



Office of Local Assistance

Cost-Effectiveness/Public Interest Finding
(aka PIF)

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PUBLIC INTEREST FINDING

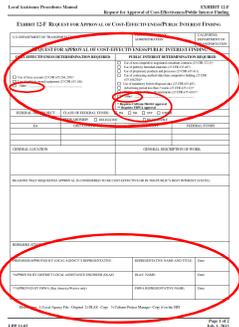
3 MOST COMMON QUESTIONS

- What is a PIF?
- When do I need one?
- Is there a form that I can use?

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COST-EFFECTIVENESS / PUBLIC INTEREST FINDING

- Is there a form that I can use?
Answer: Yes, Exhibit 12-F, LAPM
- What is a PIF?
Answer: A written document outlining the basis for a proposed deviation from a standard procedure.
- When do I need one?
Answer: Anytime you are deviating from a federal regulation.
- Most common types of deviation listed on form along with associated CFR.
 - others
- Levels of approval
 - who can sign at your agency?



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QUIZ

Question 1:
 What document required for a Construction RFA will help you determine if you need a PIF?
 hint: It's a checklist in the LAPM, Chapter 12, Plans, Specifications & Estimate

PS&E checklist, Exhibit 12-D

Question 2:
 Your agency has a project to install traffic signals. Can you specify what kind of controllers (make / model) are to be installed, or does the contractor have the right to install an alternative controller as long as it meets the standards and criteria set forth by the agency?

Yes, PIF required.

Federal funds can't be used directly or indirectly to purchase patented or proprietary unless one of the following criteria is met:

- For a research and development project
- Unique product and there is no other alternative
- Patented or proprietary product is necessary for the existing facility's synchronization.

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QUIZ cont.

Question 3:
 Your project requires utility relocations and federal funds will be used to pay for them. The utility company wants to perform the relocations and not the contractor. Is this considered Force Account work?

No, it is not considered force account work and a PIF is not required.

23 CFR 635.205(b) states:
 Pursuant to authority in 23 USC 112(b), it is hereby determined that by reason of the inherent nature of the operations involved, it is cost effective to perform by force account the adjustment of railroad or utility facilities and similar type of facilities owned or operated by a public agency, a railroad, or a utility company provided that the organization is qualified to perform the work in a satisfactory manner.

note:
 A PIF is not required for a local agency to perform ER work.

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QUIZ cont.

Question 4:
 Can an agency make it mandatory that a contractor rent a changeable message sign from them for a project?

Yes, PIF required. The agency must meet the following conditions:

- The use of agency owned equipment will minimize the potential for delays and increased costs
- Will not directly compete with privately owned equipment
- Demonstrate that the circumstances were not reasonably foreseeable or are beyond their control

Question 5:
 Your project has agency furnished materials and a local agency approved PIF on file. Does it matter how the agency acquired the material?

Yes. All manufactured materials must be acquired through the competitive bidding process.

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Quiz cont.

Question 6:

Buy America only applies to permanently incorporated iron and steel materials?

Yes. Buy America requirements apply to your project if:

- Cost of iron and steel materials exceeds 0.1% of the total contract cost or \$2,500, which ever is greater.

notes:

- Waiver may be granted if the agency can demonstrate the following:
 - ✓ The application of those provisions would be inconsistent with the public interest (lower cost foreign product is not an acceptable PIF)*
 - ✓ Steel and iron materials/products are not produced in the US or there is not sufficient and reasonably available quantities which are of satisfactory quality available.
- Buy America does not apply to temporary materials, i.e. falsework, temporary signs, etc.
- * Substantial increase to cost. Bid specs must allow contractors to submit alternate bids based on using foreign iron and steel. Bid must be more than 25% lower than using domestic iron and steel. (no PIF required)
- Buy America means, all manufacturing processes, including application of a coating, for these materials must occur in the United States.

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EXHIBIT 12-F REQUEST FOR APPROVAL OF COST-EFFECTIVENESS/PUBLIC INTEREST FINDING

U.S DEPARTMENT OF TRANSPORTATION		FEDERAL HIGHWAY ADMINISTRATION		CALIFORNIA DEPARTMENT OF TRANSPORTATION	
REQUEST FOR APPROVAL OF COST-EFFECTIVENESS/PUBLIC INTEREST FINDING					
COST-EFFECTIVENESS DETERMINATION REQUIRED			PUBLIC INTEREST DETERMINATION REQUIRED		
<input type="checkbox"/> Use of force account (23 CFR 635.204, 205)* <input type="checkbox"/> Use of publicly owned equipment (23 CFR 635.106) <input type="checkbox"/> Other: _____			<input type="checkbox"/> Use of non-competitive negotiated consultant contracts (23 CFR 172.5)* <input type="checkbox"/> Use of publicly furnished materials (23 CFR 635.407) <input type="checkbox"/> Use of proprietary products and processes (23 CFR 635.411) <input type="checkbox"/> Use of contracting method other than competitive bidding (23 CFR 635.104/204)* <input type="checkbox"/> Use of mandatory borrow/disposal sites (23 CFR 635.407) <input type="checkbox"/> Advertising period less than 3 weeks (23 CFR 635.112)* <input type="checkbox"/> Waiver of Buy America Requirements (23 CFR 635.410)** <input type="checkbox"/> Other: _____ * Requires Caltrans District approval ** Requires FHWA approval		
FEDERAL-AID PROJECT		CLASS OF FEDERAL FUNDS: <input type="checkbox"/> IM <input type="checkbox"/> NH <input type="checkbox"/> STP <input type="checkbox"/> OTHER:			
		STEWARDSHIP: <input type="checkbox"/> DELEGATED <input type="checkbox"/> HIGH PROFILE			
EA	DIST-CO-RTE- PM	ESTIMATED COST		FEDERAL FUNDS	
GENERAL LOCATION			GENERAL DESCRIPTION OF WORK:		
REASONS THAT REQUESTED APPROVAL IS CONSIDERED TO BE COST-EFFECTIVE OR IN THE PUBLIC'S BEST INTEREST (STATE):					
REMARKS (STATE) :					
PREPARED/APPROVED BY LOCAL AGENCY'S REPRESENTATIVE			REPRESENTATIVE NAME AND TITLE:		Date:
*APPROVED BY DISTRICT LOCAL ASSISTANCE ENGINEER (DLAE)			DLAE NAME:		Date:
**APPROVED BY FHWA (Buy America Waiver only)			FHWA REPRESENTATIVE NAME:		Date:

Distribution: 1) Local Agency File –Original 2) DLAE –Copy 3) Caltrans Project Manager -Copy if on the SHS