million in the *Municipal Infrastructure Fund* and first \$40 million in the *County and Township Infrastructure Fund* will be distributed by the State Treasurer. Any additional moneys deposited in the funds are available to NDDOT, for the purpose of providing grants to cities, non-oil counties, and non-oil townships for roads and bridges. The NDDOT Director shall provide grants in accordance with the provisions of the Flexible Transportation Fund.

NDDOT will solicit for these projects during Flex Fund solicitations and will hold those projects in a ranked queue until available funds are known for the biennium. Selected applicants will be notified. Of the *County and Township Infrastructure Fund*, approximately 90% will go to counties and 10% will go to the townships.

FORMULA DISTRIBUTIONS

Formula distributions will be administered by the State Treasurer as described in NDCC § 24-02-37.3(5).

RESOURCES

- [Oil Producing Counties](#)
- [NDDOT ROW Letter Template](#)
- [District Contact Information](#)
- [Multi Jurisdiction Understanding Letter Template](#)
- [County Understanding for Township Project Letter Template](#)